

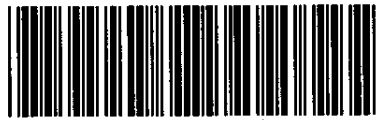
Emerald Midco 2 Limited

Report and Financial Statements

For the year ended

31 December 2021

Company Number 09019593

TL	SAT	MONDAY			
			ABZ70FEX		
			A12	13/03/2023	#90
			COMPANIES HOUSE		
			ABYKY4WW		
			A13	04/03/2023	#165
			COMPANIES HOUSE		
			ABJ8TAPF		
			A28	20/12/2022	#79
			COMPANIES HOUSE		

Emerald Midco 2 Limited

Report and financial statements for the year ended 31 December 2021

Contents

Page:

1	Strategic report
2	Directors' report
3	Directors' responsibilities statement
4	Statement of comprehensive income
5	Balance sheet
6	Statement of changes in equity
7	Notes forming part of the financial statements

Directors

T S Dobmeyer
J W S Jefferey
M I Rese

Registered office

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

Company number

09019593

Emerald Midco 2 Limited

Strategic report for the year ended 31 December 2021

The directors present their strategic report together with the financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company in the year was that of an intermediate holding company for the Phlexglobal Group ("Group") of companies which provide support services to the clinical research industry.

Review of the business and future developments

The company is a holding company and does not trade.

The company has net assets of £28,247,000 (2020: £28,247,000) and recorded a result for the financial year of £nil (2020: £nil). It has investments of £28,247,000 in subsidiaries (2020: £28,247,000) at 31 December 2021.

The directors continue to review the group structure and the associated roles and responsibilities to maximise efficiencies and ensure effective cost control with the Group.

The Group operates within the life sciences sector and whilst the commencement of some clinical trials were delayed, there has since been increased demand by customers pursuing Covid-19 related trials, resulting in continued growth in the Group.

Key performance indicators

Emerald Midco 2 Limited is a holding company and not part of the trading operations of the Group. Consequently, the directors do not consider that financial and non-financial key performance indicators would be meaningful or appropriate. For this reason, key performance indicators have not been presented as part of these financial statements. The key performance indicators of the group are included in the financial statements of Overture Topco Limited.

Principal risks and uncertainties

As an intermediate holding company, the principal risks for the company are that either the investment value of the shares in group undertakings, or the amounts owed by group undertakings might not be fully recoverable. The directors regularly review the performance of the company's subsidiaries to ascertain whether there are any indicators which might indicate any risks threatening full recovery.

The Group could be affected by a number of risk factors, such as a reduction in the level of clinical research activities globally. The Group's business could be negatively affected by the loss of key customer contracts.

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.

The Group's policy in respect of liquidity risk is to maintain readily accessible bank deposit accounts to ensure the company 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.

Approval

This strategic report was approved on behalf of the Board on 20 December 2022.

Monika Rese

**M I Rese
Director**

Emerald Midco 2 Limited

Directors' report for the year ended 31 December 2021

The directors present their report together with their strategic report and the unaudited financial statements for the year ended 31 December 2021.

Results and dividends

The company result for the year after taxation amounted to £nil (2020: £nil).

The directors do not recommend the payment of a dividend (2020: £nil).

Directors

The directors of the company during the year were:

K Roy (resigned on 11 February 2022)
A D Johnson
J McNeill (resigned on 11 February 2022)
T S Dobmeyer (appointed on 24 January 2022)
J W S Jefferey (appointed on 24 January 2022)
M I Rese (appointed on 24 January 2022)

The directors did not enter into any transactions with the company during the year.

On behalf of the Board

Monika Rese

M I Rese
Director

Date - 20 December 2022

Emerald Midco 2 Limited

Directors' responsibilities statement for the year ended 31 December 2021

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 year.

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.

Emerald Midco 2 Limited

Statement of comprehensive income for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Administrative expenses		-	-
		<hr/>	<hr/>
Result from ordinary activities before taxation	2	-	-
Taxation	4	-	-
		<hr/>	<hr/>
Result for the financial year		-	-
		<hr/>	<hr/>

All amounts relate to continuing activities.

There is no other comprehensive income in the current or prior year.

The notes on pages 7 to 10 form part of these financial statements.

Emerald Midco 2 Limited

Balance sheet at 31 December 2021

Company number 09019593	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Fixed asset investments	5		28,247		28,247
Current assets					
Debtors	6	9,130		9,130	
Creditors: amounts falling due within one year	7	(9,130)		(9,130)	
Net current assets			-		-
Net assets			28,247		28,247
Capital and reserves					
Called up share capital	8		8,710		8,710
Share premium account			19,537		19,537
Profit and loss account			-		-
Shareholders' funds			28,247		28,247

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Directors and authorised for issue on 20 December 2022.

Monika Reese

**M I Reese
Director**

The notes on pages 7 to 10 form part of these financial statements.

Emerald Midco 2 Limited

Statement of changes in equity for the year ended 31 December 2021

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
1 January 2020	8,710	18,958	-	27,668
Result for the year	-	-	-	-
Total contributions by owners	-	579	-	579
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2020	8,710	19,537	-	28,247
	<hr/>	<hr/>	<hr/>	<hr/>
Result for the year	-	-	-	-
Total contributions by owners	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2021	8,710	19,537	-	28,247
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 7 to 10 form part of these financial statements.

Emerald Midco 2 Limited

Notes forming part of the financial statements for the year ended 31 December 2021

1 Accounting policies

Emerald Midco 2 Limited is a company 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 Standard applicable in the United Kingdom and the Republic of Ireland.

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:

Basis of consolidation

The company is exempt from preparing consolidated financial statements for its group, as the company's ultimate parent, Overture Topco Limited, is incorporated in the United Kingdom and prepares group financial statements. These financial statements present information about the company only and not the group which it heads.

Going concern

The Board is satisfied that the company has adequate financial resources to continue to operate for the foreseeable future. For this reason, the going concern basis is considered appropriate for the preparation of the financial statements.

Exemption from preparing a cash flow statement

The company has taken the exemption within Chapter 1 of FRS 102, not to prepare a cash flow statement as it is included within the consolidated financial statements of its ultimate parent, Overture Topco Limited, which are publicly available.

Investments in subsidiaries

Investments in subsidiaries are carried at cost, less provisions for impairment. The carrying values of investments are reviewed for impairment when events or circumstances indicate the carrying value may not be recoverable.

Financial assets and liabilities

The company's financial assets and liabilities mainly comprise related party receivables, borrowings and related party payables.

Receivables are non-interest bearing and are recognised at amortised cost as reduced by appropriate allowances for irrecoverable amounts.

Payables are repayable on demand, non-interest bearing and are recognised at fair value on inception and amortised cost in subsequent years.

Current and deferred taxation

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

Emerald Topco Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Current and deferred taxation (continued)

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.

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.
- Profit and loss account represents cumulative profits or losses.

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 Company's investments in subsidiaries. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the investment.

There are no areas of estimation uncertainty.

2 Operating result

Auditor's remuneration is borne on a Group basis. There was no audit required for the entity as exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies was applied in the year.

3 Employees

Other than the directors, who received no remuneration in respect of their services from the company, the company had no employees.

Each of the directors received remuneration paid by other Group companies owned by the Overture Topco Limited Group in respect of services to Group companies. The average number of employees during the year was nil (2020: nil).

Emerald Midco 2 Limited

**Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)**

4 Taxation

No liability to UK corporation tax arose on ordinary activities for the year

5 Fixed asset investments

Company	Subsidiary undertakings 2021 £'000	Subsidiary undertakings 2020 £'000
<i>Opening Balance</i>	28,247	27,668
<i>Additions during the year</i>	-	579
 <i>Cost and net book value</i>	 28,247	 28,247

The company has the following subsidiary undertakings:

Name	Registered address	Proportion of voting rights and ordinary share capital held	Nature of business
<i>Subsidiary undertakings</i>			
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
Net Solutions Europe Limited*	Chesham House, Deansway, Chesham, England, HP5 2FW	Ordinary, 100%	The provision of clinical research services
Phlexglobal Inc *	200 Lindenwood Drive Malvern, PA 19355	Ordinary, 100%	The provision of clinical research services
Phlexglobal Poland SP Zoo *	4 th Floor, Building A, 6 Szeligowskiego St., Lublin, Poland	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	Ordinary, 100%	The provision of clinical regulatory operations platforms
Cunesoft India 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

Emerald Midco 2 Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

6 Debtors

	2021 £'000	2020 £'000
Amounts due from group undertakings	9,130	9,130

Balances with subsidiary undertakings are interest free and repayable on demand. All amounts fall due for repayment in less than one year.

7 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts due to group undertakings	9,130	9,130

Loans from subsidiary undertakings are interest free and repayable on demand. All other amounts fall due for repayment in less than one year.

8 Share capital

	2021 Number	Allotted, called up fully paid 2020 Number	2021 £'000	2020 £'000
Ordinary shares of £1.00 each	8,710,052	8,710,052	8,710	8,710

9 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 headed by Overture Topco Limited.

The company's immediate parent company is Emerald Midco 1 Limited. The ultimate controlling party of the Group and Company at the balance sheet date was certain funds advised by Vitruvian Partners. Since the year end the Group and Company were acquired by PharmaLex GmbH which is the ultimate controlling party from 24 January 2022 (refer to note 10).

10 Post balance sheet events

On the 24 January 2022 Overture Topco Limited and its subsidiaries were acquired by PharmaLex UK Bidco Limited. PharmaLex Group are a leading provider of specialized services for the pharma, biotech and medtech industries worldwide.

On 12 September 2022, the PharmaLex Group announced that AmerisourceBergen Corporation has 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 is expected to close by March 2023 and is subject to the satisfaction of customary closing conditions, including required regulatory approvals.