

Pharmalex UK Bidco Limited

Annual Report and Financial Statements

For the period ended

31 December 2022

Company Number 13804804

THURSDAY



ACUGRIN6

A6

11/01/2024

#189

COMPANIES HOUSE

Pharmalex UK Bidco Limited

Annual Report and financial statements for the period ended 31 December 2022

Contents

Page:

2	Strategic report
5	Directors' report
7	Independent auditor's report
10	Consolidated statement of comprehensive income
11	Consolidated statement of financial position
12	Consolidated statement of changes in equity
13	Consolidated statement of cash flows
14	Company statement of financial position
15	Company statement of changes in equity
16	Notes forming part of the financial statements

Directors

J W S Jeffery
C Gauglitz
L M R Couston

Registered office

Chesham House, Deansway, Chesham, England, HP5 2FW

Company number

13804804

Auditors

Rödl & Partner Limited, 170 Edmund Street, Birmingham, B3 2HB

Pharmalex UK Bidco Limited

Strategic report for the period ended 31 December 2022

The directors present their strategic report together with the audited consolidated financial statements for the period ended 31 December 2022.

Principal activities

The principal activity of the company in the period was that of an ultimate holding company for the Pharmalex UK Group of companies. The principal activity of the Pharmalex UK Group in the period was that of providing support services to the clinical research industry.

Review of the business and future developments

The year 2022 was successful for the Group with some pressure on results from competition in the market. This resulted in a small reduction in revenue and operating profit. Furthermore, the business continued to increase investment in the business with a long term view. This investment is expected to provide an expanding customer base and service offerings for future growth.

The impact of the market pressures on the business was a marginal negative impact on sales. The Group operates within the life sciences sector and whilst the commencement of some clinical trials were delayed, there has been an increase in demand since the start of 2022.

In October 2023, the Group commenced an entity rationalisation project with two key outcomes. On October 31, 2023, its subsidiary, Emerald Bidco Limited, sold its stakes in Phlexglobal Limited and Net Solutions Europe Limited to Pharmalex UK Holding Limited, a Cencora group affiliate. This transfer did not affect the operations of the entities. During November 2023, the company and its eight remaining non-operational subsidiaries were made dormant.

Financial and other key performance indicators

The Group uses a range of performance measures to monitor and manage its business and that of its subsidiaries effectively. These are both financial and non-financial, and the most significant of these are the key performance indicators (KPIs).

The key financial indicators are turnover, gross profit, operating loss, Adjusted EBITDA (EBITDA before one off costs, foreign exchange and board costs) and cash. These KPIs indicate the volume of business the Group has undertaken as well as the efficiency and profitability of this business. The key non-financial performance indicator is the number of employees.

KPIs for the period ended 31 December 2022 are set out below:

	2022 £'000
Turnover	35,732
Gross profit	24,716
Operating loss	(158,153)
Cash	3,163
EBITDA	4,260
Number of employees	465
Gross profit (%)	69.2%

Employment of disabled persons

In particular relation to disability, the Group:

- a) gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.
- b) continues the employment of, and arranges appropriate training for, employees of the Company who have become disabled persons during the period when they were employed by the Company, and;
- c) provides appropriate training, career development and promotion for disabled persons.

Pharmalex UK Bidco Limited

Strategic report for the period ended 31 December 2022 (*continued*)

Greenhouse gas emissions

The Group consumed less than 40,000 kWh of energy during the period in respect of which the directors' report is prepared and as a result the disclosures concerning greenhouse gas emissions are not required.

Principal risks and uncertainties

The principal risks and uncertainties that the Group encounters include risks from: the war in Ukraine, recent inflationary pressures, liquidity risk and foreign exchange exposures.

One of the Group's subsidiaries is located in Poland close to the border with Ukraine. The war in Ukraine has not had a direct impact on revenue or safety of employees. Nevertheless the Group continues to actively monitor the situation with local management, and support any refugees at the border.

Our employees have all been working from home since Covid-19 outbreak in the countries in which we operate. We have seen no loss in productivity and have increased pro-active employee engagement over this time. This has also allowed the Group to review its office locations and make strategic cost savings. Most of our employees are telling us they prefer a more flexible working pattern, which we believe will result in continued preference for increased working from home, and therefore we expect productivity to remain at or near current levels as we review longer term working arrangements.

The main financial risks arising from the Group's activities are liquidity risk and foreign exchange risk. These are monitored by the board of directors and the finance team.

The Group's policy in respect of liquidity risk is to maintain readily accessible bank deposit accounts to ensure the Group has sufficient funds for operations. The cash deposits are held in a mixture of short term deposits and current accounts which earn interest at a floating rate.

