

LABORATORIOS KARIZOO, S.A.
BALANCE SHEET AS AT 31 MAR 2026
All amounts are in Euros

Particulars	Note No.	As at 31st Mar 2026	As at 31st Mar 2025
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	5.035.342	5.594.838
(b) Capital work in progress	4	529.051	41.188
(c) Intangible Assets	5	2.067.539	2.108.999
(i) Investments	6	263.677	249.811
(ii) Loans	7	55.947	55.500
(j) Deferred tax assets (net)	8	1.506	0
Total Non-current assets		7.953.061	8.050.336
2 Current assets			
(a) Inventories	9	12.321.978	10.287.473
(b) Financial Assets			
(i) Trade receivables	10	12.282.402	9.684.441
(ii) Cash and cash equivalents	11	106.803	808.361
(iii) Loans	12	551	479
(iv) Others	13	0	0
(c) Other current assets	14	364.605	232.850
Total Current assets		25.076.339	21.013.607
TOTAL ASSETS		33.029.401	29.063.943
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	356.742	356.742
(b) Other Equity	16	15.183.144	12.885.020
Securities Premium Reserve		228.598	228.598
Retained Earnings		9.464.645	7.661.850
Other Reserves		5.489.901	4.994.572
Total Equity		15.539.885	13.241.761
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	1.493.578	1.346.914
(ii) Lease Liabilities	18	284.759	621.675
(iii) Other financial liabilities	18	306.505	260.233
(iv) Deferred tax Liability (net)	8	0	33.208
Total Non-Current Liabilities		2.084.842	2.262.030
3 Current liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings	19	5.593.470	4.729.309
(ii) Trade payables	20	6.713.753	6.792.463
(iii) Lease Liabilities	21	336.916	336.916
(iv) Other financial liabilities	21	1.514.937	1.249.104
(b) Other current liabilities	22	691.648	291.006
(c) Current tax liabilities	23	553.949	161.354
Total Current liabilities		15.404.673	13.560.152
TOTAL EQUITY AND LIABILITIES		33.029.401	29.063.943

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

As per our report of event date

BDO Auditores S.L.P.
Auditors & Consultants

Place : Barcelona, Spain
Date : 6-5-2026



ALIVIRA

LABORATORIOS KARIZOO S.A.
NIF: A08818502

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Josebi Vila Viña
Director

Ramon Vila Viña
Director

LABORATORIOS KARIZOO, S.A.
PROFIT AND LOSS FOR THE QUARTER ENDED 31 MAR 2026
All amounts are in Euros

Particulars	Note No	Year ended 31 Mar 2026	Year ended 31 Mar 2025
(I) Revenue From Operations	24	52.506.824	45.055.052
(II) Other Income	25	554.122	391.199
(III) Total Income (I+ II)		53.060.946	45.446.251
(IV) EXPENSES			
Cost of materials consumed	26	34.808.941	29.923.263
Changes in inventories of finished goods and work-in-progress & intermediates	27	(1.362.738)	(1.146.874)
Employee benefits expense	28	7.573.469	7.031.562
Finance costs	29	332.092	413.417
Depreciation and amortization expense	30	1.362.164	1.212.656
Other expenses	31	6.929.566	5.952.379
Total expenses (IV)		49.643.494	43.386.403
(V) Profit before tax (III- IV)		3.417.452	2.059.848
(VI) Exceptional items Profit/(Loss)			
(VII) Profit before tax (V-VI)		3.417.452	2.059.848
(VI) Tax expense:	32		
(1) Current tax		799.370	458.267
(2) Deferred tax		(34.713)	(51.002)
(VII) Profit ater tax		2.652.796	1.652.584

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

As per our report of event date
BDO Auditores S.L.P.
Auditors & Consultants



ALIVIRA

AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Barcelona, Spain

Date: **BDO Auditores, S.L.P.**
6-5-2026

LABORATORIOS KARIZOO S.A.
NIF: A08818502

Eusebi Vila Viña
Director

Ramon Vila Viña
Director

LABORATORIOS KARIZOO, S.A.

Statement of cash flows for the period ended 31 March, 2026

All amounts are in Euro

Particulars	Period ended 31 March, 2026	Period ended 31 March, 2025
<u>Cash flow from Operating Activities :</u>		
Profit/(Loss) before tax	3.417.452	2.059.848
Adjustments for:		
Add:- Interest	332.092	413.417
Add: Depreciation	1.362.164	1.212.656
Add: Employee stock option expense	481.467	567.767
Operating profit before working capital changes	5.593.175	4.253.689
<u>Change in working Capital</u>		
<u>Increase (-)/Decrease(+) in Current Asset</u>		
Inventories	(2.034.506)	(1.619.415)
Trade receivables	(2.597.961)	212.725
Other current assets	(131.755)	352.678
<u>Increase (+)/Decrease(-) in Current Liabilities</u>		
Trade payables	(78.710)	668.794
Other financial liabilities	(26.546)	
Other current liabilities	400.642	(21.409)
Net change in working capital	(4.468.835)	(406.626)
Cash generated from operations	1.124.339	3.847.063
Direct taxes (paid)/refund	(406.775)	(303.246)
Net cash generated/(used in) from operating activities	717.564	3.543.817
<u>Cash Flow from Investing activities</u>		
Purchase of fixed assets	(1.195.457)	(791.448)
Dividend paid to Share holders	(850.000)	(300.000)
Net cash used in investing activities	(2.045.457)	(1.091.448)
<u>Cash flow from Financing activities</u>		
Borrowings during the period (Net)	900.220	(2.724.379)
Lease liability repay	(336.916)	(336.916)
(Loan given to)/ repaid by related parties	-	155.446
Loan given by/ (repaid) to related parties	395.123	540.374
Finance cost	(332.092)	(413.417)
Net cash used in investing activities	626.335	(2.778.892)
Net increase/(decrease) in cash and cash equivalents during the period	(701.558)	(326.523)
Opening Cash & cash equivalent at the beginning of the period	808.361	1.134.884
Cash and cash equivalents at the end of the period	106.803	808.361
<u>Reconciliation of cash and cash equivalents with the Balance sheet</u>		
Cash on hand	1.995	1.355
Balances with banks	104.808	807.006
Cash and cash equivalents as per Balance Sheet	106.803	808.361

