

Company Registration No. 13587144 (England and Wales)

**REPHINE TOPCO LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**  
**31 DECEMBER 2022**

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# REFHINE TOPCO LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M S H Coleman M A Croghan T A Holroyd A Maidment A Sherlock
<b>Company number</b>	13587144
<b>Registered office</b>	Unit 15 Meadway Court Rutherford Close Stevenage Hertfordshire United Kingdom SG1 2EF
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants Blenheim House Newmarket Road Bury St Edmunds Suffolk IP33 3SB

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# REPHINE TOPCO LIMITED

## STRATEGIC REPORT

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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The directors present the strategic report for the period ended 31 December 2022.

#### **Fair review of the business**

The results of the group for the period ended 31 December 2022 are shown on page 8, where the group has reported a loss for the financial year of €5,982,525. The net liabilities of the group at the end of the period were €5,791,487. The group had a strong cash position of €5,611,017 at 31 December 2022.

During the period under review, Rephine has created the clear global leader in life sciences manufacturing supply chain quality compliance, by the merger of the Rephine group of companies, based in the UK, with the TDV group, based in Spain. A fully integrated business under one global brand, "REPHINE", has been created, with operating companies in the UK, EU, India and China. The executive management team is drawn from both legacy businesses. During the year Rephine has continued to expand both the Audit Report Library, as well as its closely related quality compliance consultancy business. The Group's strategy is to invest heavily in people and systems on a global scale in order to provide customers throughout the pharmaceutical sector with a best-in-class, full spectrum quality assurance service.

#### **Principal risks and uncertainties**

The group's principal risks and uncertainties comprise interest risk, credit risk, liquidity risk and foreign exchange risk. Policies relating to these risks are set out below.

##### *Interest risk*

The group's interest bearing borrowings consist of bank loans and long term loan notes. The bank loans incur interest of base rate plus 7.25%/7.5% and the loan notes incur interest at 10%. The group does not use interest rate swaps or cash flow hedges. The group matches any scheduled interest with the expected future cash flows from the group's trading activities.

##### *Credit risk*

Credit risk is the risk of financial loss to the group if a customer fails to meet its contractual obligations. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The group actively manages its credit exposures by ensuring it engages with reputable and established customers, and through the utilisation of a functional credit control facility. When increased exposure is detected, appropriate action is taken to mitigate the risks. All outstanding receivables have been considered for credit risk and are considered to be recoverable.

##### *Liquidity risk*

The group manages its cash flow to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments. A detailed cash flow is updated and monitored on a regular basis to manage the day to day spending of the group and to forecast the cash flow of the business on a short-term basis. The cash flow forecasts identifying the group's liquidity requirements are also used to ensure that sufficient headroom exists in the covenants attached to the bank borrowings.

##### *Foreign exchange risk*

The foreign exchange risk arises because the group has operations in parts of the world where the functional currency is not the same as the functional currency in which the group is operating.

The overseas subsidiaries operate separate bank accounts, which are used solely for each subsidiary, thus limiting the currency risk exposure. When currency is to be transferred between countries, this is planned in order to minimise the exposure to foreign exchange fluctuations. The group's net assets arising from such overseas operations are exposed to currency risk resulting in gains or losses on retranslation into Euros.

# REPHINE TOPCO LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### Key performance indicators

The board measures the performance of the group against budgets and its strategic objectives on a regular basis. The board have set out the below key performance indicators for the group to maximise:

	Period ended 31 December 2022
Turnover	€10,253,098
Gross profit	€8,916,518
EBITDA	€2,518,971

EBITDA is calculated by taking operating profit and adding back depreciation and amortisation.

#### Going concern

In order to assess the going concern assumption, the directors have prepared and considered detailed trading and cash flow forecasts for the group and have considered the performance of the business through extensive forecasting and scenario modelling. Having considered the trading performance of the business, and the assumptions and conclusions made in the forecasts and the availability of financial resources, which include the group's funding by way of long term investor and vendor loan notes and third party bank debt, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, and as a minimum for a period of at least 12 month from the date of approval of these financial statements.

#### Future developments

The directors of the group remain alert to good business opportunities within the sector.

On behalf of the board



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A Sherlock  
Director

Oct 21, 2023  
Date: .....