The Group's policy in respect of foreign exchange risk is to match, where possible, the currency of revenue and costs, to closely monitor foreign exchange movements and to incorporate the ability, in contracts, to renegotiate rates if foreign exchange rates move by more than a certain percentage.

Research and development

With the continued development of PhlexTMF and the other solutions offered by the Group, the average number of staff employed by the Group for research and development continues to increase. The main research and development projects involve improved functionality and further version enhancements or upgrades to the Group's core software offerings.

Section 172 Statement

From 1 January 2019, legislation was introduced requiring companies to include a statement pursuant to section 172 of the Companies Act 2006.

The Board recognises the importance of the Group's wider stakeholders when performing their duties under Section 172(1) of the Companies Act and their duties to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct and
- (f) the need to act fairly as between members of the company.

Pharmalex UK Bidco Limited

Strategic report for the period ended 31 December 2022 (*continued*)

Section 172 Statement (*continued*)

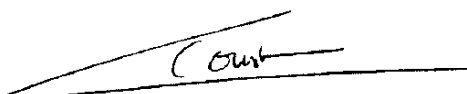
The Board considers that all their decisions are taken with the long-term in mind, understanding that these decisions need to regard the interests of the company's employees, its relationships with suppliers, customers, the communities and the environment in which it operates.

For the purpose of this statement, detailed descriptions of the decisions taken are limited to those of strategic importance. The Board believes that three decisions taken during the period fall into this category and were made with full consideration of both internal and external stakeholders.

- The integration of the Group with PharmaLex was key in 2022 as it significantly complemented and broadened the software and services that the Group can offer to existing and potential customers as they manage the clinical trial lifecycle from filing clinical trial applications through to the recording of clinical trial data within the trial master file and then to the filing of new drug or marketing authorisation applications. The integration of the Group and PharmaLex Group with AmerisourceBergen will be important in 2023 to enhance the Group's wider global portfolio of solutions to support biopharmaceutical manufacturer partners across the pharmaceutical development and commercialisation journey. These acquisitions will also enable employees to become part of a more diversified group, thereby offering more opportunities for career development.
- Following the decision to move all employees to working from home since Covid-19, we expect to maintain and develop a flexible working approach through 2022 and 2023, which will enable the company to continue to operate optimally whilst allowing for a healthy work life balance for our employees. This aligns with the wider views of PharmaLex and AmerisourceBergen.
- The decision to launch a broader range of eTMF solutions to enable sales of eTMF to a larger market. The multi-tenant version of the eTMF has required significant investment in the short term and we have as a result been able to rapidly implement solutions to support customers with their Covid-19 clinical trials.

Approval

This strategic report was approved on behalf of the Board on 4 December 2023.



L M R Couston
Director

Pharmalex UK Bidco Limited

Directors' report for the period ended 31 December 2022

The directors present their report together with the audited financial statements for the period ended 31 December 2022.

Results and dividends

The consolidated statement of comprehensive income is set out on page 10 and shows a turnover of £35,732k and gross profit of £24,716k. The Group made a loss before tax of £115,639k for the period to 31 December 2022.

The directors do not recommend the payment of a dividend.

Directors

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

J McNeill (appointed on 24th January 2022; resigned on 1st March 2023)
D Jethwa (appointed on 1st March 2023; resigned on 31st March 2023)
T S Dobmeyer (appointed on 16th December 2021; resigned on 31st March 2023)
J W S Jeffery (appointed on 24 January 2022)
C Gauglitz (appointed 31st March 2023)
L M R Couston (appointed 31st March 2023)

Going concern

The directors have decided that the group will undertake a rationalisation project and cease trading, effective from 31 October 2023, with trading subsidiaries being transferred to a group affiliate. Therefore, the directors consider it inappropriate to prepare the consolidated financial statements on a going concern basis. These consolidated financial statements have been prepared on a basis other than that of a going concern, as outlined in the basis of preparation (Note 1). Further details regarding the rationalisation are provided in Note 22.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 the directors have elected to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; 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. They 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.

Pharmalex UK Bidco Limited

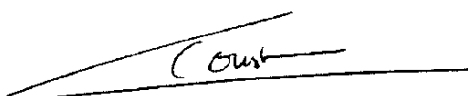
Directors' report for the period ended 31 December 2022 (*continued*)

Directors' confirmation

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information needed and to establish that the auditors are aware of that information.

This report was approved by the board and signed on its behalf on 4 December 2023.

A handwritten signature in black ink, appearing to read 'Couston', is written over a horizontal line.