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

As per our report of event date

BDO Auditores S.L.P.

Auditors & Consultants



ALIVIRA

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Eusebi Vila Viña
DirectorRamon Vila Viña
Director

Place: Barcelona, Spain

Date: 6-5-2026

LABORATORIOS KARIZOO S.A.

NIF: A08818502

LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the Year ended 31 Mar 2026
All amounts are in Euros

Note 3 : Property, plant and equipment

Particulars	As at 31 Mar, 2026	As at 31 March, 2025
Carrying Amount of:		
Freehold land	176.014	176.014
Buildings	806.661	828.292
Furniture and fixtures	105.442	96.234
Computers	59.227	25.663
Plant and machinery	3.269.445	3.462.391
Vehicles	108.725	160.364
Right to use Assets	509.828	845.879
Total	5,035,342	5,594,838

Note 4 : Capital Work in progress

Particulars	As at 31 Mar, 2026	As at 31 March, 2025
Carrying Amount of:		
Capital Work in Progress	529,051	529,051

Total of PPE and CWIP	5,564,394	6,123,890
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Particulars	Freehold land	Buildings	Furniture and fixtures	Computers	Plant and machinery	Vehicles	Right to use Assets	Capital Work in Progress	Total
Cost or deemed cost									
Balance as on 01 April, 2024	176.014	1.159.007	178.724	146.106	5.654.550	307.048	3.043.500	273.410	10.938.360
Assets acquired			2.125	15.084	499.084	32.898		41.188	590.378
Deletions								(273.410)	
Balance as on 31 March, 2025	176.014	1.159.007	180.849	161.190	6.153.634	339.945	3.043.500	41.188	11.255.328
Assets acquired		23.773	24.206	49.745	322.739			487.863	908.327
Deletions				(1.856)	(54.240)				(56.096)
Balance as on 31 Mar, 2026	176.014	1.182.780	205.055	209.080	6.422.133	339.945	3.043.500	529.051	12.107.558

Particulars	Freehold land	Buildings	Furniture and fixtures	Computers	Plant and machinery	Vehicles	Right to use Assets	Capital Work in Progress	Total
Accumulated depreciation and impairment									
Balance as on 01 April, 2024	-	286.040	71.626	124.827	2.213.545	122.701	1.861.570	-	4.680.309
Depreciation / amortisation expense for the year	-	44.676	12.989	10.701	477.698	56.880	336.051		938.994
Accumulated dep for assets sold									-
Balance as on 31 March, 2025	-	330.715	84.615	135.527	2.691.243	179.581	2.197.621	-	5.619.303
Depreciation / amortisation expense for the year	-	45.404	14.998	15.155	514.230	51.639	336.051		977.477
Accumulated dep for assets sold				(830)	(52.785)				(53.615)
Balance as on 31 Mar, 2026	-	376.119	99.613	149.853	3.152.688	231.220	2.533.673	-	6.543.165

Particulars	Freehold land	Buildings	Furniture and fixtures	Computers	Plant and machinery	Vehicles	Right to use Assets	Capital Work in Progress	Total
Carrying amount									
Balance as on 31 March, 2025	176.014	828.292	96.234	25.663	3.462.391	160.364	845.879	41.188	5.636.025
Balance as on 31 Mar, 2026	176.014	806.661	105.442	59.227	3.269.445	108.725	509.828	529.051	5.564.394

LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the Year ended 31 Mar 2026

All amounts are in Euros

Note 5: Intangible Assets

Particulars	As at 31 March, 2026	As at 31 March, 2025
Carrying Amount of:		
Software License Fees	135.234	146.455
Brands	1.303.705	1.433.970
Registration fees	628.600	528.574
Total	2.067.539	2.108.999

Particulars	Software Lisc Fees	Registration fees	Brands	Total
Balance as on 01 April, 2024	479.408	951.261	-	1.430.669
Assets acquired	9.960	191.110	1.433.970	1.635.040
Deletions				-
Balance as on 31 March, 2025	489.367	1.142.371	1.433.970	3.065.708
Assets acquired	82.450	260.776		343.227
Deletions				-
Balance as on 31 Mar, 2026	571.818	1.403.147	1.433.970	3.408.935

