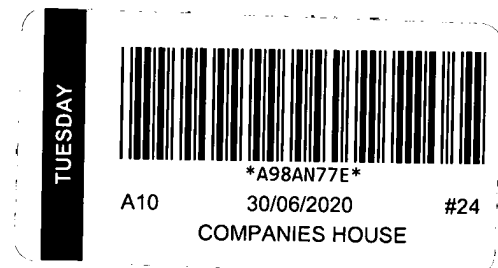


Clinigen Holdings Limited

Annual Report and Financial Statements

for the year ended 30 June 2019

Company registered number 10618229



Directors and other information

Directors

S Chilton

N Keher (appointed 19 March 2019)

M Abell (resigned 19 March 2019)

Company secretary

A Miller

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Pegasus Business Park

Herald Way

East Midlands

DE74 2UZ

Registered office

Pitcairn House

Crown Square

First Avenue

Centrum 100

Burton-on-Trent

Staffordshire

DE14 2WW

Registered number

10618229

Directors' report

In line with the special provisions relating to small companies within part 15 of the Companies Act 2006, the Company has chosen not to prepare a Strategic report.

The directors present their report and audited financial statements for the year ended 30 June 2019. Clinigen Holdings Limited ('the Company') is a private company limited by shares, incorporated and domiciled in the United Kingdom. Its company number is 10618229.

Principal activities

The principal activity of the Company in the year under review was that of an intermediate holding company and as such did not trade during the year.

Business review

In July 2018, the Company acquired the rights (outside the US) to Proleukin (aldesleukin, recombinant interleukin-2) and the rights (outside the US, Canada and Japan) to Imukin (recombinant human interferon gamma-1b) which it outlicenses to Clinigen Healthcare Limited, a fellow subsidiary company of the Clinigen Group.

On 27 March 2019, the Company acquired 100% of the share capital of Clinigen SP Limited, from Clinigen Pharma Limited, a fellow Group company, for consideration of £1. Subsequently the Company increased its investment in Clinigen SP Limited from £1 to £142,120,000 to fund the purchase of the US rights to Proleukin.

Dividends

The directors do not recommend the payment of a final dividend.

Directors

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

S Chilton

N Keher (appointed 19 March 2019)

M Abell (resigned 19 March 2019)

Directors' indemnity insurance

During the year and up to the date of signing of this report, the Company, through the Group, maintained liability insurance and third party indemnification provisions (which are a qualifying third party indemnity provision for the purposes of the Companies Act 2006) for its directors and the company secretary.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Standard applicable in the UK and Republic of Ireland', and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;

Directors' report (continued)

Statement of directors' responsibilities (continued)

- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure of information to auditors

In the case of each director in office at the date this report is approved, so far as the director is aware:

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

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board



N Keher

Director

29 June 2020

Independent auditors' report to the members of Clinigen Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Clinigen Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for opinion

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

Independence

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

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

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

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

Independent auditors' report to the members of Clinigen Holdings Limited (continued)

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

Directors' Report

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

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Clinigen Holdings Limited (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Paul Norbury (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
29 June 2020

Profit and loss account
for the year ended 30 June 2019

	Notes	2019 £000	2018 £000
Administrative expenses		(1,622)	—
Operating loss	3	(1,622)	—
Interest payable and similar expenses	5	(424)	—
Loss before taxation		(2,046)	—
Tax on loss for the financial year	6	—	—
Loss for the financial year		(2,046)	—

There were no items relating to components of other comprehensive income.