L M R Couston
Director

Pharmalex UK Bidco Limited

Independent auditor's report for the period ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PHARMALEX UK BIDCO LIMITED

Opinion on the financial statements

We have audited the financial statements of Pharmalex UK Bidco Limited ("the Parent Company") and its subsidiaries ("the Group") for the period ended 31 December 2022 which comprise the consolidated statement of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's 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 are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter

We draw attention to Note 22 to the consolidated financial statements, which explains that the group has undertaken a rationalisation project and will cease trading as of 31 October 2023, with the transfer of trading subsidiaries to a group affiliate. As a result, the directors do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1.

Our opinion is not modified in respect of this matter.

Pharmalex UK Bidco Limited

Independent auditor's report for the period ended 31 December 2022 (*continued*)

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Pharmalex UK Bidco Limited

Independent auditor's report for the period ended 31 December 2022 (*continued*)

Responsibilities of Directors (*continued*)

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

Auditor's 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 auditor's 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.

Auditor's responsibilities for the audit of the financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Imran Farooq (Senior Statutory Auditor)
For and on behalf of Rödl & Partner Limited

170 Edmund Street
Birmingham
B3 2HB

Date: 4th December, 2023

Pharmalex UK Bidco Limited

Consolidated statement of comprehensive income for the period 16 December 2021 to 31 December 2022

	Note	2022 £'000
Turnover	2	35,732
Cost of sales		(11,016)
		<hr/>
Gross profit		24,716
Administrative expenses		(182,869)
		<hr/>
Operating loss	3	(158,153)
Interest payable and similar charges	6	(8,105)
Other income	7	50,619
		<hr/>
Loss on ordinary activities before taxation		(115,639)
Taxation	8	(1,320)
		<hr/>
Loss for the financial period		(116,959)
Other comprehensive income for the period		
Exchange difference on the retranslation of subsidiary undertakings		655
		<hr/>
Total comprehensive loss for the period		(116,304)
		<hr/>

Total comprehensive income for the financial period is all attributable to the owners of the parent company.

All amounts relate to continuing activities.

The notes on pages 16 to 33 form part of these financial statements.

Pharmalex UK Bidco Limited

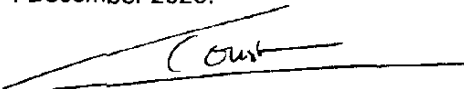
Consolidated statement of financial position at 31 December 2022

Company Registration number: 13804804

	Note		2022 £'000
Current assets			
Intangible assets	9	23,103	
Tangible assets	10	301	
Debtors	12	12,335	
Cash at bank and in hand		3,163	
		<u>38,902</u>	
Creditors: amounts falling due within one year	13	(100,229)	
Provisions for liabilities	15	(6,127)	
		<u>(106,356)</u>	
Net current liabilities			(67,454)
			<u>(67,454)</u>
Net liabilities			<u>(67,454)</u>
Capital and reserves			
Called up share capital	17	922	
Share premium account		47,928	
Profit and loss account		(116,304)	
		<u>(67,454)</u>	
Shareholders' deficit			<u>(67,454)</u>

The notes on pages 16 to 33 form part of these financial statements

The financial statements on pages 10 to 33 were approved by the Board of Directors and authorised for issue on 4 December 2023.


L M R Couston
 Director

Pharmalex UK Bidco Limited

Consolidated statement of changes in equity for the period ended 31 December 2022

	Called up share capital £'000	Share Premium £'000	Profit and loss account £'000	Total £'000
16 December 2021:	-	-	-	-
<i>Comprehensive income/(loss) for the period</i>				
Loss for the period	-	-	(116,304)	(116,304)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income/(loss) for the period	-	-	(116,304)	(116,304)
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Contributions by owners:</i>				
Issue of share capital	922	47,928	-	48,850
	<hr/>	<hr/>	<hr/>	<hr/>
Total contributions by owners	922	47,928	-	48,850
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2022	922	47,928	(116,304)	(67,454)
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 16 to 33 form part of these financial statements.

Pharmalex UK Bidco Limited

Consolidated statement of cash flows for the period ended 31 December 2022

	Note	2022 £'000
Cash flows from operating activities		
Loss for the financial period before taxation		(115,630)
Adjustments for:		
Depreciation of fixed assets	10	154
Amortisation and impairment of goodwill and other acquired intangible fixed assets	9	156,323
Amortisation of capitalised software development	9	3,901
Interest payable	6	8,105
Other income	7	(50,619)
Increase in trade and other debtors	12	(12,235)
Increase/(decrease) in trade creditors and other creditors	13	6,661
Increase/(decrease) in provisions	15	6,127
Loss/(gain) on foreign exchange	3	4,430
Cash from operations		7,208
Taxation paid		(649)
Net cash generated from operating activities		6,559
Cash flows used in investing activities		
Purchases of tangible fixed assets	10	(195)
Purchases of intangible fixed assets	9	(5,301)
Repayment of existing debt		(70,942)
Acquisition of subsidiary undertaking net of cash acquired	9	(55,446)
Net cash used in investing activities		(131,884)
Cash flows from financing activities		
Proceeds from debt		83,639
Issue of share capital		48,850
Interest paid		(4,001)
Net cash used in financing activities		128,488
Net (decrease)/increase in cash and cash equivalents		3,163
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period		3,163
Cash and cash equivalents comprise:		
Cash at bank and in hand		3,163

The notes on pages 16 to 33 form part of these financial statements.