# REFHINE TOPCO LIMITED

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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

#### Principal activities

The principal activity of the group was that of pharmaceutical audit and consultancy. The company was incorporated on 26 August 2021.

#### Results and dividends

The results for the period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

M S H Coleman	(Appointed 12 October 2021)
M A Croghan	(Appointed 16 August 2022)
T A Holroyd	(Appointed 26 August 2021)
A Maidment	(Appointed 26 August 2021)
A Sherlock	(Appointed 12 October 2021)

#### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

#### Auditor

RSM UK Audit LLP were appointed as auditor to the group and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and the financial and operational risk management of the company.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....  
A Sherlock

Director

Oct 21, 2023

Date: .....

# **REFHINE TOPCO LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2022**

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

Company law requires the directors to prepare group and company financial statements for each financial year. Under that law the directors have elected to prepare the 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 group and company, and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REPHINE TOPCO LIMITED**

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## **Opinion**

We have audited the financial statements of Rephine Topco 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 statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 and of the parent company's affairs as at 31 December 2022 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 are independent of the group and parent company 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REPHINE TOPCO LIMITED (CONTINUED)**

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### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team and component auditors:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REPHINE TOPCO LIMITED (CONTINUED)

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, completion of disclosure checklists to identify areas of non-compliance and evaluating computations received from external tax advisors.

The group audit engagement team identified the risk of management override of controls and occurrence and cut off of revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and tests of detail in respect of occurrence and cut off of revenue recognition.

All relevant laws and regulations identified at a group level and areas susceptible to fraud that could have a material effect on the consolidated financial statements were communicated to component auditors. Any instances of non-compliance with laws and regulations identified and communicated by a component auditor were considered in our group audit approach.

A further description of our responsibilities for the audit of the financial statements is located 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.

*RSM UK Audit LLP*

Andrew Mason FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk, IP33 3SB

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22 October 2023

# REFHINE TOPCO LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2022

		Period ended 31 December 2022 €
	Notes	
Turnover	3	10,253,098
Cost of sales		(1,336,580)
<b>Gross profit</b>		<b>8,916,518</b>
Administrative expenses		(10,105,517)
<b>Operating loss</b>	<b>6</b>	<b>(1,188,999)</b>
Interest receivable and similar income	7	1,883
Interest payable and similar expenses	8	(4,155,936)
<b>Loss before taxation</b>		<b>(5,343,052)</b>
Tax on loss	9	(491,988)
<b>Loss for the financial period</b>		<b>(5,835,040)</b>
<b>Other comprehensive income net of taxation</b>		
Currency translation differences		(147,485)
<b>Total comprehensive income for the period</b>		<b>(5,982,525)</b>

Loss for the financial period is all attributable to the owners of the parent company.

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

**REPHINE TOPCO LIMITED****CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**

	Notes	2022 €	€
<b>Fixed assets</b>			
Goodwill	10	44,380,003	
Other intangible assets	10	80,892	
Total intangible assets		44,460,895	
Tangible assets	11	144,950	
		44,605,845	
<b>Current assets</b>			
Debtors	15	3,651,439	
Cash at bank and in hand		5,611,017	
		9,262,456	
<b>Creditors: amounts falling due within one year</b>	16	(10,714,427)	
<b>Net current liabilities</b>			(1,451,971)
<b>Total assets less current liabilities</b>			43,153,874
<b>Creditors: amounts falling due after more than one year</b>	17	(48,927,810)	
<b>Provisions for liabilities</b>	19	(17,551)	
<b>Net liabilities</b>			(5,791,487)
<b>Capital and reserves</b>			
Called up share capital	21	1,911	
Share premium account		189,127	
Profit and loss reserves		(5,982,525)	
<b>Total equity</b>			(5,791,487)

The financial statements were approved by the board of directors and authorised for issue on Oct 21, 2023 and are signed on its behalf by:

Adam Sherlock

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A Sherlock  
Director

**REPHINE TOPCO LIMITED****COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

	Notes	2022 €	€
<b>Fixed assets</b>			
Investments	12		1
<b>Current assets</b>			
Debtors	15	281,824	
<b>Creditors: amounts falling due within one year</b>	16	(321,343)	
<b>Net current liabilities</b>			(39,519)
<b>Total assets less current liabilities</b>			(39,518)
<b>Capital and reserves</b>			
Called up share capital	21		1,911
Share premium account			189,127
Profit and loss reserves			(230,556)
<b>Total equity</b>			(39,518)

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's loss for the period was €230,556.

