

Aesica Holdco Limited
Annual report and financial statements
Year ended 30 April 2019

Registered No: 07749223

TUESDAY



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Directors and advisers

Directors

J Glenn

P Hayes

M Boerman

Secretary

A Jackson (appointed 7 September 2018)

P Hayes (resigned 7 September 2018)

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 Holdco 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 Holdco Limited ("the Company") for the year ended 30 April 2019.

Principal activities

The Company's principal activity is that of an intermediate holding company.

Business review

The results for the company show a loss before taxation of £0.1m (FY2018: loss of £0.1m) for the year. The company has net assets of £9.1m at the end of the year (30 April 2018: £9.2m).

Going concern

The Company made a loss after tax for the financial year of £0.1m (FY2018: £0.1m). At the balance sheet date the Company had net current liabilities of £3.4m (30 April 2018: Net current assets of £0.5m). The Company is mainly financed by loans from its ultimate parent company, Consort Medical plc. The loans amounted to £2.4m (30 April 2018: £2.3m) at the balance sheet date (note 7). Consort Medical plc has confirmed that the loan will not be called for repayment for a period of at least 12 months from the date of this report.

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Consort Medical plc. The directors have received confirmation that Consort Medical plc intends to support the Company for at least one year after these financial statements are signed

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 annual report which does not form part of this report.

Brexit

On June 23, 2016, the United Kingdom (U.K.) held a referendum in which voters approved an exit from the E.U., commonly referred to as "Brexit". 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.

Directors' report *(continued)*

Key performance indicators ("KPIs")

The financial KPIs of the Consort Medical plc Group include sustained revenue and earnings growth. These have been discussed on a group-wide basis, including the Company, in the section "Key performance indicators" of the Strategic Report within the Consort Medical plc annual report which does not form part of this report.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (FY2018: £nil)

Directors and their interests

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

J Glenn

P Hayes

M Boerman

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.

Auditor

KPMG LLP are the Company's auditor. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board



P Hayes

Director

Aesica Holdco Limited

Suite B

Breakspear Park

Breakspear Way

Hemel Hempstead

HP2 4TZ

9 August 2019 -

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 year. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESICA HOLDCO LIMITED

Opinion

We have audited the financial statements of Aesica Holdco Limited ("the company") for the year ended 30 April 2019 which comprise 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 30 April 2019 and of its loss for the year 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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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").

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

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

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 year 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.

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

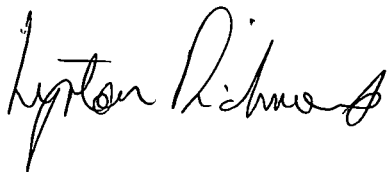
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESICA HOLDCO LIMITED *(continued)*

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

16th August 2019

Profit and loss account and other comprehensive income

for the year ended 30 April 2019

	Note	2019 £'m	2018 £'m
Interest payable and similar charges	3	(0.1)	(0.1)
Loss before tax		(0.1)	(0.1)
Tax on loss	4	-	-
Loss for the financial year		(0.1)	(0.1)

There is no other comprehensive income for the year (FY2018: £nil).

The notes set out on pages 11 to 18 are an integral part of these financial statements.

Balance sheet

as at 30 April 2019

		2019	2018
		£'m	£'m
	Note		
Assets			
Non-current assets			
Investments	5	8.7	8.7
Trade and other receivables	6	3.8	-
		12.5	8.7
Current assets			
Trade and other receivables	6	-	3.8
			3.8
Total assets		12.5	12.5
Liabilities			
Current liabilities			
Trade and other payables	7	(3.4)	(3.3)
		(3.4)	(3.3)
Net current liabilities		(3.4)	0.5
Net assets		9.1	9.2
Shareholders' equity			
Share capital	8	0.1	0.1
Share premium		2.2	2.2
Other reserves		6.1	6.1
Profit and loss account		0.7	0.8
Total equity		9.1	9.2

The notes set out on pages 11 to 18 are an integral part of these financial statements.

The financial statements on pages 8 to 18 were approved and authorised by the Board of Directors on 9 August 2019 and were signed on its behalf by:

P Hayes
Director



Aesica Holdco Ltd

Registered number 07749223

Statement of changes in equity

for the year ended 30 April 2019

	Share capital £'m	Share premium £'m	Accumulated losses £'m	Other reserves £'m	Total equity £'m
Balance at 30 April 2017	0.1	2.2	0.9	6.1	9.3
Loss for the year	-	-	(0.1)	-	(0.1)
Balance at 30 April 2018	0.1	2.2	0.8	6.1	9.2
Loss for the year	-	-	(0.1)	-	(0.1)
Balance at 30 April 2019	0.1	2.2	0.7	6.1	9.1

The notes set out on pages 11 to 18 are an integral part of these financial statements.

Notes *(forming part of the financial statements)*

1 Statement of 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 Holdco Limited is a company incorporated and domiciled in England in the United Kingdom under the Companies Act 2006, registered number 07749223. The Company acts as a holding company to the entities within the Aesica subgroup of companies.

