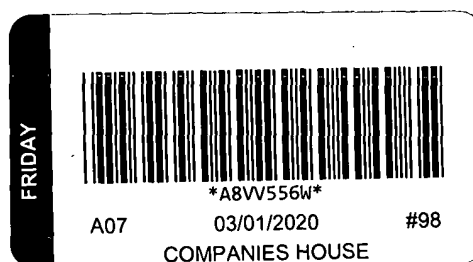


**Dechra Investments Limited**

**Annual Report and Financial  
Statements**

Registered number 05008503  
For the year ended 30 June 2019



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## Strategic Report

### Business review

The Company acts as an intermediate holding company.

### Financial Review

#### Results

The results for the year are set out on page 6.

#### Review of operating performance

##### Company performance

The Company received dividend income of £20,000,000 during the year (2018: £17,494,000).

The financial position at the end of the year was strong with equity shareholders' funds standing at £258,474,000 (2018: £258,474,000).

##### Key performance indicators

The directors of the Dechra Pharmaceuticals PLC manage the group's operations on a segmental basis. For this reason and the nature of the entity as a holding company, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Dechra Investments Limited. The development, performance and position of the Company's segment of Dechra Pharmaceuticals PLC Group, which includes the Company, is discussed in the Group's Annual Report which does not form part of this report.

##### Funding

The Company is funded through equity.

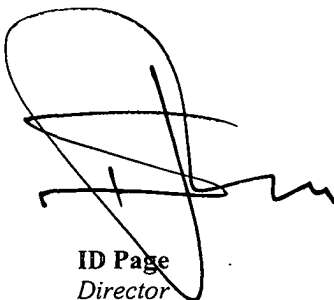
##### Risks and uncertainties

The Company, like every business, faces risks and uncertainties in both its day to day operations and through events relating to the achievement of its long term strategic objectives.

The Board has ultimate responsibility for risk management within the Company and there is an ongoing and embedded process of assessing, monitoring, managing and reporting on significant risks faced by the Company.

The key risks to the Company are inextricably linked to those of its significant investment and subsidiary, Dechra Limited. Its performance will impact the dividend income and potential value of the Company's investment. Both companies the Company has an investment in are under common control and the potential risks are monitored on a periodic basis. For further details, refer to the Dechra Limited financial statements.

On behalf of the board



ID Page  
Director

18 December 2019

## Directors' Report

The directors present their annual report and the audited financial statements for the year ended 30 June 2019.

### Future developments

These are detailed within the Strategic Report on page 1.

### Directors

The directors who were in office during the year and up to the date of signing the financial statements were:

ID Page

RJ Cotton (resigned 3 April 2019)

AG Griffin (appointed 4 April 2019)

P Sandland (appointed 5 December 2019)

MJ Hall (Company Secretary)

### Political contributions

The company made no political or charitable contributions during the year.

### Dividends

An interim dividend of £20,000,000 was paid during the year. The directors recommend the payment of a final dividend of £nil (2018: £nil), making a total dividend of £20,000,000 (2018: £17,494,000) for the year.

### Financial risk management

The Company uses various financial instruments to manage its financial risk. These include loans and cash that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the wider Group's operations.

### Liquidity risk

The Company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet its foreseeable needs and to invest cash assets safely and profitably. The Directors review the cash projections on a regular basis to ensure the business has adequate liquidity and working capital.

### Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Directors' Report** *(continued)*

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

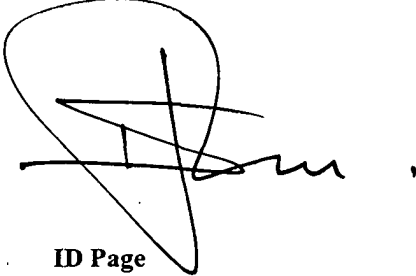
### **Directors' and officers' liability**

The Company maintains an appropriate level of directors' and officers' insurance whereby directors are indemnified against liabilities to third parties to the extent permitted by the Companies Act 2006. The directors also benefitted from qualifying third party indemnity provisions in place during the financial year and at the date of this report. A copy of the indemnity provisions will be available for inspection upon request at the registered office.

### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment was approved by the shareholders.

On behalf of the board

A handwritten signature in black ink, appearing to be 'ID Page', written over a horizontal line.

**ID Page**  
*Director*

24 Cheshire Avenue  
Cheshire Business Park  
Lostock Gralam  
Northwich  
CW9 7UA

18 December 2019

## **Independent auditors' report to the members of Dechra Investments Limited**

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Dechra Investments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 June 2019; the income statement and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 June 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

## Independent auditors' report to the members of Dechra Investments Limited (continued)

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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### Responsibilities for the financial statements and the audit

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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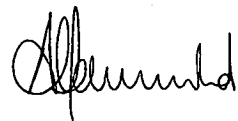
## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Andrew Hammond (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham

18 December 2019

**Income statement**  
*for the year ended 30 June 2019*

	<i>Note</i>	<b>2019 £000</b>	<b>2018 £000</b>
Income from shares in group undertakings		<b>20,000</b>	17,494
<b>Profit before income tax</b>	<b>2</b>	<b>20,000</b>	17,494
Income tax	<b>4</b>	-	-
<b>Profit for the financial year</b>		<b>20,000</b>	17,494

All amounts relate to continuing operations.

There is no other comprehensive income recognised in either the current or preceding year other than the profit for these years.

The notes on pages 9 to 14 form part of the financial statements.

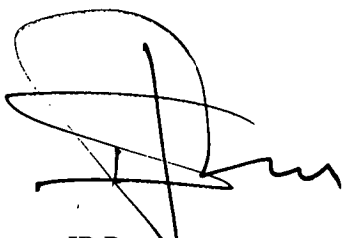


**Statement of financial position**  
*as at 30 June 2019*

	Note	2019 £000	2018 £000
<b>Non-current assets</b>			
Investments	6	233,866	233,424
<b>Current assets</b>			
Trade and other receivables	7	25,054	25,054
Trade and other payables	8	(446)	(4)
<b>Net current assets</b>		<u>24,608</u>	<u>25,050</u>
<b>Net assets</b>		<u><u>258,474</u></u>	<u><u>258,474</u></u>
<b>Equity</b>			
Issued share capital	9	160,751	160,751
Share premium account		96,324	96,324
Retained earnings		1,399	1,399
<b>Total shareholders' funds</b>		<u><u>258,474</u></u>	<u><u>258,474</u></u>

The notes on pages 9 to 14 are an integral part of these financial statements.

The financial statements on pages 6 to 14 were approved by the board of directors on 18 December 2019 and signed on its behalf by:



**ID Page**  
Director

Company number: 05008503

**Statement of changes in equity**  
*for the year ended 30 June 2019*

	<b>Issued share capital £000</b>	<b>Share premium account £000</b>	<b>Retained earnings £000</b>	<b>Total shareholders' funds £000</b>
<b>For the year ended 30 June 2018</b>				
Balances at 1 July 2017	142,234	23,936	1,399	167,569
Profit for the financial year	-	-	17,494	17,494
Dividends paid	-	-	(17,494)	(17,494)
Shares issued	18,517	72,387	-	90,904
<b>Balances at 30 June 2018</b>	<b>160,751</b>	<b>96,324</b>	<b>1,399</b>	<b>258,474</b>
<b>For the year ended 30 June 2019</b>				
Balances at 1 July 2018	160,751	96,324	1,399	258,474
Profit for the financial year	-	-	20,000	20,000
Dividends paid	-	-	(20,000)	(20,000)
<b>Balances at 30 June 2019</b>	<b>160,751</b>	<b>96,324</b>	<b>1,399</b>	<b>258,474</b>

## Notes to the financial statements

### 1 Principal accounting policies

#### General information

Dechra Investments Limited acts as an intermediate holding company. The Company is incorporated and domiciled in England, UK and is a private limited company. The address of the registered office is 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### *Basis of preparation*

The financial statements of Dechra Investments Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There are no areas involving a high degree of judgement.