The financial statements were approved by the board of directors and authorised for issue on Oct 21, 2023 and are signed on its behalf by:

Adam Sherlock  
 .....  
 A Sherlock  
 Director

# REPHINE TOPCO LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022

	Notes	Share capital €	Share premium account €	Profit and loss reserves €	Total €
<b>Period ended 31 December 2022:</b>					
Loss for the period		-	-	(5,835,040)	(5,835,040)
Other comprehensive income net of taxation:					
Currency translation differences		-	-	(147,485)	(147,485)
Total comprehensive income for the period		-	-	(5,982,525)	(5,982,525)
Issue of share capital	21	1,911	189,127	-	191,038
<b>Balance at 31 December 2022</b>		<b>1,911</b>	<b>189,127</b>	<b>(5,982,525)</b>	<b>(5,791,487)</b>

# **REPHINE TOPCO LIMITED**

## **COMPANY STATEMENT OF CHANGES IN EQUITY**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Notes	Share capital €	Share premium account €	Profit and loss reserves €	Total €
<b>Period ended 31 December 2022:</b>					
Loss and total comprehensive expense for the period		-	-	(230,556)	(230,556)
Issue of share capital	21	1,911	189,127	-	191,038
<b>Balance at 31 December 2022</b>		<u>1,911</u>	<u>189,127</u>	<u>(230,556)</u>	<u>(39,518)</u>

# REFHINE TOPCO LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2022

	Notes	2022 €	€
<b>Cash flows from operating activities</b>			
Cash generated from/(absorbed by) operations	22	691,121	
Interest paid		(1,548,071)	
Income taxes paid		(998,440)	
<b>Net cash outflow from operating activities</b>			(1,855,390)
<b>Investing activities</b>			
Purchase of subsidiaries (net of cash acquired)		(39,674,995)	
Purchase of intangible assets		(95,825)	
Purchase of tangible fixed assets		(25,254)	
Interest received		1,883	
<b>Net cash used in investing activities</b>			(39,794,191)
<b>Financing activities</b>			
Proceeds from issue of shares		191,038	
Proceeds from borrowings		25,902,764	
Proceeds of new bank loans		20,518,222	
<b>Net cash generated from/(used in) financing activities</b>			46,612,024
<b>Net increase in cash and cash equivalents</b>			4,962,443
Cash and cash equivalents at beginning of period			-
Effect of foreign exchange rates			648,574
<b>Cash and cash equivalents at end of period</b>			5,611,017

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Company information

Rephine Topco Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Unit 15, Meadway Court, Rutherford Close, Stevenage, Hertfordshire, United Kingdom, SG1 2EF.

The group consists of Rephine Topco Limited and all of its subsidiaries (the "group").

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The financial statements are prepared in Euros, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest €1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### Basis of consolidation

The consolidated financial statements incorporate those of Rephine Topco Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2022 except Rephine Consulting India Private Limited, whose financial year ends on 31 March. The consolidated financial statements incorporate the results of Rephine Consulting India Private Limited based on management accounts prepared to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

#### Going concern

In order to assess the going concern assumption, the directors have prepared and considered detailed trading and cash flow forecasts for the group and have considered the performance of the business through extensive forecasting and scenario modelling. Having considered the trading performance of the business, and the assumptions and conclusions made in the forecasts and the availability of financial resources, which include the group's funding by way of long term investor and vendor loan notes and third party bank debt, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, and as a minimum for a period of at least 12 month from the date of approval of these financial statements.

#### Reporting period

The company was incorporated on 26 August 2021 and is presenting its financial statements for the 16 month period ended 31 December 2022. These financial statements are the group and company's first financial statements and therefore no comparative period information is presented.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, turnover is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is over 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer software	3 year straight line
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#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	3 years straight line
Motor vehicles	6 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **Fixed asset investments**

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

# REFHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

##### ***Impairment of financial assets***

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 group after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, bank loans, and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### ***Equity instruments***

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

##### ***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

#### 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.

#### Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

#### Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

# REFHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### *Carrying value of goodwill*

The carrying value of goodwill is subject to impairment reviews at least annually, and whenever there is evidence of impairment. The impairment analysis of goodwill requires an estimation of the value in use of the asset or the cash-generating unit to which the assets are allocated. Estimation of the value in use is primarily based on multiples from the recent acquisition of the wider group. The directors consider that there are no indicators of impairment and that no impairment is therefore required to be recognised against the value of the group's goodwill at the reporting date.

#### 3 Turnover and other revenue

	2022 €
<b>Turnover analysed by class of business</b>	
Audit reports	8,897,879
Consultancy	1,076,622
Other income	278,597
	<hr/> 10,253,098 <hr/>
	2022 €
<b>Turnover analysed by geographical market</b>	
United Kingdom	6,114,361
Europe	3,139,119
Australasia and Asia Pacific	999,618
	<hr/> 10,253,098 <hr/>

# REFHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

#### 4 Employees

The average monthly number of persons (including directors) employed during the period was:

	Group 2022 Number	Company 2022 Number
Audit operations and sales	33	-
Projects	33	-
Administrative	15	-
Total	81	-

Their aggregate remuneration comprised:

	Group 2022 €	Company 2022 €
Wages and salaries	3,253,912	-
Social security costs	176,097	-
Pension costs	35,176	-
	3,465,185	-

#### 5 Directors' remuneration

	2022 €
Remuneration for qualifying services	574,210
Company pension contributions to defined contribution schemes	10,560
	584,770

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 €
Remuneration for qualifying services	334,533
Company pension contributions to defined contribution schemes	10,560

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1.

# REFHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

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### 6 Operating loss

2022

€

Operating loss for the period is stated after charging/(crediting):

Exchange differences	(817,874)
Depreciation of owned tangible fixed assets	33,630
Audit of the financial statements of the group and company	64,000
Amortisation of intangible assets	3,674,340
Operating lease charges	125,341

### 7 Interest receivable and similar income

2022

€

#### Interest income

Interest on bank deposits	1,883
---------------------------	-------

### 8 Interest payable and similar expenses

2022

€

Interest on bank loans	1,260,830
Interest on other loans	2,607,865
Financing transaction costs	287,241
Total finance costs	4,155,936

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 9 Taxation

	2022 €
<b>Current tax</b>	
UK corporation tax on profits for the current period	130,893
Foreign current tax on profits for the current period	313,905
	<u>444,798</u>
<b>Deferred tax</b>	
Origination and reversal of timing differences	47,190
	<u>491,988</u>
<b>Total tax charge</b>	<u>491,988</u>

The total tax charge for the period included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2022 €
Loss before taxation	(5,343,052)
	<u>(5,343,052)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00%	(1,015,180)
Tax effect of expenses that are not deductible in determining taxable profit	642,487
Effect of change in corporation tax rate	4,382
Permanent capital allowances in excess of depreciation	(7,102)
Deferred tax not recognised	825,350
Other tax adjustments	42,051
	<u>491,988</u>
<b>Taxation charge</b>	<u>491,988</u>

Changes to the UK corporation tax rates were substantively enacted by the Finance Bill 2021 on 24 May 2021. These included an increase of the corporation tax rate to 25% from 1 April 2023. As this change was substantively enacted at the balance sheet date, where UK deferred tax is recognised, it is at a rate of 25% in the current year.



# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

#### 10 Intangible fixed assets

Group	Goodwill	Computer software	Total
	€	€	€
<b>Cost</b>			
Additions - separately acquired	-	95,825	95,825
Additions - business combinations	48,935,605	-	48,935,605
Exchange adjustments	(894,067)	(2,624)	(896,691)
At 31 December 2022	48,041,538	93,201	48,134,739
<b>Amortisation and impairment</b>			
Amortisation charged for the period	3,661,535	12,805	3,674,340
Exchange adjustments	-	(496)	(496)
At 31 December 2022	3,661,535	12,309	3,673,844
<b>Carrying amount</b>			
At 31 December 2022	44,380,003	80,892	44,460,895

The company had no intangible fixed assets at 31 December 2022.

Amortisation is included under administrative expenses in the statement of comprehensive income.

#### 11 Tangible fixed assets

Group	Office equipment	Motor vehicles	Total
	€	€	€
<b>Cost</b>			
Additions	25,254	-	25,254
Business combinations	89,880	64,351	154,231
Exchange adjustments	(1,390)	-	(1,390)
At 31 December 2022	113,744	64,351	178,095
<b>Depreciation and impairment</b>			
Depreciation charged in the period	22,061	11,569	33,630
Exchange adjustments	(485)	-	(485)
At 31 December 2022	21,576	11,569	33,145
<b>Carrying amount</b>			
At 31 December 2022	92,168	52,782	144,950

The company had no tangible fixed assets at 31 December 2022.

Depreciation is included under administrative expenses in the statement of comprehensive income.

# **REPHINE TOPCO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE PERIOD ENDED 31 DECEMBER 2022**

### **12 Fixed asset investments**

	Notes	Group 2022 €	Company 2022 €
Investments in subsidiaries	13	-	1
		<u>          </u>	<u>          </u>
<b>Movements in fixed asset investments</b>			
<b>Company</b>			<b>Shares in group undertakings €</b>
<b>Cost or valuation</b>			
At 26 August 2021			-
Additions			1
			<u>          </u>
At 31 December 2022			1
			<u>          </u>
<b>Carrying amount</b>			
At 31 December 2022			1
			<u>          </u>

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

#### 13 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Rephine Limited	1	Pharmaceutical audit and consultancy	Ordinary	-	100.00
Rephine Midco Limited	1	Intermediary holding company	Ordinary	100.00	-
TDV Bidco S.L.	2	Intermediary holding company	Ordinary	-	100.00
Agrupación Forum Auditorias S.L.U	2	Pharmaceutical audit and consultancy	Ordinary	-	100.00
Rephine Sourcing Limited	3	Dormant	Ordinary	-	100.00
Medix UK Limited	1	Dormant	Ordinary	-	100.00
Rephine Consulting India Private Limited	4	Pharmaceutical audit and consultancy	Ordinary	-	99.99
Rephine Danismanlik Limited Sirketi	5	Dormant	Ordinary	-	100.00
Rephine Barcelona S.L.U (formerley Técnicas de Diseño y Validación S.L.U.)	2	Pharmaceutical audit and consultancy	Ordinary	-	100.00
Quality & Regulatory Services S.L.U.	2	Pharmaceutical audit and consultancy	Ordinary	-	100.00
Shanghai TDV Pharmaceutical Consulting Co. Limited	6	Pharmaceutical audit and consultancy	Ordinary	-	100.00
Rephine Bidco Limited	1	Intermediary holding company	Ordinary	-	100.00

Registered office addresses (all UK unless otherwise indicated):

- 1 Unit 15a Meadway Court Rutherford Close, Stevenage, Hertfordshire, SG1 2EF
- 2 Ronda General Mitre, 147 - P. ENT PTA. 2, Barcelona, 08022 , Spain
- 3 C/O Harrisons, Westgate House, 9 Holborn, London, EC1N 2LL
- 4 Plot No. 106/6, IMT, Manesar, Gurugram Gurgaon HR 122051 India
- 5 Esentepe Mah. Buyukdere Cad, Tekfen APT, No 209/8 Sisli, Istanbul, Turkey
- 6 888 Wanhandu Rd, Office 13-I Kaikai 200042 Shanghai, R.P China

Following the end of the financial period, Rephine Sourcing Ltd and Rephine Danismanlik Limited Sirketi are in the process of being wound-up.

The subsidiary companies Medix UK Limited and Rephine Sourcing Limited have taken the exemption in section 479A of the Companies Act 2006 (the Act) from the requirement in the Act for their individual accounts to be audited.

#### *Subsidiary year ends*

The financial statements of all subsidiaries are prepared to 31 December, except Rephine Consulting India Private Limited which has a year end of 31 March. The consolidated financial statements incorporate the results of Rephine Consulting India Private Limited based on management accounts prepared to 31 December 2022.

# **REPHINE TOPCO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **14 Acquisition**

On 12 October 2021 the group acquired 100% percent of the issued capital of Rephine Limited and its subsidiary undertakings for total consideration of €20,733,296.

	Book Value	Adjustments	Fair Value
	€	€	€
<b>Net assets acquired</b>			
Property, plant and equipment	15,760	-	15,760
Trade and other receivables	612,785	-	612,785
Cash and cash equivalents	2,038,748	-	2,038,748
Trade and other payables	(1,387,191)	-	(1,387,191)
Deferred tax	29,638	-	29,638
<b>Total identifiable net assets</b>	<b>1,309,740</b>	<b>-</b>	<b>1,309,740</b>
<b>Goodwill</b>			<b>19,423,556</b>
<b>Total consideration</b>			<b>20,733,296</b>
The consideration was satisfied by:			
			€
Cash			19,761,117
Transaction costs			972,179
			<b>20,733,296</b>
Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:			
			€
Turnover			6,982,852
Profit after tax			1,978,060

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

#### 14 Acquisition (Continued)

On 30 June 2022 the group acquired 100% percent of the issued capital of Rephine Barcelona S.L.U. (Formerley Técnicas de Diseño y Validació S.L.U.) and its subsidiary undertakings for total consideration of €32,995,904.

	Book Value €	Adjustments €	Fair Value €
<b>Net assets acquired</b>			
Property, plant and equipment	138,471	-	138,471
Trade and other receivables	1,230,727	-	1,230,727
Cash and cash equivalents	4,015,457	-	4,015,457
Trade and other payables	(1,120,581)	-	(1,120,581)
Tax liabilities	(780,219)	-	(780,219)
Total identifiable net assets	3,483,855	-	3,483,855
Goodwill			29,512,049
Total consideration			32,995,904

The consideration was satisfied by:	€
Cash	24,482,732
Deferred consideration	8,000,000
Transaction costs	513,172
	32,995,904

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	€
Turnover	3,124,101
Profit after tax	1,911,058

#### 15 Debtors

	Group 2022 €	Company 2022 €
<b>Amounts falling due within one year:</b>		
Trade debtors	2,881,105	-
Amounts owed by group undertakings	-	46,781
Other debtors	301,375	58,038
Prepayments and accrued income	468,959	177,005
	3,651,439	281,824

# **REPHINE TOPCO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **15 Debtors (Continued)**

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

#### **16 Creditors: amounts falling due within one year**

	Group 2022 €	Company 2022 €
Trade creditors	85,102	-
Amounts owed to group undertakings	-	321,343
Corporation tax payable	226,577	-
Other taxation and social security	134,228	-
Other creditors	8,776,488	-
Accruals and deferred income	1,492,032	-
	<u>10,714,427</u>	<u>321,343</u>

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

Other creditors includes €8,000,000 which relates to deferred consideration on acquisitions that took place during the period.

#### **17 Creditors: amounts falling due after more than one year**

	Notes	Group 2022 €	Company 2022 €
Bank loans	18	20,518,222	-
Other borrowings	18	28,409,588	-
		<u>48,927,810</u>	<u>-</u>

#### **18 Borrowings**

	Group 2022 €	Company 2022 €
Bank loans	20,518,222	-
Other loans	28,409,588	-
	<u>48,927,810</u>	<u>-</u>
Payable after one year	<u>48,927,810</u>	<u>-</u>

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

#### 18 Borrowings (Continued)

Bank loans represent two third party loans, with a principal value of €5,414,437 (£4,800,000) and €15,800,000. Both loans are fully repayable in October 2027. Interest is charged at the lenders base rate plus margins of 7.25% and 7.5% respectively. The balance shown above is recognised net of arrangement fees on the loan totalling €696,215 which are amortised over the period of the loan. The loans are secured by fixed and floating charges on the assets of the company and the group.

Other loans relate to loan notes totalling €25,902,764 (£22,966,782) due to be repaid in October 2031, which accrue interest at 10% per annum. Interest of €2,607,865 (£2,222,685) was charged on the loan notes during the period. The total amount of the loan notes plus rolled up interest is €28,409,588 (£25,189,466). The company and group have granted second-ranking security on these loan notes, secured against the assets of the group.

#### 19 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

	<b>Liabilities</b>
	<b>2022</b>
<b>Group</b>	<b>€</b>
Accelerated capital allowances	17,551

The company has no deferred tax assets or liabilities.

	<b>Group</b>	<b>Company</b>
	<b>2022</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
<b>Movements in the period:</b>		
Asset at 26 August 2021	-	-
Charge to profit or loss	49,093	-
Foreign exchange differences	(1,903)	-
On acquisition of subsidiaries	(29,639)	-
Liability at 31 December 2022	17,551	-

#### 20 Retirement benefit schemes

	<b>2022</b>
	<b>€</b>
<b>Defined contribution schemes</b>	
Charge to profit or loss in respect of defined contribution schemes	35,176

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

# REFHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

#### 21 Share capital

	Group and Company	
	2022	2022
	Number	€
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
Ordinary A shares of 1p each	135,500	1,529
Ordinary B shares of 1p each	33,874	382
	<u>169,374</u>	<u>1,911</u>

On incorporation, 1 ordinary share with a nominal value of 1p was issued at par. Subsequently, in October 2021, this share was redesignated as an Ordinary A share and 79,999 ordinary A shares with a nominal value of 1p each were issued at a premium of 99p per share, resulting in a premium of £79,199. 17,500 Ordinary B shares with a nominal value of 1p each were also issued at a premium of 99p per share, resulting in a premium of £17,325.

In December 2021, 1,500 ordinary B shares with a nominal value of 1p each were issued at a premium of 99p per share, resulting in a premium of £1,485.

In June 2022, 55,500 ordinary A shares with a nominal value of 1p each were issued at a premium of 99p per share, resulting in a premium of £54,945 and 13,874 ordinary B shares with a nominal value of 1p each were issued at a premium of 99p per share, resulting in a premium of £13,735.

In October 2022, 1,000 ordinary B shares with a nominal value of 1p each were issued at a premium of 99p per share, resulting in a premium of £990.

The total share premium arising on the share issues referred to above amounted to €189,127.

#### *Ordinary share rights*

The company's ordinary A and B shares, which carry no right to fixed income, carry the right to one vote at general meetings of the company.

#### **Reserves**

Reserves of the company represent the following:

#### *Share premium*

Consideration received for shares issued above their nominal value net of transaction costs.

#### *Profit and loss account*

Cumulative profit and loss net of distributions to owners.



# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 22 Cash generated from/(absorbed by) group operations

	2022 €
Loss for the period after tax	(5,835,040)
<b>Adjustments for:</b>	
Taxation charged	491,988
Finance costs	4,155,936
Investment income	(1,883)
Amortisation and impairment of intangible assets	3,674,340
Depreciation and impairment of tangible fixed assets	33,630
<b>Movements in working capital:</b>	
Increase in debtors	(1,807,927)
Decrease in creditors	(19,923)
<b>Cash generated from/(absorbed by) operations</b>	<u><u>691,121</u></u>

### 23 Analysis of changes in net debt - group

	26 August 2021 €	Cash flows €	Other non-cash movements €	Exchange rate movements €	31 December 2022 €
Cash at bank and in hand	-	4,962,443	-	648,574	5,611,017
Borrowings excluding overdrafts	-	(46,420,986)	(2,506,824)	-	(48,927,810)
	<u>-</u>	<u>(41,458,543)</u>	<u>(2,506,824)</u>	<u>648,574</u>	<u>(43,316,793)</u>

### 24 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 €	Company 2022 €
Within one year	225,103	-
Between one and five years	711,124	-
	<u><u>936,227</u></u>	<u><u>-</u></u>

# REPHINE TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

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### 25 Related party transactions

The company has taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaken which is party to the transaction is wholly owned by a member of that group.

Entities and individuals which control, jointly control or exert significant influence over the company have an interest in loan notes of €25,902,764 issued by the company. During the year, interest of €2,607,865 was charged on these loan notes. The total amount of the loan notes plus rolled up interest is €28,409,588.

During the period, the group paid fees of €445,852 (£380,000) to Kester Capital LLP, the ultimate controlling party. There was no outstanding balance at year end.

### 26 Controlling party

The ultimate controlling party is Kester Capital LLP.