Particulars	Software Lisc Fees	Registration fees	Brands	Total
Accumulated depreciation and impairment				
Balance as on 01 April, 2024	254.304	429.785	-	684.089
Depreciation / amortisation expense for the year	88.608	184.012	-	272.620
Accumulated dep for assets sold				-
Balance as on 31 March, 2025	342.912	613.797	-	956.709
Depreciation / amortisation expense for the year	93.671	160.751	130.265	384.687
Accumulated dep for assets sold				-
Balance as on 31 Mar, 2026	436.584	774.547	130.265	1.341.396

Particulars	Software Lisc Fees	Registration fees	Brands	Total
Carrying amount				
Balance as on 31 March, 2025	146.455	528.574	1.433.970	2.108.999
Balance as on 31 Mar, 2026	135.234	628.600	1.303.705	2.067.539




LABORATORIOS KARIZOO, S.A.
Notes to the financial statements for the Year ended 31 Mar 2026
All amounts are in Euros

Note no	Particulars	As at 31st Mar 2026 (Amount in Euro)	As at 31st Mar 2025 (Amount in Euro)
6	Non-current Investments		
	Investments in equity instruments - Subsidiaries	263.677	249.811
	Investments in equity instruments - Others	-	-
		263.677	249.811
7	Other Non-Current Financial assets		
	Security Deposits	55.947	55.500
	Security Deposits to related parties	-	-
	Loans to Related Parties	-	-
		55.947	55.500
8	Deferred tax assets (net)		
	Others	1.506	-
		1.506	-
9	Inventories (At lower of cost and net realisable value)		
	Raw materials and packing materials	5.498.773	4.827.005
	Raw Materials Goods-in transit	-	-
		5.498.773	4.827.005
	Work-in-progress and intermediates	736.068	461.573
	Finished goods	1.949.499	1.857.432
	Stock in Trade	4.137.638	3.141.463
	Goods in Transit	-	-
		6.087.138	4.998.895
	Fuel	-	-
		12.321.978	10.287.473
10	Trade receivables		
	(a) Unsecured, considered good	12.282.402	9.684.441
	(b) Unsecured, considered doubtful	102.226	45.831
		12.384.628	9.730.272
	Less: Provision for doubtful debts	-102.226	-45.831
		12.282.402	9.684.441
		12.282.402	9.684.441
11	Cash and cash equivalents		
	Cash on hand	1.995	1.355
	Balances with banks	-	-
	- In current accounts	104.808	807.006
		106.803	808.361
12	Current Loans		
	Unsecured, considered good;		
	Advances to employees	551	479
	Loans & Advances to related parties	-	-
		551	479
13	Other current financial assets		
	Debts due from related parties	-	-
	Interest on Related Party Loans	-	-
	Interest accrued on fixed deposits	-	-
	Others	-	-
		-	-
14	Other current assets		
	Advance to supplier	-	10.578
	Balances with government authorities	123.665	-
	Prepaid expenses	227.539	208.409
	Advance Income-Tax including tax deducted at source	-	-
	others	13.400	13.863
		364.605	232.850

Note no

15 (a) Equity share capital

(i) Authorised Share Capital
9893 share of Euro 36.06 each
(ii) Issued Share Capital
9893 share of Euro 36.06 each

As at 31st Mar 2026	
No. of Shares	Amount
9893	356.742
9.893	356.742
9.893	356.742

As at 31st Mar 2025	
No. of Shares	Amount
9893	356.742
9.893	356.742
9.893	356.742

Notes :

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

As at 31st Mar 2026	
No. of Shares	Amount
9.893	356.742
-	-
9.893	356.742

As at 31st Mar 2025	
No. of Shares	Amount
9.893	356.742
-	-
9.893	356.742

No. Equity shares
Add : Shares issued during the period
Shares outstanding at the end of the period

(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

Name of Share Holders

Vila Viña Participations S.L.
Alivira Animal Health Limited, Ireland
Teresa Vila Viña
Eusebi Vila Viña
Ramón Vila Viña

As at 31st Mar 2026	
No. of Shares	% holding
9.878	99.85%
9	0.09%
2	0.02%
2	0.02%
2	0.02%

As at 31st Mar 2025	
No. of Shares	% holding
9.878	99.85%
9	0.09%
2	0.02%
2	0.02%
2	0.02%

16 (b) Other Equity

Balance at the beginning of the reporting year

Add: Profit for the year

Less : Dividend paid

Share Options Outstanding Account

Balance at the end of the reporting year

As at 31st Mar 2026

Retained Earnings	Securities Premium reserve	General reserve	Capital reserve	Voluntary reserves	Total
9.493.306	228.598	2.040.728	1.075.478	46.910	12.885.019
2.652.796	-	-	-	-	2.652.796
(850.000)	-	-	-	-	(850.000)
495.332	-	-	-	-	495.332
11.791.434	228.598	2.040.728	1.075.478	46.910	15.183.141

As at 31st Mar 2025

Retained Earnings	Securities Premium reserve	General reserve	Capital reserve	Voluntary reserves	Total
7.572.955	228.598	2.040.728	1.075.478	46.910	10.964.670
1.652.584	-	-	-	-	1.652.584
(300.000)	-	-	-	-	-300.000
567.767	-	-	-	-	567.767
9.493.306	228.598	2.040.728	1.075.478	46.910	12.885.020