The following exemptions have been taken in preparing the financial statements;

- a) The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment', exempting the Company from preparing share based payment disclosures.
- b) The requirements of IFRS 7 'Financial Instruments: Disclosures'
- c) The following requirements of IAS 1:
  - Paragraphs 10(d) and 111, exempting the Company from providing a cash flow statement and information;
  - Paragraph 16, exempting the Company from providing a statement of compliance with all IFRSs;
  - Paragraph 38A, exempting the Company from the requirement for a minimum of two of each primary statement and the related notes;
  - Paragraph 38B to D, exempting the Company from the requirement to present additional comparative information; and
  - Paragraphs 134 to 136, exempting the Company from presenting Capital Management disclosures.
- d) The requirements of IAS 7 'Statement of Cash Flows', exempting the Company from preparing a cash flow statement
- e) The requirements of paragraph 17 of IAS 24 'Related Party Disclosures', exempting the Company from disclosing details of all key management compensation.
- f) The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions with wholly-owned members of the Group.
- g) The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' exempting the company from disclosing the impact of new accounting standards that have been issued but are not yet effective.

The directors intend that the Company will take advantage of the above disclosure exemptions for the year ended 30 June 2020.

The Company is a wholly owned subsidiary of Dechra Pharmaceuticals PLC. It is included in the consolidated financial statements of Dechra Pharmaceuticals PLC, which are publicly available. The Company is therefore exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

## Notes to the financial statements (*continued*)

### 1 Principal accounting policies (*continued*)

#### *Going concern*

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

#### *Adoption of new and revised standards*

The following relevant standards, amendments to standards or interpretations have been adopted for the first time from 1 July 2018.

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 'Financial Instruments' from 1 July 2018 resulted in changes in accounting policies but did not have a material impact on the financial statements for the year 30 June 2019, or retained earnings at 1 July 2018. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated.

#### *Current and deferred income tax*

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### *Financial guarantee contracts*

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other group companies, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

#### *Investments in subsidiaries*

Investments in subsidiaries are held at cost less accumulated impairment losses.

#### *Amounts owed by Subsidiary Undertakings*

Amounts owed by subsidiary undertakings are initially recognised at fair value and subsequently measured at this value less loss allowances, calculated using the three stage IFRS 9 model. On transition to IFRS9, an assessment has been performed of the Company's loss allowance provision and noted that there is no material difference in the carrying amount of the amounts owed to subsidiary undertakings. On this basis no transitional adjustment has been recognised.

#### *Creditors*

Creditors are amounts due from other Group entities. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## Notes to the financial statements *(continued)*

### 1 Principal accounting policies *(continued)*

#### ***Share capital***

Ordinary shares are classified as equity. Preference shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### ***Dividend income***

Dividend income is recognised when the right to receive payment is established.

#### ***Dividend distribution***

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or, in the case of an interim dividend, when the dividend is paid.

#### ***Impairment***

The carrying amounts of the Company's assets are reviewed at each statement of financial position to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

### 2 Profit before income tax

No directors received any emoluments in respect of services as director of this Company during the year (2018: £nil).

Auditors' remuneration has been borne by the ultimate parent undertaking in both years.

### 3 Employees and directors

Excluding directors, the Company did not employ any persons during the year (2018: £nil). The directors did not receive any emoluments in respect of their services during the year (2018: £nil).

## Notes to the financial statements *(continued)*

### 4 Income tax

#### *Tax expense included in income statement*

	2019 £000	2018 £000
<i>Current tax</i>		
UK Corporation tax on profits for the year	-	-
	<hr/>	<hr/>
Total tax	-	-
	<hr/>	<hr/>

The current tax expense is lower than (2018: *lower than*) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £000	2018 £000
Profit before income tax	20,000	17,494
	<hr/>	<hr/>
Current tax expense at 19% (2018: 19%)	3,800	3,324
	<hr/>	<hr/>
<i>Effects of:</i>		
Income not taxable	(3,800)	(3,324)
	<hr/>	<hr/>
Total income tax expense	-	-
	<hr/>	<hr/>

The Government announced in the Finance Act 2016 that it intends to reduce the rate of corporation tax to 17% with effect from 1 April 2020, this was substantively enacted in September 2016.

