

Aesica Formulation Development Limited
Annual report and financial statements
Period ended 31 January 2020

Aesica Formulation Development Limited

Annual report and financial statements

Period ended 31 January 2020

Registered No: 5661235



Contents

	Page
Directors and advisers	1
Directors' report	2
Statement of directors' responsibilities in respect of the annual report and the financial statements	5
Independent auditor's report to the members of Aesica Formulation Development Ltd	6
Profit and loss account and other comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes to the financial statements	12

Directors and advisers

Directors

Thomas B Elderred (appointed 4 February 2020)

Jonathan M Glenn (resigned 4 February 2020)

Paul Hayes (resigned 4 February 2020)

Mark Quick (appointed 15 June 2020)

Company secretary

A Jackson (resigned 30 April 2020)

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Banker

Lloyds Banking Group
41/51 Grey Street
Newcastle upon Tyne
NE1 6EE

Registered office

Aesica Formulation Development Limited
Suite B
Breakspear Park
Breakspear Way
Hemel Hempstead
HP2 4TZ

Directors' report

The directors present their report together with the audited financial statements of Aesica Formulation Development Limited ("the Company") for the period ended 31 January 2020.

Principal activities

The Company previously developed and manufactured clinical materials for the pharmaceutical industry but following the site closure its activities were transferred to another group company, Aesica Queenborough Limited. The Company holds loans with group companies.

Business review

The results for the Company show a loss before tax of £763 (12 months ended 30 April 2019: loss of £5,480) due to exchange gain on revaluation of intercompany balances net with aged bad debt write off (12 months ended 30 April 2019: exchange loss on revaluation of intercompany balances).

Going concern

Notwithstanding net current liabilities of £8,108,000 as at 31 January 2020 (30 April 2019: £8,108,000) and a loss for the period then ended of £1,000 (12 months ended 30 April 2019: £5,000), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including the impact of COVID-19, the Company will have sufficient funds; through its overdraft facility and in downside cases funding from its intermediate parent company, Consort Medical plc, to meet its liabilities as they fall due for that period. The impact of COVID-19 on Consort Medical plc is disclosed in the consolidated financial statements and is not expected to have a significant impact on that company or the group.

Those forecasts are dependent on the Company's intermediate parent company, Consort Medical plc not seeking repayment of the amounts currently due to the group, which at 31 January 2020 amounted to £8,051,000 (30 April 2019: £8,057,000). Consort Medical plc has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 18 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Principal risk and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. Further discussion of the key risks and uncertainties, in the context of the Consort Medical plc Group as a whole, is provided in the directors' report within Consort Medical plc's consolidated financial statements which does not form part of this report.

Directors Report (continued)

Financial reporting period

On 4 February 2020, Consort Medical plc ("Consort") was acquired by Recipharm Holdings Limited, a directly wholly owned subsidiary of Recipharm AB. Further details are given on Recipharm's website. As a result of the acquisition, certain Consort entities have changed their accounting reference date to 31 January 2020 instead of their previous 30 April year-end. Due to this change in statutory reporting date, the accounts for the period ending 31 January 2020 cover a period of 9 months.

Brexit

On 31 January 2020, the United Kingdom (U.K.) formally departed from the E.U., commonly referred to as "Brexit". As agreed with the E.U., the U.K. has now entered into a transition period and will remain in both the E.U. customs union and single market until 31 December 2020. It is understood that the British government has begun negotiating the terms of the U.K.'s future relationship with the E.U. post 31 December 2020. The Company has considered the nature and extent of risks and uncertainties arising from the result of the Brexit referendum and the impact on the future performance and position of the business. The Company does not consider that a hard Brexit will have a significant impact on its operations and ability to service its supply chain. As negotiations continue, the Company will monitor outcomes, assess the impact on the regulatory environment in which it operates, its customers, supply chain and employees and will implement an appropriate response.

Review of business and future developments

The directors do not expect a significant change in the principal activity of the business in the foreseeable future.

COVID-19

Due to the nature of the company's activities, we do not expect any significant adverse impact arising from the COVID-19 pandemic. This includes any investments and loans to entities within the wider Consort Group.

Directors

The directors of the company serving during the year, and up to the date of this report are shown below.

Thomas B Eldered (appointed 4 February 2020)

Jonathan M Glenin (resigned 4 February 2020)

Paul Hayes (resigned 4 February 2020)

Mark Quick (appointed 15 June 2020)

Directors Report (Continued)

Political contributions

The Company made no political donations or incurred any political expenditure during the period ended 31 January 2020 (12 months ended 30 April 2019: £nil).

Disclosure of information to auditor

In the case of each director, so far as each is aware, there is no relevant audit information of which the Company's auditor is unaware. Each director has taken all the steps he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

By order of the Board



Mark Quick.

Director

14 July 2020

Aesica Formulation Development Limited

Suite B

Breakspear Park

Breakspear Way

Hemel Hempstead

HP2 4TZ

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



Mark Quick
Director
14 July 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESICA FORMULATION DEVELOPMENT LIMITED

Opinion

We have audited the financial statements of Aesica Formulation Development Limited ("the company") for the period ended 31 January 2020 which comprises of the Profit and Loss Account and other comprehensive income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2020 and of its loss for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESICA FORMULATION DEVELOPMENT LIMITED (*continued*)

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements; and
- in our opinion this report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESICA FORMULATION DEVELOPMENT LIMITED *(continued)*

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

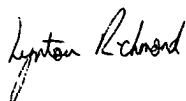
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lynton Richmond (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

23 July 2020

Profit and loss account and other comprehensive income

for the 9 months ended 31 January 2020

	Note	9 months ended 31 January 2020 £'000	12 months ended 30 April 2019 £'000
Operating expenses	2	(1)	(5)
Loss before taxation		(1)	(5)
Tax on Loss	4	-	-
Loss for the financial period / year		(1)	(5)

There is no other comprehensive income for the financial period (12 months ended 30 April 2019: £nil).

The notes set out on pages 12 to 20 are an integral part of these financial statements.

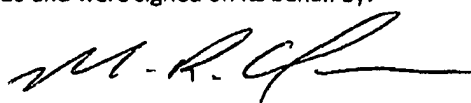
Balance sheet

as at 31 January 2020

		31 January 2020	30 April 2019
	Note	£'000	£'000
Current assets			
Trade and other receivables	5	6,488	6,489
		6,488	6,489
Current assets			
Trade and other receivables	5	-	16
Cash and cash equivalents		19	19
		19	35
Total Assets		6,507	6,524
Current liabilities			
Trade and other payables	6	(8,127)	(8,100)
Current tax		-	(43)
		(8,127)	(8,143)
Net current liabilities		(8,108)	(8,108)
Net liabilities		(1,620)	(1,619)
Shareholders' equity			
Called up share capital	7	4	4
Share premium account		384	384
Accumulated losses		(2,008)	(2,007)
Total equity		(1,620)	(1,619)

The notes set out on pages 12 to 20 are an integral part of these financial statements.

The financial statements on pages 9 to 20 were approved and authorised by the Board of Directors on 14 July 2020 and were signed on its behalf by:



Mark Quick

Director
Aesica Formulation Development Limited

Registered number 5661235

Statement of changes in equity

for the 9 months ended 31 January 2020

	Share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 30 April 2018	4	384	(2,002)	(1,614)
Profit for the year	-	-	(5)	(5)
Balance at 30 April 2019	4	384	(2,007)	(1,619)
Profit for the period	-	-	(1)	(1)
Balance at 31 January 2020	4	384	(2,008)	(1,620)

The notes set out on pages 12 to 20 are an integral part of these financial statements.

Notes *(forming part of the financial statements)*

1 Accounting policies

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

Basis of preparation

Aesica Formulation Development Limited (the "Company") is a company incorporated and domiciled in England in the United Kingdom under the Companies Act 2006, registered number 05661235.

The company is a wholly-owned subsidiary of Aesica Queenborough Limited. The Company's ultimate parent undertaking, Consort Medical plc includes the Company in its consolidated financial statements. The consolidated financial statements of Consort Medical plc are publicly available.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS.101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of transactions with wholly owned subsidiaries.

Notes *(continued)*

1 Accounting policies *(continued)*

Financial reporting period

On 4 February 2020, Consort Medical plc ("Consort") was acquired by Recipharm Holdings Limited. Further details are given on Recipharm's website. As a result of the acquisition, certain Consort entities have changed their accounting reference date to 31 January 2020 instead of their previous 30 April year-end. Due to this change in statutory reporting date, the accounts for the period ending 31 January 2020 cover a period of 9 months.

Accounting convention

The financial statements have been prepared using the historic cost convention, as modified by certain financial assets and liabilities (including derivative financial instruments) at fair value. The specific accounting policies adopted, which have been approved by the Board, are described within this note and which have been applied consistently in all years presented.

Going concern

Notwithstanding net current liabilities of £8,108,000 as at 31 January 2020 (30 April 2019: £8,108,000) and a loss for the period then ended of £1,000 (12 months ended 30 April 2019: £5,000), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including the impact of COVID-19, the Company will have sufficient funds, through its overdraft facility and in downside cases funding from its intermediate parent company, Consort Medical plc, to meet its liabilities as they fall due for that period. The impact of COVID-19 on Consort Medical plc is disclosed in the consolidated financial statements and is not expected to have a significant impact on that company or the group.

Those forecasts are dependent on the Company's intermediate parent company, Consort Medical plc not seeking repayment of the amounts currently due to the group, which at 31 January 2020 amounted to £8,051,000 (30 April 2019: £8,057,000). Consort Medical plc has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 18 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes (continued)

1 Accounting policies (continued)

Foreign currency translation

Functional presentation currency

The financial statements are presented in pounds sterling (£), which is the company's functional and presentational currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account. Foreign exchange gains and losses that relate to borrowings and cash equivalents are presented in the profit and loss account within "finance income or costs".

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash comprises cash in hand and on demand bank deposits. Cash equivalents are short-term highly liquid investments with maturity of less than 90 days that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Notes (continued)

Accounting policies (continued)

Taxation including deferred tax

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Adoption of new and revised standards

The following standards and amendments have been applied for the first time during the period commencing 1 May 2019 but do not have a material impact on the Company:

- IFRIC 23 – Uncertainty over Income Tax Treatments
- Amendments to IFRS 9 – Prepayment Features with Negative Compensation
- Amendments to IAS 28 – Long-term Interests in Associates and Joint Ventures
- Amendments to IAS 19 – Plan Amendment, Curtailment or Settlement
- Annual Improvements to IFRS Standards 2015–2017 Cycle – various standards
- IFRS 16 – Leases

The following accounting standards relevant to the Company have not been early adopted:

- Amendments to References to Conceptual Framework in IFRS Standards

Notes (continued)

2 Expenses and auditor's remuneration

	9 months ended 31 January 2020 £'000	12 months ended 30 April 2019 £'000
<hr/>		
The following items have been charged in arriving at operating (loss)/profit:		
Foreign exchange (losses)/profit	5	(5)
Bad Debt Write Off	(6)	-
<hr/>		

The audit fees of the Company of £5,000 for the period (12 months ended 30 April 2019: £5,000) have been borne by another group company, Aesica Pharmaceuticals Limited. No non-audit fees have been incurred by this entity during the period (12 months ended 30 April 2019: £nil).

3 Employees and directors

The company has no employees. Jonathan Glenn and Paul Hayes were also directors of the ultimate parent undertaking, Consort Medical plc during the period. Details of their remuneration for services to the group as a whole are included in the consolidated financial statements of Consort Medical plc. Mark Quick and Thomas Elderred are employed by the Company's ultimate parent, Recipharm AB. Their remuneration is included in the consolidated financial statements of Recipharm AB.