LABORATORIOS KARIZOO, S.A.
Notes to the financial statements for the Year ended 31 Mar 2026
All amounts are in Euros

Note no	Particulars	As at 31st Mar 2026	As at 31st Mar 2025
17	Other Non-current Financial liabilities		
	From banks		
	Secured	62.950	34.908
	Unsecured	44.220	320.721
	From Related parties	1.386.408	991.285
	From other parties	-	-
	Secured	-	-
	Unsecured	-	-
	*Borrowings shall further be sub-classified as secured and unsecured		
		1.493.578	1.346.914
18	Other Non-current financial liabilities		
	Finance lease obligation	306.505	260.233
	Lease Liability Long Term (IND AS 116)	284.759	621.675
		306.505	260.233
	Deferred tax Liability		
	Deferred tax Liability (net) Others	-	33.208
	Deferred tax Liability (net) Others	550.590	516.006
	Deferred tax (IND AS 116)	-27.962	-28.178
		-	33.208
19	Current Financial Liabilities - Short term borrowings		
	(a) Loans repayable on demand		
	From banks		
	Secured	-	-
	Unsecured	2.904.259	3.722.699
	(b) Loan from other parties	-	-
	Unsecured	-	-
	Bills Discounted	2.689.211	1.006.610
		5.593.470	4.729.309
20	Trade payable		
	Trade payable	6.713.753	6.792.463
	Trade payable	6.526.990	6.539.400
	Trade payable - Related Parties	186.763	253.062
		6.713.753	6.792.463
21	Other Current Financial liabilities		
	Current maturities of long-term debt	602.587	296.887
	Interest accrued and due on borrowings	4.989	2.466
	Finance lease payables	174.592	190.435
	Lease Liability Short Term (IND AS 116)	336.916	336.916
	Payroll Payables	706.246	736.232
	Other current liabilities	26.523	23.084
		1.514.937	1.249.104
22	Other Current Liabilities		
	Other payables		
	(i) Statutory remittances	322.839	234.485
	(ii) Advances from customers	368.680	56.376
	(iv) Due from related party	129	145
		691.648	291.006
23	Current tax liabilities (Net)		
	Provision for taxation (Net off advance tax as at	553.949	161.354
		553.949	161.354

Note 17 (i) Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

Particulars	Security	Terms of repayment	As at 31st Mar 2026	As at 31st Mar 2025
<u>Secured term loans from banks:</u>				
Banc Sabadell	First Pari-passu charge on fixed assets of the Company's K4 building	Repayable in 180 monthly Instalments, commencing from March 2013. Repayable fully by February 2028	4.873	9.888
Banc Sabadell	First Pari-passu charge on fixed assets of the Company's K4 building	Repayable in 180 monthly Instalments, commencing from March 2013. Repayable fully by February 2028	12.310	25.020
Total			17.183	34.908

Particulars	Security	Terms of repayment	As at 31st Mar 2026	As at 31st Mar 2025
<u>Unsecured term loans from banks:</u>				
B.B.V.A.	Unsecured	Repayable in 60 monthly Instalments, commencing from February 2024. Repaid fully on February 2029.	20.701	30.966
B.S.C.H.	Unsecured	Repayable in 36 monthly Instalments, commencing from March 2024. Repaid fully on March 2027.	-	60.004
ABANCA	Unsecured	Repayable in 60 monthly Instalments, commencing from May 2021. Repaid fully on May 2026. Fixed Interest. First year grace period.	-	12.862
Banc Sabadell	Unsecured	Repayable in 60 monthly Instalments, commencing from November 2022. Repaid fully on October 2027.	63.702	170.400
Total			84.403	274.232

Particulars	Security	Terms of repayment	As at 31st Mar 2026	As at 31st Mar 2025
<u>unsecured Term loans from other parties</u>				
BMW Finance	Unsecured	Repayable in 48 monthly Instalments, commencing from July 2019. Repayable fully by June 2023.	-	15.980
Volkswagen Bank	Unsecured	Repayable in 48 monthly Instalments, commencing from October 2019. Repayable fully by September 2024.	-	9.047
Volkswagen Bank	Unsecured	Repayable in 36 monthly Instalments, commencing from November 2023. Repaid fully on October 2026.	-	6.960
Volkswagen Bank	Unsecured	Repayable in 48 monthly Instalments, commencing from November 2023. Repaid fully on October 2027. Fixed Interest	5.584	14.502
Total			5.584	46.489
Grand Total			107.170	355.629

The interest on above loans are in ranges from 0.9% to 8.5% per annum

LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the year ended 31 March, 2026

All amounts are in Euros

(ii) Details of Current Maturities of Long term borrowings

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
<u>From Banks</u>		
<u>Secured</u>		
Bank Sabadell	5.013	4.697
Bank Sabadell	12.672	11.812
Total	17.685	16.509
<u>From Banks</u>		
<u>Unsecured</u>		
B.S.C.H.	10.263	9.878
B.B.V.A.	60.004	56.602
B.B.V.A.	84.291	-
B.B.V.A.	270.000	-
ABANCA	12.862	76.503
Banc Sabadell	106.295	102.185
	543.714	245.169
<u>From Other Parties</u>		
<u>Secured</u>		
BMW Finance	15.980	2.896
Volkswagen Bank	9.329	13.041
Volkswagen Bank	6.960	11.117
Volkswagen Bank	8.919	8.154
Total	41.187	35.209
Grand Total	602.587	296.887