Pharmalex UK Bidco Limited

Company statement of financial position at 31 December 2022

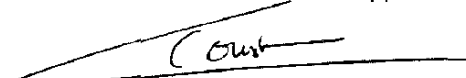
Company Registration number: 13804804

	Note		2022 £'000
Current assets			
Investments	11	-	
Debtors	12	-	
		-	
Creditors: amounts falling due within one year	13	(92,797)	
Net current liabilities			(92,797)
Net liabilities			(92,797)
Capital and reserves			
Called up share capital	17		922
Share premium			47,928
Profit and loss account			(141,647)
Shareholders' deficit			(92,797)

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own income statement in these financial statements. The Group loss for the period includes a loss after tax in relation to the company of £141,647k.

The notes on pages 16 to 33 form part of these financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 4 December 2023.


L M R Couston
Director

Pharmalex UK Bidco Limited

Company statement of changes in equity for the period ended 31 December 2022

	Called up share capital £'000	Share premium £'000	Profit and loss Account £'000	Total £'000
16 December 2021:	-	-	-	-
<i>Comprehensive loss for the period:</i>				
Loss for the period	-	-	(141,647)	(141,647)
Total comprehensive loss for the period	-	-	(141,647)	(141,647)
<i>Contributions by owners:</i>				
Issue of share capital	922	47,928	-	48,850
Total contributions by owners	922	47,928	-	48,850
31 December 2022	922	47,928	(141,647)	(92,797)

The notes on pages 16 to 33 form part of these financial statements.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022

1 Accounting policies

Pharmalex UK Bidco Limited is a private company limited by shares incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the Group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard ('FRS 102') the Financial Reporting Standards applicable in the United Kingdom and the Republic of Ireland. The presentation currency of these financial statements is pound sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Group management to exercise judgement in applying the Group's accounting policies. These critical accounting estimates and judgements are discussed in more detail below.

The following principal accounting policies have been applied:

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and the parent company would be identical;
- no cash flow statement has been presented for the parent company;
- disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole.

Audit of individual subsidiary financial statements

Under section 479a of the Companies Act the following subsidiaries are exempt from the requirements relating to the audit of individual accounts for a financial year: Overture Topco Limited, Overture Midco Limited, Emerald Topco Limited, Emerald Midco 1 Limited, Emerald Midco 2 Limited and Emerald Bidco Limited.

Basis of consolidation

The consolidated income statement and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2022 on the acquisition accounting basis. The results of subsidiaries sold or acquired are included in the income statement up to, or from the date control passes. Intra-Group sales and profits are eliminated fully on consolidation.

Going concern

The directors consider that, at period end, the Group had a sufficient cash holding position and access to sufficient funding to meet its financial obligations as they fall due, and was expected to continue to generate positive cash flows on its own account for the foreseeable future based upon a detailed budget prepared for 2023 and for the first nine months of 2024. However the directors have decided that the group will undertake a rationalisation project and cease trading, effective from 31 October 2023, with trading subsidiaries being transferred to a group affiliate (see note 22). Consequently, the Group does not have a sufficient cash holding position at the time of signing these financial statements, and so the directors have decided that the group financial statements should be prepared on a basis other than that of a going concern.

Turnover and revenue recognition

Turnover represents revenue (excluding VAT) earned under a wide variety of contracts to provide a range of different professional services. Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors as accrued revenue and invoices on account in excess of the relevant amount of revenue are included in creditors as deferred revenue.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (*continued*)

1 Accounting policies (*continued*)

Software development

Software development costs are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development. Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised evenly over the period of expected future benefit. During the period of development the asset is tested for impairment annually.

All costs that the directors consider relate to the ongoing maintenance of the underlying platform are expensed directly to the income statement.