These separate financial statements contain information about Aesica Holdco Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiaries are included by full consolidation in the consolidated financial statements of its ultimate parent, Consort Medical Plc. The consolidated financial statements of Consort Medical Plc are prepared in accordance with International Financial Reporting Standards and are available to the public.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS101"). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

In preparing these financial statements, the Company applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but made 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 transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management; and
- The effects of new but not yet effective IFRSs.

Going concern basis

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Consort Medical Plc. The directors have received confirmation that Consort Medical Plc intends to support the company for at least one year after these financial statements are signed. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Notes *(continued)*

1 Statement of accounting policies *(continued)*

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.

Interest receivable and Interest payable

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Financial liabilities

Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Preference shares are classified as liabilities. The dividends on these preference shares are recognised in the income statement as an interest expense.

Taxation including deferred tax

Tax on the profit or loss for the year 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 year, 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.

Notes *(continued)*

1 Statement of accounting policies *(continued)*

Investments

Investments are stated at cost less provision for impairment.

Impairment excluding stocks, and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

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

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2 Auditor's remuneration

Audit fees were incurred by another group company. There were no charges for non-audit work in the year (FY2018: £nil).

Notes (continued)

3 Interest payable and similar charges

	2019	2018
	£'m	£'m
Interest payable to group undertakings	0.1	0.1

4 Taxation

Taxation charge based on losses for the year

The major components of the profit and loss tax charge are:

	2019	2018
	£'m	£'m
Current tax		
UK corporation tax at 19% (FY2018:19%)	-	-
Tax reported in the profit and loss account	-	-

Reconciliation between tax expense and the Company's profit on ordinary activities before taxation

The reconciliation of the UK Statutory tax charge to the Company's profit on ordinary activities before taxation is as follows:

	2019	2018
	£'m	£'m
Loss before tax	(0.1)	(0.1)
Taxation credit at UK corporation tax rate of 19% (FY2018: 19%)	-	-

Notes *(continued)*

5 Investments

The details of the Company's investments are summarised below:

Company – cost and net book value

	2019	2018
	£'m	£'m
Investments in subsidiary	8.7	8.7

Investments are in 100% of the ordinary shares of Aesica M1 Limited, a financing company incorporated in England and Wales. The directors believe the carrying value of investments is supported by the net assets of the subsidiary company.

The company holds investments both directly and indirectly in the following entities:

	Country of incorporation and operation	Percentage holding	Principal activity
Aesica M1 Limited ¹	England	100%	Holding company
Aesica M2 Limited ¹	England	100%	Holding company
Aesica BC Limited ¹	England	100%	Holding company
Aesica Pharmaceuticals Limited ¹	England	100%	Trading company
Aesica Queenborough Limited ¹	England	100%	Trading company
Aesica Trustee Company Limited ¹	England	100%	Holding company
Aesica Pharmaceuticals GmbH ²	Germany	10%	Trading company
Aesica LLC ³	USA	100%	Non-trading company
Aesica Formulation Development Limited ¹	England	100%	Trading company

Aesica M1 Limited is the only company directly owned by Aesica Holdco Limited.

¹ Suite B, Breakspear Park, Breakspear Way, Hemel Hempstead, HP2 4TZ, United Kingdom

² Alfred-Nobel Straße 10, 40789, Monheim, Germany

³ 601 US Highway 35 North, Neptune, New Jersey, 07753, USA

Notes *(continued)*

6 Trade and other receivables

	2019	2018
	£'m	£'m
Amounts due from group undertakings	3.8	3.8

Amounts due from group undertakings are interest free.

7 Trade and other payables

	2019	2018
	£'m	£'m
Amounts due to group undertakings	3.4	3.3

Interest is charged at rates linked to LIBOR. Dividends accrue on preference shares and the Company has recognised this in the income statement as an interest expense.

Notes *(continued)*

8 Share capital

	2019	Allotted, called up and fully paid 2019
	£	Number
Ordinary shares of 1p each – Class A	88,492	8,849,211
Ordinary shares of 10p each – Class B	21,000	210,000
Ordinary shares of 10p each – Class C	15,837	158,375

The rights of the ordinary shares are summarised below.

Dividends

Any profits which the Board of Directors may determine to distribute shall be distributed among the holders of the A and B Ordinary Shares as if they constituted one class of share. Holders of C ordinary shares do not hold an entitlement to dividends.

Return of capital rights and rights on sale

On a return of capital the surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the A and B Ordinary shares (pari passu as if the same constituted one class of shares) according to the number of such shares held by the relevant shareholders. In the event of a sale then the same distribution priority as a return on capital will ensue. Holders of C ordinary shares do not hold capital rights and rights on sale.

Voting

The holders of all the A, B and C Ordinary shares shall have one vote per share held at the relevant date.

9 Employees and directors

The company has no employees. The directors are also directors of the ultimate parent undertaking, Consort Medical plc. Details of their remuneration for services to the group as a whole are disclosed in the consolidated financial statements of Consort Medical plc, which are publicly available as set out in note 11.

Notes *(continued)*

10 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, Lloyds Bank plc, Royal Bank of Canada and Commerzbank. At 30 April 2019 the outstanding balance of these borrowings within Consort Medical plc amounted to £110.9m (30 April 2018: £117.3m).

11 Ultimate parent undertaking and related party transactions

The Company has taken advantage of the exemption under FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

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