(iii) Details of Short term borrowings

Particulars	As at 31st Mar 2026	As at 31st Mar 2025
<u>From banks:</u>		
<u>Unsecured</u>		
B.B.V.A.	509.597	1.221.442
Bankinter	378.940	95.213
B.S.C.H.	286.842	299.144
Bank Sabadell	815.966	979.592
La Caixa	318.971	1.127.307
B.S.C.H.	459.944	-
Banca March	134.000	-
	2.904.259	3.722.699

The interest on above loans are in ranges from 0.85% to 8.5% per annum




LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the Year ended 31 Mar 2026

All amounts are in Euros

Note no	Particulars	Year ended 31 Mar 2026	Year ended 31 Mar 2025
24 Revenue from operations			
a) Sale of products		51.050.976	43.697.660
b) Sale of services		455.658	500.055
c) Other operating revenues		1.000.189	857.337
		52.506.824	45.055.052
25 Other Income			
Interest income		-	284
Net gain on sale of investments		-	-
Dividend Income		-	-
Other non-operating income		59.064	53.389
Fair value gain on financial instruments at fair value through profit or loss		-	-
Net gain on foreign currency transactions and translation		495.059	337.526
		554.122	391.199
26 Cost of materials consumed			
Opening stock		4.827.005	4.354.464
Add: Purchases		35.480.709	30.395.804
Consolidation Adjustment			
Less: Closing stock		5.498.773	4.827.005
		34.808.941	29.923.263
27 Changes in inventories of finished goods and work-in-progress & intermediates			
Opening stock			
Work-in-progress and intermediates		461.573	385.615
Finished goods		1.857.432	1.209.477
Stock in trade		3.141.463	2.718.503
		5.460.468	4.313.594
Consolidation Adjustment			
Work-in-progress and intermediates			
Finished goods			
Trading Goods			
Closing stock			
Work-in-progress and intermediates		736.068	461.573
Finished goods		1.949.499	1.857.432
Stock in trade		4.137.638	3.141.463
		6.823.206	5.460.468
Net (increase) / decrease		-1.362.738	-1.146.874
28 Employee benefits expense			
Salaries and wages		5.656.616	5.212.335
Contribution to provident and other funds		1.356.688	1.184.478
Expense on employee stock based compensation*		481.467	554.792
Staff welfare expenses		78.699	79.956
		7.573.469	7.031.562

LABORATORIOS KARIZOO, S.A.**Notes to the financial statements for the Year ended 31 Mar 2026****All amounts are in Euros**

Note no	Particulars	Year ended 31 Mar 2026	Period Ended 31 Mar 2025
		(Amount in Euro)	(Amount in Euro)
29 Finance costs			
	Interest expense	278.113	361.344
	Other borrowing costs	26.161	24.255
	Other finance expenses	-	-
	Lease Interest expense	27.817	27.817
		332.092	413.417
30 Depreciation and amortization expense			
	Tangible assets	641.426	603.985
	Intangible assets	384.687	272.620
	Lease Amortisation (IND AS 116)	336.051	336.051
		1.362.164	1.212.656
31 Other expenses			
	Travel expenses	179.915	189.419
	Communication expenses	43.335	36.665
	Consumables	474.243	413.826
	Conversion and processing charges	-	-
	Contract labour charges	-	-
	Legal and Professional charges	1.429.541	1.496.666
	Freight and forwarding	871.668	732.785
	Power and fuel	292.184	260.592
	Rent expenses	636.822	584.788
	Rent (IND AS 116)	-364.733	(364.733)
	Analytical charges	368.126	235.232
	Repairs to machinery	422.786	465.933
	Repairs to others	649.367	507.078
	Insurance	194.647	181.406
	Commission on sales	-	-
	Advertisement and selling expenses	-	-
	Marketing Expenses	366.030	345.562
	Rates and taxes	486.545	291.755
	Loss on sale of assets (net)	1.481	126
	Increase/(Decrease) of excise duty on inventory	-	-
	Bad loans and advances written off	-	-
	Provision for Intangible assets	-	-
	Bad trade receivables written off	-	1.326
	Net loss on foreign currency transactions and translation	564.489	284.087
	Provision for doubtful trade receivables	56.395	12.262
	Fair value loss on financial instruments at fair value through profit or loss	-	-
	Other expenses	256.726	277.603
		6.929.566	5.952.379
32 Tax expense			
	Current tax	799.370	458.267
	Deferred tax	-	-
	Deferred tax Expense	-34.929	-51.218
	Deferred tax Exp (IND AS 116)	216	216
		764.657	407.264

LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the year ended 31 March, 2026

All amounts are in Euros

Note**33 Earning per Share**

Particulars	Year Ended 31	Year Ended 31
	Mar 2026	Mar 2025
Net profit / (loss) for the period as per statement of profit and loss	2.652.796	1.652.584
Net profit / (loss) for the period attributable to the equity shareholders	2.652.796	1.652.584
Weighted average number of equity shares	9.893	9.893
Earnings / (Loss) per share - Basic	268,15	167,05
Earnings / (Loss) per share - Diluted	268,15	167,05