Balance sheet
as at 30 June 2019

	Notes	2019 £000	2018 £000
Assets			
Fixed assets			
Investments	7	830,546	688,426
Intangible assets	8	22,338	–
		<u>852,884</u>	<u>688,426</u>
Current assets			
Debtors	9	7	1
		<u>852,891</u>	<u>688,427</u>
Current liabilities			
Creditors – amounts falling due within one year	10	(337,251)	(312,860)
		<u>515,640</u>	<u>375,567</u>
Net assets			
Capital and reserves			
Called up share capital	11	18,000	–
Share premium		124,119	–
Profit and loss account		373,521	375,567
		<u>515,640</u>	<u>375,567</u>
Total shareholders' funds			
		<u>515,640</u>	<u>375,567</u>

Company number: 10618229

The notes on pages 10 to 18 form an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 29 June 2020 and were signed on its behalf by:



N Keher
Director

Statement of changes in equity

for the year ended 30 June 2019

	Called up share capital (note 11) £000	Share premium £000	Profit and loss account £000	Total shareholders' funds £000
Issue of share capital	140,000	235,567	–	375,567
Capital reduction	(140,000)	(235,567)	375,567	–
At 30 June 2018	–	–	375,567	375,567
Loss for the year	–	–	(2,046)	(2,046)
Issue of share capital	18,000	124,119	–	142,119
At 30 June 2019	18,000	124,119	373,521	515,640

Notes to the financial statements

for the year ended 30 June 2019

1. Authorisation of financial statements and statement of compliance with FRS 102

The financial statements of Clinigen Holdings Limited (the 'Company') for the year ended 30 June 2019 were authorised for issue by the board of directors on 29 June 2020 and the balance sheet was signed on the board's behalf by N Keher.

The Company is a subsidiary undertaking of Clinigen Group plc, incorporated and domiciled in the United Kingdom. Clinigen Group plc is the ultimate parent company and controlling party.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The financial statements are presented in sterling.

The Company is a wholly owned subsidiary of Clinigen Group plc and is included in its consolidated group financial statements which are publicly available. The Company is therefore exempt from the requirement to prepare consolidated financial statements under the Companies Act 2006. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

As the Company is a wholly owned subsidiary of Clinigen Group plc, it is a qualifying entity as defined by FRS 102 and therefore the Company has taken advantage of the following exemptions in these financial statements:

- Reconciliation of number of shares outstanding at the beginning and end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.

As the consolidated financial statements of Clinigen Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share-based payments*; and
- Certain disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments.

Notes to the financial statements (continued)

for the year ended 30 June 2019

2. Accounting policies (continued)

Going concern

The Company is reliant on the continued financial support of its ultimate parent Company to fund its working capital needs and has received confirmation of continuing financial support from Clinigen Group plc, such that it will continue to make sufficient funds available to the Company for the next 12 months following approval of these financial statements, and thereafter for the foreseeable future, to allow the Company to meet its liabilities as they fall due in the normal course of business and will not seek repayment of amounts currently made available to the Company by Group undertakings.

On the basis of their assessment of the Company's financial position, including the expected cash flows, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. The directors have included the impact of COVID19 in their assessment on going concern including appropriate sensitivities to the cash flow forecast given the ongoing level of uncertainties. The Company therefore continues to adopt the going concern basis of accounting in preparing its financial statements.

Foreign currency translation

The Company's functional currency and presentation currency is sterling. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are recognised in the profit and loss account within interest payable and similar charges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The Company does not apply hedge accounting of foreign exchange risks in its company financial statements.

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment. Investments held as current assets are stated at the lower of cost and net realisable value.

Intangible assets

Separately acquired trademarks and licences are initially recorded at cost, being the purchase price of the asset, which comprises the purchase price and any directly attributable cost of preparing the asset for its intended use, including the assignment of trademarks in different territories.

The carrying value of trademarks and licences is calculated as cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of the trademarks and licences over their estimated useful lives of between seven and fifteen years. the amortisation expense is recognised within administrative expenses in the profit and loss account.

The residual value and useful life of each intangible asset is reviewed at each financial year end and, if expectations differ from previous estimates, the changes are accounted for prospectively in the profit and loss account in the year of the change and future years. An increase in the residual value of an asset will decrease the amortisation charge for the year and future years and vice versa.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to the financial statements (continued)

for the year ended 30 June 2019

2. Accounting policies (continued)

Intangible assets (continued)

Gains and losses on disposals are determined by comparing the proceeds less cost of sale with the carrying amount and are recognised in the profit and loss account.

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the profit and loss account in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses (excluding goodwill), the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of amortisation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the profit and loss account, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

Financial instruments

a. Financial assets

Loans and receivables

Loans and receivables are carried at amortised cost using the effective interest rate (EIR) method, less impairment. The EIR amortisation is included in interest income in the profit and loss account. The losses arising from impairment are recognised in operating expenses.

This category generally applies to the Company's trade and other receivables. For more information on debtors, refer to note 10.

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

b. Financial liabilities

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 rate method.

Notes to the financial statements (continued)

for the year ended 30 June 2019

2. Accounting policies (continued)

c. Fair values

The Company measures non-financial assets, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair value of financial instruments that are traded in active markets at the reporting date is determined by reference to quoted market prices or dealer price quotations, without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques.

External valuers are involved for valuation of significant assets, such as licences. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Derecognition of financial instruments

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or it expires.

A financial asset is derecognised when the rights to receive cash flows from the asset have expired.

Notes to the financial statements (continued)

for the year ended 30 June 2019

2. Accounting policies (continued)

Taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax related to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity not in the profit or loss account.

Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

In particular the Company has identified the following areas where significant judgement, estimates and assumptions are required.

a. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Carrying value of investments

The carrying value of investments is at cost less any impairment. Annual impairment trigger reviews are undertaken at the end of the financial year or more frequently if events or changes in circumstances indicate a potential impairment. Investments are not traded in an active market, hence the fair value of the asset is determined using discounted cash flows which requires the Company to use judgement and assumptions.

b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Fair value measurement

The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value.

Notes to the financial statements (continued)

for the year ended 30 June 2019

3. Operating loss

The operating loss is stated after charging:

	2019 £000	2018 £000
Amortisation of intangible assets (note 8)	1,450	–
Foreign exchange gains on financial liabilities	172	–
	<u>1,622</u>	<u>–</u>

The audit fee in relation to these financial statements was borne by the ultimate parent company, Clinigen Group plc.

4. Staff cost and directors remuneration

The Company had no employees during the year (2018: nil) and accordingly no employee costs are included in these financial statements.

5. Interest payable and similar expenses

	2019 £000	2018 £000
Unwind of discount on deferred consideration	424	–
	<u>424</u>	<u>–</u>

Notes to the financial statements (continued)

for the year ended 30 June 2019

6. Tax on loss for the year

(a) Tax charged in the profit and loss account

	2019 £000	2018 £000
Current income tax:		
Tax on loss for the year	–	–

(b) Reconciliation of the total tax charge

Reconciliation between tax expense and the accounting loss multiplied by the UK standard rate of corporation tax is as follows:

	2019 £000	2018 £000
Loss before taxation	(2,046)	–
Tax calculated at UK standard rate of corporation tax of 19.0% (2018: 19.0%)	(389)	–
Effects of:		
Expenses not deductible for tax purposes	81	–
Transfer pricing adjustment	(1,308)	(1,315)
Group relief not paid for	1,616	1,315
Total tax expense reported in the profit and loss account	–	–

Change in corporation tax rate

Following announcements in the Budget 2017, the UK corporation tax rate will reduce to 17% from 1 April 2020.

Notes to the financial statements (continued)

for the year ended 30 June 2019

7. Investments

	2019 £000	2018 £000
<i>Cost or valuation</i>		
At 30 June	830,546	688,426

On 27 March 2019, the Company acquired 100% of the share capital of Clinigen SP Limited, from its subsidiary undertaking Clinigen Pharma Limited, for consideration of £1. Subsequently the Company increased its investment in Clinigen SP Limited from £1 to £142,120,000 for consideration in the form of a loan note, re-payable on demand.

The Company's subsidiary undertakings are listed below. The Company directly owns 100% of their ordinary share capital. They are incorporated and registered in England and Wales, and their registered office address is Pitcairn House, Crown Square, Centrum 100, Burton-on-Trent, Staffordshire, DE14 2WW.

Name	Nature of business
Clinigen Healthcare Limited	Supply of specialty pharmaceutical products and provision of healthcare services
Clinigen SP Limited	Supply of specialty pharmaceutical products
Clinigen International Holdings Limited	Holding company
Idis Group Holdings Limited	Holding company

8. Intangible assets

	Trademarks & Licences £000	Total £000
Cost:		
At 1 July 2018	–	–
Additions	23,788	23,788
At 30 June 2019	23,788	23,788
Accumulated amortisation:		
At 1 July 2018	–	–
Charge for the year	1,450	1,450
At 30 June 2019	1,450	1,450
Net book value:		
At 30 June 2018	–	–
At 30 June 2019	22,338	22,338

In July 2018, the Company acquired the rights (outside the US) to Proleukin (aldesleukin, recombinant interleukin-2) and the rights (outside the US, Canada and Japan) to Imukin (recombinant human interferon gamma-1b).

Notes to the financial statements (continued)

for the year ended 30 June 2019

9. Debtors

	2019 £000	2018 £000
Amounts owed by Group undertakings	3	1
Tax receivables	4	–
	<u>7</u>	<u>1</u>

The amounts owed by Group undertakings are non-interest bearing and receivable on demand.

10. Creditors – amounts due within one year

	2019 £000	2018 £000
Trade creditors	6	–
Amounts owed to group undertakings	334,624	312,860
Deferred consideration	2,621	–
	<u>337,251</u>	<u>312,860</u>

The amounts owed to group undertakings are non-interest bearing and payable on demand.

The deferred consideration relates to the final payment for Imukin which was subsequently paid in September 2019.

11. Called up share capital

	2019 No.	2018 No.	2019 £000	2018 £000
<i>Issued and fully paid</i>				
Ordinary shares of £1 each	18,000,003	3	18,000	–

The balance classified as equity share capital includes the total net proceeds (nominal value) on issue of the Company's equity share capital. The holders of each class of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The shares are not redeemable.

On 22 May 2019, the Company issued 18,000,000 shares for consideration of £142,119,000 receivable from its parent undertaking Clinigen Group plc in exchange for a loan note. This loan note was offset with a loan note payable to the Company's subsidiary undertaking Clinigen SP Limited of the same value.

Notes to the financial statements (continued)

for the year ended 30 June 2019

12. Financial instruments

Fair values of financial instruments

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

	Fair value 2019 £000	Carrying amount 2019 £000	Fair value 2018 £000	Carrying amount 2018 £000
Financial assets measured at amortised cost				
Debtors (note 9)	3	3	1	1
Total financial assets measured at amortised cost	3	3	1	1
Financial liabilities measured at amortised cost				
Creditors – amounts due within one year (note 10)	(337,251)	(337,251)	(312,860)	(312,860)
Total financial liabilities measured at amortised cost	(337,251)	(337,251)	(312,860)	(312,860)
Total financial instruments	(337,248)	(337,248)	(312,859)	(312,859)

Management considers that the carrying amount of financial assets and liabilities recognised at amortised cost in the financial statements approximate their fair value. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

13. Capital commitments and contingent liabilities

The Company guarantees the borrowing facilities of its ultimate parent company Clinigen Group plc. The balance of the facilities at 30 June 2019 was £338.1m (2018: £174.7m).

14. Ultimate parent undertaking and controlling party

The Company is a wholly owned subsidiary undertaking of Clinigen Group plc. The Company's ultimate parent undertaking and controlling party is Clinigen Group plc, a company registered in England and Wales.

Clinigen Group plc is the parent undertaking of the smallest and largest group of which the Company is a member. The consolidated financial statements of this group may be obtained from Pitcairn House, Crown Square, Centrum 100, Burton-on-Trent, Staffordshire, DE14 2WW.