Intangible assets acquired in a business combination - Customer relationships and Brand

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives at the following rates:

Customer relationships	- over 10 years
Technology	- over 5 to 10 years
Trade Name	- over 10 years
Trademarks and licences	- over 10 years
Capitalised software development	- over 3 years

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings, representing the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired is capitalised and amortised through the income statement over its economic life which is considered to be 10 years. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial period following acquisition; and
- in other periods if events or changes in circumstances indicate that the carrying value may not recoverable.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold land and buildings	- life of the lease
Computer equipment	- 33% on the straight line basis
Fixtures, fittings and equipment	- 25% on the straight line basis

Leases

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the lease.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (*continued*)

1 Accounting policies (*continued*)

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the income statement in the year they are payable.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income statement.

The results of overseas operations are translated at the average rate of exchange during the period and the balance sheet translated into sterling at the rate of exchange ruling on the balance sheet date.

Exchange differences which arise from transactions of the opening net assets and results of foreign subsidiary undertakings are taken to reserves.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (*continued*)

1 Accounting policies (*continued*)

Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, accrued income, interest rate swap and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (*continued*)

1 Accounting policies (*continued*)

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to exercise judgement in applying the Group's accounting policies. Estimates and assumptions used in the preparation of the financial statements are continually reviewed and revised as necessary.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether there are indicators of impairment of the company's investments in subsidiaries. Factors taken into consideration in reaching such a decision include the financial position and expected future financial performance of the investment.

Other key sources of estimation uncertainty

- *Intangible fixed assets (note 9)*

Intangible fixed assets, including goodwill are amortised over their estimated useful lives, with no residual value. The actual lives of the assets are assessed annually and may vary depending on a number of factors.

- *Tangible fixed assets (see 10)*

Tangible fixed assets are depreciated over their estimated useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

- *Deferred tax liability (note 16)*

A deferred tax liability has been recognised in relation to the separately identifiable intangible assets. This deferred tax liability has been recognised with reference to tax rates enacted as at 31 December 2021, at which the liability is expected to unwind.

- *Development expenditure (note 9)*

Development expenditure is capitalised in accordance with the accounting policy in note 1. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

2 Rendering of services

The Group has one class of business and in the period to 31 December 2022 86% (2021: Nil) of the group's services were rendered to markets outside the United Kingdom.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (continued)

3 Operating loss

16 December 2021
to
31 December 2022
£'000

This is arrived at after charging/(crediting):

Hire of other assets - operating leases	735
Amortisation and impairment of goodwill and other acquired intangible fixed assets	156,323
Amortisation of capitalised software development	3,901
Depreciation of tangible fixed assets	154
Defined contribution pension cost	482
Loss on foreign exchange transactions	4,430
Auditor's remuneration for statutory audit services – company	65
Auditor's remuneration for statutory audit services – Group companies	64
Auditor's remuneration for taxation services	38
	<hr/>

4 Employees

16 December 2021
to
31 December 2022
£'000

Staff costs (including directors) consist of:

Wages and salaries	18,043
Social security costs	1,622
Other post retirement benefit costs (note 21)	482
	<hr/>

20,147

The average number of employees (including directors) during the period was as follows:

	Number
Clinical services	294
Development	75
Administration	96
	<hr/>
	465
	<hr/>

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (continued)

5 Key management personnel

The directors are considered to be the key management personnel and their remuneration is set out below:

	16 December 2021 to 31 December 2022 £'000
Directors' emoluments	5,095
Company contributions to pension schemes	19
	<hr/>
	5,114

The total amount payable to the highest paid director during the period was £2,733,851. Company contributions to the defined contribution scheme for the highest paid director amounted to £Nil.

There were 2 directors in the company's defined contribution scheme during the period.

6 Interest payable and similar charges

	16 December 2021 to 31 December 2022 £'000
Shareholder loan	4,903
Preference share interest	3,202
	<hr/>
	8,105

7 Other Income

	16 December 2021 to 31 December 2022 £'000
Accrued preference share interest waived by affiliate	50,619
	<hr/>
	50,619

As part of the company's acquisition of Overture Topco Limited and its subsidiaries on 24 January 2022, the rights of Overture Topco preference shares were varied so that they ranked pari-passu with other share classes and became non-redeemable. As a result of this restructure the company waived its right to the accrued interest on these shares, and the accrued preference share interest balance at acquisition was written off and credited to the statement of comprehensive income.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (*continued*)

8 Taxation

	16 December 2021 to 31 December 2022 £'000
<i>UK corporation tax</i>	
Current tax for the period	1,785
Adjustments to tax charge in respect of previous periods	-
Double tax relief	(1,014)
Foreign taxation	-
	<hr/>
Total current tax	771
<i>Deferred tax</i>	
Origination and reversal of timing differences	527
Adjustments to previous periods	22
Effect of change in tax rate for opening balances	-
	<hr/>
Taxation on ordinary activities	1,320
	<hr/>

The tax assessed for the period differs to the standard rate of corporation tax in the UK applied to the result before tax. The differences are explained below:

	16 December 2021 to 31 December 2022 £'000
Loss on ordinary activities before tax	(115,639)
	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (2021: 19%)	(21,971)
Effects of:	
Fixed asset differences	(165)
Foreign tax credits	(1,014)
Group relief surrendered/(claimed)	5,148
Additional foreign tax suffered	656
Income not chargeable for tax purposes	(9,618)
Expenses not deductible for tax purposes	28,111
Adjustments to tax charge in respect of previous periods	22
Differences in tax rates	118
Deferred tax not recognised	33
	<hr/>
Total tax for the period	1,320
	<hr/>

Pharmalex UK Bidco Limited

Notes forming part of the financial statements
for the period ended 31 December 2022 (*continued*)

8 Taxation (*continued*)

The deferred tax balances comprise:

	Group deferred tax liability £'000
At 16 December 2021	-
Acquisition of subsidiary undertaking	5,523
Charged to the income statement in the period	527
Prior year adjustment	22
	<hr/>
At 31 December 2022	6,072
	<hr/>

There were no unrecognised losses for the period.

Pharmalex UK Bidco Limited
Notes forming part of the financial statements
for the period ended 31 December 2022 (*continued*)

9 Intangible assets

Group	Goodwill £'000	Technology £'000	Customer relationships £'000	Trade name £'000	Trademarks and licences £'000	Capitalised software development £'000	Total £'000
<i>Cost</i>							
At 16 December 2021	-	-	-	-	-	-	-
Acquisition of subsidiary undertaking	152,371	8,300	8,720	2,006	937	5,692	178,026
Additions	-	-	-	-	-	5,301	5,301
At 31 December 2022	152,371	8,300	8,720	2,006	937	10,993	183,327
<i>Amortisation</i>							
At 16 December 2021	-	-	-	-	-	-	-
Charge for the period	19,129	1,602	1,766	406	178	3,901	26,982
Impairment	133,242	-	-	-	-	-	133,242
31 December 2022	152,371	1,602	1,766	406	178	3,901	160,224
<i>Net book value</i>							
At 31 December 2022	-	6,698	6,954	1,600	759	7,092	23,103

There were no intangible fixed assets held by the company.

The acquisition of technology intangible assets relates to artificial intelligence technology which the Group has determined as separable from goodwill based upon contractual and legal rights.

The directors have decided that the group will undertake a rationalisation project and cease trading, effective from 31 October 2023. Trading subsidiaries, on which goodwill has arisen, will be transferred to a group affiliate. Consequently, this has resulted in the impairment of goodwill in these consolidated financial statements to £nil.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (continued)

9 Intangible assets (continued)

On 24 January 2022 Pharmalex UK Bidco Ltd acquired 100% of the voting rights of Overture Topco Ltd

	Book value £'000	Fair value adjustments £'000	Fair value acquired £'000
Fair value of assets acquired at 24 January 2022:			
Intangible fixed assets	25,877	(222)	25,655
Tangible fixed assets	265	(5)	260
Debtors due within one year	11,888	(2,017)	9,871
Cash and cash equivalents	2,971	-	2,971
Creditors due within one year	(9,188)	1,679	(7,509)
Creditors due after more than one year	(166,132)	49,194	(116,938)
Provisions	(5,578)	-	(5,578)
Net liabilities acquired	(139,897)	48,629	(91,268)
			Book value £'000
Fair value of consideration:			
Equity issued for cash			47,797
Equity issued for rollover consideration			2,686
Acquisition expenses			10,620
Total Consideration			61,103
Goodwill arising on consolidation			152,371
			£'000
Net cash paid on acquisition:			
Cash consideration			47,797
Cash acquired			(2,971)
Acquisition expenses			10,620
Acquisition of subsidiary net of cash acquired			55,446

Pharmalex UK Bidco Limited

Notes forming part of the financial statements
for the period ended 31 December 2022 (*continued*)

10 Tangible assets

Group	Leasehold land and buildings £'000	Computer equipment £'000	Fixtures, fittings and equipment £'000	Total £'000
<i>Cost</i>				
At 16 December 2021	-	-	-	-
Acquisition of subsidiary undertaking	47	179	34	260
Additions	56	117	22	195
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	103	296	56	455
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 16 December 2021	-	-	-	-
Charge for the period	28	108	18	154
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	28	108	18	154
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 December 2022	75	188	38	301
	<hr/>	<hr/>	<hr/>	<hr/>

The company has no tangible fixed assets.

11 Fixed asset investments

Company

	£'000
At 16 December 2021	-
Acquisition of subsidiary undertakings at cost	51,829
Less: impairment loss	(51,829)
	<hr/>
At 31 December 2022	-
	<hr/>

The investment has been written down to £Nil due to the rationalisation project in October 2023. This project resulted in the sale of the trading entities within the group and the company, along with its eight non-trading subsidiary undertakings, becoming dormant (see note 22).

Pharmalex UK Bidco Limited

**Notes forming part of the financial statements
for the period ended 31 December 2022 (continued)**

11 Fixed asset investments (continued)

The company has the following subsidiary undertakings:

Name	Address and country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
<i>Subsidiary undertakings</i>			
Overture Topco Limited	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Overture Midco Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Overture Midco II Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Overture Bidco Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Emerald Topco Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Emerald Midco 1 Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Emerald Midco 2 Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Emerald Bidco Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	Holding company
Phlexglobal Limited *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	The provision of clinical research services
Phlexglobal Poland SP Zoo *	4th Floor, Building A, 6 Szeligowskiego St., Lublin, Poland	Ordinary, 100%	The provision of clinical research services
Phlexglobal Inc *	200 Lindenwood Drive Malvern, PA 19355, USA	Ordinary, 100%	The provision of clinical research services
Net Solutions Europe Ltd *	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	The provision of clinical research services
Phlexglobal GmbH*	Luise-Ullrich-Strasse 20 80636 Munich, Germany	Ordinary, 100%	Holding company
Cunesoft GmbH*	Luise-Ullrich-Strasse 20 80636 Munich, Germany	Ordinary, 100%	The provision of clinical regulatory operations platforms
Cunesoft Inc*	200 Lindenwood Drive Malvern, PA 19355, USA	Ordinary, 100%	The provision of clinical regulatory operations platforms
Cunesoft Pvt. Limited*	Unit 104/105/106/107, A Wing, Mittal Towers, M.G. Road, 560 001, Bangalore, India	Ordinary, 100%	The provision of clinical regulatory operations platforms

* held indirectly

Where legally required all subsidiaries will be preparing individual financial statements.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements
for the period ended 31 December 2022 (*continued*)

12 Debtors

	Group 2022 £'000	Company 2022 £'000
Trade debtors	9,299	-
Other debtors	1,309	-
Amounts due from group companies	-	-
Prepayments and accrued income	1,517	-
Taxation and social security	110	-
Corporation Tax	100	-
	<hr/>	<hr/>
	12,335	-
	<hr/>	<hr/>

All amounts fall due in less than one year.

13 Creditors: amounts falling due within one year

	Group 2022 £'000	Company 2022 £'000
Trade creditors	496	-
Corporation tax	771	-
Amounts due to Group companies	-	-
Accruals and deferred income	6,165	-
Shareholder loan	88,693	88,693
Accrued Interest on shareholder loan	902	902
Accrued preference share interest	3,202	3,202
	<hr/>	<hr/>
	100,229	92,797
	<hr/>	<hr/>

On 24 January 2022 Overture Topco Limited and its subsidiaries were acquired by PharmaLex UK Bidco Limited which is owned by Pharmalex GmbH. As part of the acquisition, Pharmalex GmbH gave PharmaLex UK Bidco Limited an unsecured loan of Euro 100 million, to be used to settle in full the external bank loans that had been refinanced during October 2021 as well as to fund costs associated with the acquisition. Interest on this loan accrues annually at a rate of 6% and is payable monthly in arrears, and the loan plus accrued interest is repayable on 31 December 2026. However, as part of an entity rationalisation project (Note 22), the loan, along with the accrued loan interest and accrued preference share interest, was repaid in November 2023.

On 24 January 2022 PharmaLex UK Bidco Limited issued 911,634 A and 88,366 B preference shares. These shares are non-redeemable and so have been classified as equity and not debt (see note 17).

Pharmalex UK Bidco Limited

Notes forming part of the financial statements
for the period ended 31 December 2022 (*continued*)

14 Financial instruments

The Group financial instruments may be analysed as follows:

	2022 £'000
Financial assets	
Financial assets measured at cost less any impairment	13,771
	<hr/> 13,771 <hr/>
	2022 £'000
Financial liabilities	
Financial liabilities measured at amortised cost	99,458
	<hr/> 99,458 <hr/>

The company had no financial instruments.

Group Financial assets comprise cash, trade debtors, other debtors, interest rate swaps and amounts owed by Group companies.

Group Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and provisions, bank loans and amounts due to parent company.

The Group holds or issues financial instruments to finance its operations.

Long term loans are at fixed rates and are used in order to secure funding for the future developments of the Group as a whole.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements
for the period ended 31 December 2022 (continued)

15 Provisions for liabilities

Group	Property provisions £'000	Deferred tax liability £'000	Total £'000
At 16 December 2021	-	-	-
Acquisition of subsidiary undertaking	55	5,523	5,578
Charged to the income statement in the period	-	549	549
Other timing differences	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2022	55	6,072	6,127
	<hr/>	<hr/>	<hr/>

Property provisions relate to the directors' estimate of dilapidations payable on expiry of property leases held by the Group.

Deferred tax is detailed in note 16.

The company has no provisions.

16 Deferred taxation

Group	2022 £'000
At beginning of the period	5,523
Charged to the income statement in the period	549
	<hr/>
At 31 December 2022	6,072
	<hr/>

The deferred tax liability relates to short term timing differences on separately identifiable intangible assets, temporary differences on fixed assets book value over tax values and to assessed losses expected to be used in future years.

The following are the major deferred tax (liabilities)/assets recognised by the Group and movements thereon:

	(Liability)/Asset 2022 £'000
Fixed asset differences	(813)
Separately identifiable intangible assets	(5,375)
Other timing differences	15
Losses and other deductions	101
	<hr/>
	(6,072)
	<hr/>

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (continued)

17 Called up share capital

	Allotted, called up and fully paid 2022 £'000
820,371 Ordinary A shares of £0.01 each	8
79,529 Ordinary B shares of £0.01 each	1
70,000 Ordinary C shares of £0.01 each	-
911,634 A Preference shares of £1.00 each	912
88,366 B Preference shares of £0.01 each	1
	<hr/>
	922
	<hr/>

A, B and C ordinary shares have a right to vote. A and B preference share are non-voting, non-redeemable and carry a coupon of 10% compounding annually.

18 Reserves

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Share premium reserve represents the amount paid above the nominal value of the shares issued less amounts cancelled and transferred to distributable reserves.
- Profit and loss account represents cumulative profits or losses.

19 Commitments under operating leases

The fair value of minimum lease payments payable on the Group's operating leases are as follows:

	Land and Buildings 2022 £'000
Within one year	333
In two to five years	-
In more than five years	-
	<hr/>
	333
	<hr/>

The company had no commitments.

Pharmalex UK Bidco Limited

Notes forming part of the financial statements for the period ended 31 December 2022 (continued)

20 Related party transactions and ultimate controlling party

The company has taken advantage of the exemption not to disclose transactions with wholly owned subsidiaries within the Group.

On 24 January 2022, Overture Topco Limited and its subsidiaries were acquired by PharmaLex UK Bidco Limited, which is owned by PharmaLex GmbH, who were the ultimate controlling party of the Group and the Parent Company from 24 January 2022 to 31 December 2022. On 1 January 2023 the PharmaLex Group were acquired by AmerisourceBergen Corporation, which is now the ultimate controlling party (refer to note 22).

21 Post retirement benefit costs

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £481,983. Contributions totalling £68,322 were payable to the fund at the period end and are included in creditors.

22 Post balance sheet events

On 12 September 2022, the PharmaLex Group announced that AmerisourceBergen Corporation had signed a definitive agreement to acquire the Group. The transaction will advance AmerisourceBergen's role as partner of choice for biopharmaceutical manufacturers by enhancing AmerisourceBergen's global portfolio of solutions to support manufacturer partners across the pharmaceutical development and commercialisation journey. The transaction was closed on 1 January 2023.

Following the AmerisourceBergen (AB) acquisition, there was an organisational restructure in January 2023, that entailed the group selling its investment in Phlexglobal GmbH to an AB affiliate in Germany and its investments in Phlexglobal Inc and Cunesoft Inc to an AB affiliate in the US.

In January 2023, AmerisourceBergen Corporation announced that it intended to change its name to Cencora. The new name represents a unified presence that will continue to fuel the group's ongoing growth strategy and advance its impact across healthcare.

In October 2023 an entity rationalisation project started whereby:

- On 31 October 2023 a subsidiary undertaking of the company, Emerald Bidco Limited, sold its investments in Phlexglobal Limited and Net Solutions Europe Limited to an affiliate in the Cencora group, Pharmalex UK Holding Limited. This transaction was a transfer of the trading entities in the group to a new parent, but it had no impact on the continuing operations of these trading entities.
- Through a series of rationalisation entries, the company and its eight non-trading subsidiary undertakings (Overture Topco Limited, Overture Midco Limited, Overture Midco II Limited, Overture Bidco Limited, Emerald Topco Limited, Emerald Midco 1 Limited, Emerald Midco 2 Limited and Emerald Bidco Limited) were rendered dormant at 30 November 2023, each with a balance sheet comprising £Nil assets and £Nil capital and reserves.

Apart from the company and its eight non-trading subsidiary undertakings becoming dormant, an estimate cannot be made of the financial impact of the above events.