34 Segment Information

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

Primary Segment : Business Segment

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

I Revenue From Operations

	Year Ended 31 Mar 2026	Year Ended 31 Mar 2025
Asia	1.236.571	1.188.786
Europe	46.773.580	38.068.682
Rest of the World	4.496.673	5.797.584
Grand Total	52.506.824	45.055.052

II Total Assets

	Year Ended 31 Mar 2026	Year Ended 31 Mar 2025
Asia	398.675	355.351
Europe	32.190.516	27.245.169
Rest of the World	440.210	1.463.423
Total Segment Assets	33.029.401	29.063.943

III Cost incurred during the Year to acquire Segment Assets

	Year Ended 31 Mar 2026	Year Ended 31 Mar 2025
Asia		
Europe	1.251.553	2.225.418
Rest of the World	-	-
Total	1.251.553	2.225.418

35 Contingent liabilities and commitments**(i) Contingent Liabilities**

As at	As at
31st Mar 2026	31st Mar 2025

- -

(ii) Capital Commitments

As at	As at
31st Mar 2026	31st Mar 2025
754.629	77.360
-	-
754.629	77.360

36 Foreign currency exposure

Foreign currency (USD)	As at 31st Mar 2026	As at 31st Mar 2025
Trade Payable	-2.048.349	-1.820.980
Receivable	297.244	249.463
Net Exposure	-1.751.105	-1.571.517

37 Details of leasing arrangements

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

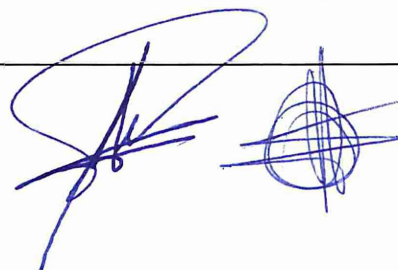
The following is the movement in lease liabilities during the year ended 31 March 2026:

	Year Ended 31 Mar 2026	Year Ended 31 Mar 2025
Balance as at 1 April 2025	958.591	1.295.507
Addition during the year	-	-
Accretion of interest	27.817	27.817
Payments	(364.733)	(364.733)
Balance as at 31 March 2026	621.675	958.591
Current	336.916	336.916
Non-current	284.759	621.675

The effective interest rate for lease liabilities is 1.5%

The following are the amounts recognised in profit or loss:

	Year Ended 31 Mar 2026	Year Ended 31 Mar 2026
Depreciation expense of right-of-use assets	336.051	336.051
Interest expense on lease liabilities	27.817	27.817
Total amount recognised in profit or loss	363.868	363.868



38 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 Mar 2026	Year Ended 31 Mar 2025
i) Income tax expense recognised in the statement of profit and loss		
Current tax	799.370	458.267
Total (I)	799.370	458.267
Deferred tax charge		
Origination and reversal of temporary differences	(34.713)	(51.002)
Total (II)	(34.713)	(51.002)
Provision for tax of earlier years written back (III)	-	-
Total (IV = I+II+III)	764.657	407.264

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:

	Year Ended 31 Mar 2026	Year Ended 31 Mar 2025
Profit before tax	3.417.452	2.059.848
Statutory income tax rate	25,00%	25,00%
Tax as per applicable tax rate	854.363	514.962
Differences due to:		
- Exempted income	-	-
- Others	(89.707)	(107.698)
Income tax expenses charged to the statement of profit and loss	764.657	407.264
Effective tax rate	22,38%	19,77%

C) Movement in deferred tax assets and liabilities

	31 March 2026		
	As at 01 April 2025	Credit / (charge) in the statement of profit and loss	Credit / (charge) in the reserves
- Temporary differences on account of depreciation	(157.514)	(34.584)	(192.098)
- Right-of-use assets	28.178	(216)	27.962
- Brands	(358.492)	32.566	(325.926)
- Other	454.620	36.947	491.568
Tax assets / (liabilities)	(33.208)	34.713	-

	31 March 2025		
	As at 01 April 2024	Credit / (charge) in the statement of profit and loss	Credit / (charge) in the reserves
- Temporary differences on account of depreciation	(122.019)	(35.495)	(157.514)
- Right-of-use assets	28.394	-216	28.178
- Brands	-	-	-358.492
- Other	318.501	136.119	454.620
Tax assets / (liabilities)	224.876	100.408	-358.492

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

39 Financial instruments

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

A)	Carrying value and fair value	
	31 March 2026	31 March 2025
Financial assets		
Measured at amortised cost		
Loans	55.947	55.500
Trade receivables	12.282.402	9.684.441
Cash and cash equivalents	106.803	808.361
Other bank balances		
Other financial assets	-	-
Other investments	263.677	249.811
Total	12.708.829	10.798.113
Financial liabilities		
Measured at amortised cost		
Borrowings (including current maturity of long-term borrowings)	5.000.424	5.366.500
Trade payables	6.713.753	6.792.463
Other financial liabilities	3.903.078	2.216.594
Total	15.617.255	14.375.557

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

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.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2025 and 31 March 2026.

Particulars	As at 31 March 2026			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings (including current maturity of long-term borrowings and judicial recovery)	3.834.826	981.238	184.360	5.000.424
Trade payables	6.713.753			6.713.753
Lease Liability	336.916	284.759	-	621.675
Other financial liabilities	3.002.296	271.306	7.801	3.281.403

Particulars	As at 31 March 2025			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings (including current maturity of long-term borrowings and judicial recovery)	4.019.586	647.350	699.564	5.366.500
Trade payables	6.792.463			6.792.463
Lease Liability	336.916	336.916	284.759	958.591
Other financial liabilities	1.937.487	271.306	7.801	2.216.594

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

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

	31 March 2026	31 March 2025
Financial liabilities		
-Borrowings from bank	3.532.376	4.242.100
-Borrowings from others	46.771	81.698
	3.579.147	5.429.908
Variable-rate instruments		
Financial liabilities		
-Borrowings from bank	34.869	51.417
-Borrowings from others	200.960	313.429
Total	235.829	485.324

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.

Interest rate sensitivity analysis for variable-rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Effect	Profit or loss	
	100 bps (increase)	100 bps decrease
31 March 2026		
Variable-rate instruments	(2.358)	2.358
	(2.358)	2.358
31 March 2025		
Variable-rate instruments	(4.853)	4.853
	(4.853)	4.853

LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the year ended 31 March, 2026

All amounts are in Euros

D) 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

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

	31 March 2026	31 March 2025
Debt (i)	5.000.424	5.366.500
Cash and bank balances (ii)	106.803	808.361
Other bank balances (iii) (margin money)	-	-
Other non-current financial assets (margin money) (iv)	-	-
Current investment (iv)	-	-
Net debt [(i) - { (ii)+(iii)+(iv) }]	<u>4.893.621</u>	<u>4.558.139</u>
Equity attributable to owners of the Company	15.539.885	13.241.761
Gearing ratio	<u>31,49%</u>	<u>34,42%</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.

Notes to the financial statements for the year ended 31 March, 2026

All amounts are in Euros

40 Related Party Disclosures:**A List of related parties:****i) Holding company:**

Vila Viña Participacions S.L.

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 :

Laboratorios Karizoo S.A. De C.V.

Phytotherapic Solutions S.L.

Comercial Vila Veterinaria De Lleida S.L

iii) Key Management Personnel

Ramon Vila Viña

Teresa Vila Viña

Eusebi Vila Viña

iv) Other Group Subsidiaries :

Alivira Italia S.R.L

Bremer Pharma Gmbh

Alivira SA

Alivira 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

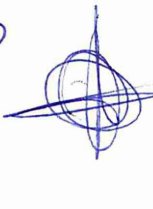
Alivira Saude Animal Brasil Participacoes Ltda

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 2026	Year ended 31 Mar 2025
(i) Sales		
Comercial Vila Veterinaria De Lleida S.L	-	-
Phytotherapic Solutions S.L.	206.018	162.783
Laboratorios Karizoo S.A. De C.V.	-	-
Alivira SA	944.636	725.879
Alivira Animal Health Limited, Ireland	-	-
Alivira Animal Health Limited, Italy	821.915	407.736
N-Vet AB	-	14.309
Bremer Pharma Gmbh	-	22.855
Tomkim Ilac Premiks San. ve Tic. A.S	-	742.050
Provet Veterinerlik Urunleri Tic. Ltd. Sti	-	8.730



LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the year ended 31 March, 2026

All amounts are in Euros

Nature of transactions	Year ended 31 Mar 2026	Year ended 31 Mar 2025
(ii) Purchases		
Alivira Animal Health Limited, India	19.014	74.729
Provet Veterinerlik Urunleri Tic. Ltd. Sti	14.000	48.014
Alivira Animal Health Limited, Ireland	-	22.078
Bremer Pharma Gmbh	308.428	-
Phytotherapic Solutions S.L.	1.453.735	1.211.643
Comercial Vila Veterinaria De Lleida S.L.	-	-
(iii) Analytical charges (income)		
Phytotherapic Solutions S.L.	61.651	61.076
(iv) Job Work Charges (income)		
Phytotherapic Solutions S.L.	173.402	211.358
(v) Marketing expense Received		
Phytotherapic Solutions S.L.	12.000	12.000
(vi) Interest Recd		
Alivira Animal Health Limited, Ireland	-	284
(vii) Rent Recd		
Phytotherapic Solutions S.L.	5.977	5.846
Vila Viña Participacions S.L.	6.088	5.995
(viii) Rent Expenses Paid		
Vila Viña Participacions S.L.	12.646	12.363
(ix) Other Income		
Alivira SA	114.819	75.066
Bremer Pharma Gmbh	10.299	14.397
Alivira Animal Health Limited, Ireland	505.910	339.103
Phytotherapic Solutions S.L.	6.347	6.208
Alivira BV	-	1.512
Comercial Vila Veterinaria De Lleida S.L.	-	-
Laboratorios Karizoo S.A. De C.V.	2.222	4.249
N-Vet AB	23.567	13.647
Alivira Animal Health Limited, Italy	52.175	33.116
Provet Veterinerlik Urunleri Tic. Ltd. Sti	49.785	96.871
Topkim İlaç Premiks San. Ve Tic. A. Ş	83.415	-
Expeden Distribuidora de Produtos Veterinários Ltda	59.420	-
Vila Viña Participacions S.L.	-	-
Alivira Saude Animal Ltda.	44.489	76.065
(x) Legal Professional Fees Paid		
Alivira Animal Health Limited, Ireland	171.453	132.190
Alivira Animal Health Limited, Italy	1.133	1.072
Bremer Pharma Gmbh	-	-
(xi) Management services Received		
Laboratorios Karizoo S.A. De C.V.	120.000	190.000
(xii) Service charge Paid (Exp)		
Phytotherapic Solutions S.L.	6.063	5.940
Vila Viña Participacions S.L.	5.260	8.615
(xiii) Service charge Paid (Rcvd)		
Vila Viña Participacions S.L.	-	-
(xiv) Dividend Paid		
Vila Viña Participacions S.L.	848.711	299.545
(xv) Dividend Recd		
Laboratorios Karizoo S.A. De C.V.	-	-
(xvi) Management fees Paid		
Vila Viña Participacions S.L.	250.996	240.000
(xvii) Salaries Paid		
Ramon Vila Viña	348.252	297.867
Teresa Vila Viña	109.435	100.003
(xviii) Interest Paid		
Phytotherapic Solutions S.L.	13.020	2.456
Vila Viña Participacions S.L.	37.027	39.623

LABORATORIOS KARIZOO, S.A.

Notes to the financial statements for the year ended 31 March, 2026

All amounts are in Euros

C. Balance as at balance sheet date:

Particulars	Year ended 31 Mar 2026	Year ended 31 Mar 2025
(i) Trade payables		
Phytotherapeutic Solutions S.L.	186.763	252.943
Comercial Vila Veterinaria De Lleida S.L	-	-
Alivira Animal Health Limited, Ireland	52.420	65.601
Alivira Animal Health Limited, India	-	24.965
Bremer Pharma Gmbh	27.304	-
Alivira BV	2.366	-
Alivira Animal Health Limited, Italy	-	197
Provet Veterinerlik Urunleri Tic. Ltd. Sti	-	35.762
(ii) Trade Receivables		
Phytotherapeutic Solutions S.L.	49.731	46.673
Comercial Vila Veterinaria De Lleida S.L	-	-
Alivira Animal Health Limited, Italy	408.521	418.337
Bremer Pharma Gmbh	687	81.751
Alivira SA	128.631	44.811
Alivira BV	-	-
N-Vet AB	3.718	1.070
Alivira Animal Health Limited, India	1.189	1.939
Alivira Animal Health Limited, Ireland	187.374	110.873
Vila Viña Participacions S.L.	-	-
Laboratorios Karizoo S.A. De C.V.	70.281	130.387
Provet Veterinerlik Urunleri Tic. Ltd. Sti	20.354	100.442
Topkim İlaç Premiks San. Ve Tic. A. Ş	61.095	-
Expeden Distribuidora de Produtos Veterinários Ltda	6.085	-
Evanvet Distribuidora De Produtos Veterinarios Ltda	-	9.121
(iii) Loans & Advances to related parties		
Laboratorios Karizoo S.A. De C.V. (Loan)	-	-
Laboratorios Karizoo S.A. De C.V. (Interest receivable on Loan)	-	-
Alivira Animal Health Limited, Ireland (Loan)	-	-
Alivira Animal Health Limited, Ireland (Interest receivable on Loan)	-	-
Phytotherapeutic Solutions S.L. (Loan payable)	880.000	187.000
Phytotherapeutic Solutions S.L.(Interest Payable)	2.229	130
Vila Viña Participacions S.L. (Loan payable)	502.000	800.000
Vila Viña Participacions S.L.(Interest Payable)	2.179	4.156

As per our report of event date

BDO Auditores S.L.P.

Auditors & Consultants

Place: Barcelona, Spain

Date



ALIVIRA

AND ON BEHALF OF THE BOARD OF DIRECTORS

Eusebi Vila Viña
Director

Ramon Vila Viña
Director

LABORATORIOS KARIZOO S.A.

NIF: A08818502

Laboratorios Karizoo SA
Notes forming part of the financial statements

Note

1 Legal status and principal activities

Laboratorios Karizoo SA ("The Company") founded in 1983, dedicated to manufacture and distribute veterinary medical and nutritional products. The corporate office is located in Caldes de Montbui, Barcelona (Spain). Laboratorios Karizoo is committed to the veterinary sector and its main objective is to improve the health and well-being of farm animals as well as the health and quality of life of pets.

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 ('the Company') have been prepared, in accordance with with Spanish accounting standards. The Financial Statements have been prepared on accrual basis.

Effective 1 June 2016, Alivira Animal Health Limited, Ireland (step down subsidiary of Sequent Scientific Limited) acquired stake of 60% in Vila Vina Participacions SL which is the holding company of Laboratorios Karizoo SA.

The financial statements are prepared for the period 1 April 2023 to 31 March 2024 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.

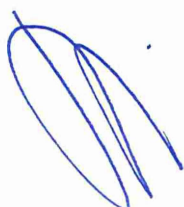
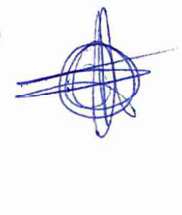
Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the 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)
Buildings	10 - 75
Plant and Machinery	2 -25
Technical Facilities	10 - 30
Technical Installations	2 - 15
Office Equipment	3 - 10
Vehicles	2 - 8
Furniture and Fixtures	5 - 15



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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.

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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.

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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 37).

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Notes forming part of the financial statements

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 (for purposes of cash flow statement)

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.