Notes (continued)

4 Taxation

The tax for the current period is a credit of £nil (12 months ended 30 April 2019: £nil), which is the same as than the standard rate of corporation tax in the UK of 19% (12 months ended 30 April 2019: 19%). The differences are explained below:

	9 months ended 31 January 2020 £'000	12 months ended 30 April 2019 £'000
Loss before tax	(1)	(5)
Taxation credit at UK corporation tax of 19% (12 months ended 30 April 2019: 19%)	-	(1)
Income not taxable	-	-
Adjustment in respect of previous periods	-	1
Tax on loss on ordinary activities	-	-

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge accordingly and will be included in the results of the next accounting period.

Notes *(continued)*

5 Trade and other receivables

	31 January 2020	30 April 2019
	£'000	£'000
Trade receivables	-	16
Amounts owed by group undertakings	6,488	6,489
	6,488	6,505
	2020	2019
	£'000	£'000
Amounts due within one year	-	16
Amounts due after one year	6,488	6,489
	6,488	6,505

All of the amounts disclosed above are interest free and repayable on demand and are considered to be collectable.

6 Trade and other payables

	31 January 2020	30 April 2019
	£'000	£'000
Trade payables	43	10
Amounts owed to group undertakings	8,051	8,057
Accruals and deferred income	33	33
	8,127	8,100

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

Notes (continued)

7 Share capital

	Allotted and fully paid	
	31 January 2020	31 January 2020
	Number	£'000
Ordinary shares of £1 each	3,442	4

8 Contingent liabilities

The Company is party to a cross-guarantee agreement to the benefit of its ultimate parent, Consort Medical plc, in respect of the Group's multi-currency revolving credit facility with National Westminster Bank plc, HSBC UK Bank plc, Bank of Ireland, Royal Bank of Canada and Commerzbank. At 31 January 2020, the outstanding balance of these borrowings within Consort Medical plc amounted to £160.2m (30 April 2019: £110.9m). After the period end, as a result of the acquisition of Consort Medical plc and its subsidiary undertakings by Recipharm Holdings Limited (see note 9), the facility was cancelled and replaced by an intercompany loan from Recipharm AB. The Company no longer is a party to a cross-guarantee agreement.

9 Ultimate parent undertaking and related party transactions

The immediate parent undertaking is Aesica Queenborough Limited, which owns 100% of the Company's share capital. At 31 January 2020, the Company's ultimate parent undertaking was Consort Medical plc and controlling party is Consort Medical plc and consolidated group financial statements, which include Aesica Formulation Development Limited, are available from Consort's registered office at Suite B, Breakspear Park, Breakspear Way, Hemel Hempstead, HP2 4TZ.

After the period end, on 4 February 2020, Consort Medical plc and its subsidiary undertakings were acquired by Recipharm Holdings Limited, a directly wholly-owned subsidiary of Recipharm AB, resulting in a change to the Company's ultimate parent undertaking to Recipharm AB. See note 10.

Notes (continued)

10 Events after the reporting period

Acquisition of Consort Medical plc by Recipharm Holdings Limited

On 18 November 2019 Recipharm announced its offer to acquire Consort Medical plc and on 4 February 2020 the cash offer of GBP 505 million was declared wholly unconditional. As a result of the offer being declared unconditional, Consort Medical plc and all its subsidiaries (including Aesica Formulation Development Limited) became part of the Recipharm Group.

Contingent liabilities

The Company was party to a cross-guarantee agreement to the benefit of its former ultimate parent, Consort Medical plc, in respect of the Group's multi-currency revolving credit facility with National Westminster Bank plc, HSBC UK Bank plc, Bank of Ireland, Royal Bank of Canada and Commerzbank. As a result of the acquisition of Consort Medical plc and its subsidiary undertakings by Recipharm the facility was cancelled and repaid in February 2020 and the Company is no longer a party to a cross-guarantee agreement.

COVID-19

Due to the nature of the company's activities, we do not expect any significant adverse impact arising from the COVID-19 pandemic. This includes any investments and loans to entities within the wider Consort Group.