### 5 Dividend distribution

	2019 £000	2018 £000
Paid during the year ("A" ordinary shares: £nil (2018: £nil), ordinary shares: £0.16 per share (2018: £0.14 per share))	20,000	17,494
	<hr/>	<hr/>
Proposed ("A" ordinary shares: £nil (2018: £nil), ordinary shares £nil (2018: £Nil))	-	-
	<hr/>	<hr/>

The holders of the "A" ordinary shares have waived all right and entitlement to the dividend in respect of the year ended 30 June 2019 and 30 June 2018.

## Notes to the financial statements *(continued)*

### 6 Investments

	Shares in group undertakings £000
At 1 July 2018	233,424
Additions	442
	<hr/>
<b>At 30 June 2019</b>	<b>233,866</b>
	<hr/>

The company has made an additional investment of £442,000 into Dechra Limited being 441,421 ordinary shares of £1.

Investments comprise equity shares in:

Company	Country of incorporation	Principal activity	Registered address	Percentage of ordinary shares held
Dechra Limited	England and Wales	Developer, regulatory, manufacturer of veterinary products.	Snaygill Industrial Estate, Keighley Road, Skipton BD23 2 RW	100%
Dechra-Brovel, S.A. de C.V.	Mexico	Developer, regulatory, manufacturer and marketer of veterinary products.	Empresa Numero 66, Colonia Mixcoac, Delegacion, Benito Juarez, Ciudad de Mexico.	0.1%

During the year, the company received a dividend of £20,000,000 (2018: £17,494,578) from Dechra Limited.

### 7 Trade and other receivables

	2019 £000	2018 £000
Amounts owed by Group undertakings	25,054	25,054
	<hr/>	<hr/>

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayments and are repayable on demand.

### 8 Trade and other payables

	2019 £000	2018 £000
Amounts owed to Group undertakings	446	4
	<hr/>	<hr/>

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayments and are repayable on demand.

## Notes to the financial statements *(continued)*

### 9 Share capital

	Ordinary shares of £1 each		"A" ordinary shares of £1 each		Total	
	Number	£000	Number	£000	Number	£000
<i>Allotted and fully paid</i>						
At 1 July and 30 June 2019	<u>125,715,514</u>	<u>125,716</u>	<u>35,035,530</u>	<u>35,036</u>	<u>160,751,044</u>	<u>160,751</u>

The ordinary shares and "A" ordinary shares constitute separate classes of shares but, except as expressly provided otherwise in these Articles, rank *pari passu* in all respect. The rights attaching to the "A" ordinary shares are as follows:

(a) Income

Each "A" ordinary share shall confer upon the holder thereof, the right to receive by way of dividend an amount equal to Z times the amount of any dividend declared in respect of each fully paid ordinary share divided by the aggregate number of "A" ordinary shares in issue on the date that such dividend is declared.

(b) Capital

On a liquidation, reduction of capital, dissolution or winding up of the Company, each "A" ordinary share shall confer upon the holder thereof, the right to receive a proportion of the assets of the Company available for distribution among the members equal to Z times the proportion of such assets the holder of each ordinary share shall be entitled to in respect of each fully paid ordinary share on any such distribution, divided by the aggregate number of "A" ordinary share in issue on the date of such distribution.

(c) Voting

Each "A" ordinary share shall confer upon the holder thereof, on a show of hands or a poll declared at a general meeting, a number of votes equal to Z times the number of votes afforded in respect of each fully paid ordinary share to the holder thereof divided by the aggregate number of "A" ordinary shares in issue at the time of the vote.

For the purpose of the above, Z shall be equal to 7.4544.

### 10 Contingent liabilities

The Company guarantees the borrowings of certain other group companies which at 30 June 2019 amounted to £308,139,674 (2018: £290,651,000).

### 11 Controlling parties

The immediate and ultimate holding company and the smallest and largest group to consolidate these financial statements is Dechra Pharmaceuticals PLC.

Copies of the Group financial statements of Dechra Pharmaceuticals PLC may be obtained from 24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA.