

A. Menarini Pharmaceuticals U.K. Limited

Annual report for the year ended 31 December 2019

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A. Menarini Pharmaceuticals U.K. Limited

Annual report for the year ended 31 December 2019

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A. Menarini Pharmaceuticals U.K. Limited

Officers and Professional Advisers

Directors

G Masselli
P Mei

Secretary

G Masselli

Registered Office

Menarini House
Mercury Park
Wycombe Lane
Wooburn Green
High Wycombe
Buckinghamshire
HP10 0HH

Bankers

National Westminster Bank
40 Whitgift Centre
Croydon
Surrey
CR9 3QB

Solicitors

Capital Law LLP
1 Caspian Point
Caspian Way
Cardiff
CF10 4DQ

Independent Auditors

ACT Audit Limited
Berkeley Suite
35 Berkeley Square
Mayfair
London
W1J 5BF
United Kingdom

A. Menarini Pharmaceuticals U.K. Limited

Directors' report for the year ended 31 December 2019

The directors present their annual report together with the audited financial statements for the year ended 31 December 2019. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. In addition the company is entitled to exemption from preparing a strategic report.

Principal Activities

The trade, assets and liabilities of the Company were disposed of on 1 July 2005, and the Company has not traded since that date. The Company has not traded during 2019 and the only costs are associated with meeting the ongoing statutory costs of running a company.

Business Review

The Company did not trade during 2019.

Dividends and Results

The directors do not recommend the payment of a dividend (2018: £nil).

The results for the year are set out on page 7.

Future Prospects

For the foreseeable future, the Company will not be trading.

The financial statements have been prepared on the going concern basis as the parent company, Menarini International Operations Luxembourg SA, has indicated its willingness to continue to provide financial support to the company for at least twelve months after the approval of the Financial Statements of the company for the year ended 31 December 2019.

Directors and their Interests

The directors who held office during the year and up to the date of these financial statements are as follows:

G Masselli
P Mei

Statement of directors' responsibilities in respect of the financial statements

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 Reporting 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,
- 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 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.

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.

A. Menarini Pharmaceuticals U.K. Limited

Directors' report for the year ended 31 December 2019 (continued)

Statement of disclosure of information to auditors

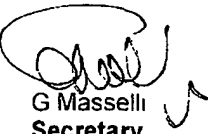
Each of the persons who is a director at the date of approval of this report confirms that, so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Independent Auditors


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

Small companies regime

This report has been prepared taking advantage of the exemptions for small companies within Part 15 of the Companies Act 2006


G Masselli
Secretary

25/09/2020



Report of the Independent Auditors to the Members of A. Menarini Pharmaceuticals U.K. Limited

Opinion

We have audited the financial statements of A Menarini Pharmaceuticals U K Limited which comprise the Statement of Financial Position as at 31 December 2019, the Statement of Comprehensive Income and Retained Earnings for the year then ended, and the notes to the financial statements, which include a description of the significant accounting policies

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice)

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the 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

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

Report of the Independent Auditors to the Members of A. Menarini Pharmaceuticals U.K. Limited (Continued)

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 the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

A. Menarini Pharmaceuticals U.K. Limited

Report of the Independent Auditors to the Members of A. Menarini Pharmaceuticals U.K. Limited (Continued)

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 a Report of the Auditors 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

ACT Audit Limited

Pierpaolo Spadoni (Senior Statutory Auditor)
for and on behalf of ACT Audit Limited
Chartered Certified Accountants
& Statutory Auditor
Berkeley Suite
35 Berkeley Square
Mayfair
London
W1J 5BF

7/10/2020

A. Menarini Pharmaceuticals U.K. Limited

Statement of Comprehensive Income and Retained Earnings for the year ended 31 December 2019

		2019	2018
	Note	£	£
Administrative expenses	4	(5,927)	(3,957)
Operating loss		(5,927)	(3,957)
Loss before taxation		(5,927)	(3,957)
Tax on loss	5	-	-
Total comprehensive loss for the financial year		(5,927)	(3,957)
Accumulated losses at the beginning of Reporting Period		(50,001,743)	(49,997,786)
Accumulated losses at the end of Reporting Period		(50,007,671)	(50,001,743)


A. Menarini Pharmaceuticals U.K. Limited

Statement of Financial Position as at 31 December 2019

	Note	2019	2018
		£	£
Current assets			
Cash at bank and in hand		<u>10,462</u>	<u>5,933</u>
		10,462	5,933
Creditors: amounts falling due within one year	7	<u>(8,533)</u>	<u>(8,076)</u>
Net current (liabilities) / assets		<u>1,929</u>	<u>(2,143)</u>
Total assets less current liabilities		<u>1,929</u>	<u>(2,143)</u>
Net (liabilities) / assets		<u>1,929</u>	<u>(2,143)</u>
Capital and reserves			
Called up share capital	8	49,999,600	49,999,600
Capital Contribution reserve		10,000	-
Accumulated losses		<u>(50,007,671)</u>	<u>(50,001,743)</u>
Total equity		<u>1,929</u>	<u>(2,143)</u>

The notes on pages 9 - 13 are an integral part of these financial statements

The financial statements on pages 7 to 13 were approved by the board of directors on and were signed on its behalf by


 15/09/2020
 G Masselli
 Director

A. Menarini Pharmaceuticals U.K. Limited
Registered No. 3676272

A. Menarini Pharmaceuticals U.K. Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

1 General Information

A Menarini Pharmaceuticals U K Limited a private company limited by shares domiciled in the UK ('the company') has not actively traded. The address of its registered office is Menarini House, Mercury Park, Wycombe Lane, Wooburn Green, High Wycombe, Buckinghamshire, England, UK, HP10 0HH.

2 Statement of Compliance

The individual financial statements of A Menarini Pharmaceuticals U K Limited have been prepared in compliance with United Kingdom Accounting Standards, comprising 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.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

a) Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

b) Going concern

The company meets its day-to-day working capital requirements through its bank facilities. The company has received from the parent company, Menarini International Operations Luxembourg SA, a confirmation of willingness to continue to provide financial support to the company for the foreseeable future and at least 12 months from the approval of these financial statements. Therefore, the directors have a reasonable expectation that the company has adequate resources and support to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing these financial statements.

c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The company has taken advantage of the exemptions as follows:

- i) a reconciliation of the number of shares outstanding at the beginning and end of the period,
- ii) the requirement to prepare a statement of cash flows,
- iii) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the company is consolidated, on the basis that it's a qualifying entity and its ultimate parent company A Menarini Industrie Farmaceutiche Riunite s r l, a company incorporated in Italy includes the company in its own consolidated financial statements.

d) Foreign currency

- i) Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

- ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of

A. Menarini Pharmaceuticals U.K. Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined

3 Summary of significant accounting policies (continued)

d) Foreign currency (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account

e) Cash at bank and in hand

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

f) Financial Instruments

The company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments

i) Financial Assets

Basic financial assets, including cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expires or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial Liabilities

Basic financial liabilities, including trade and other payables 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or service that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii) Offsetting

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.

A. Menarini Pharmaceuticals U.K. Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

3 Summary of significant accounting policies (continued)

g) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i) Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

ii) Deferred Tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing difference at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

h) Related party disclosures

The company has taken advantage of the exemption set out in FRS 102 section 33 "Related party disclosure" from disclosing related party transactions with entities that are part of the A Menarini Farmaceutiche Riunite s.r.l. group.

4. Administrative expenses

	2019	2018
	£	£
Services provided by the company's auditors		
- Fees payable for the audit	3,960	2,284
Taxation fees	1,116	864
Other expense	851	809
Total administrative expenses	<u>5,927</u>	<u>3,957</u>

A. Menarini Pharmaceuticals U.K. Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

5. Tax on loss

	2019	2018
	£	£
Current tax		
United Kingdom corporation tax on loss for the year	-	-
Tax on loss	-	-

Reconciliation of tax charge

The standard rate of corporation tax in the UK for the year and the prior year is 19% (2018 19%)
The differences are explained below

	2019	2018
	£	£
Loss before taxation	(5,927)	(3,957)
Loss before taxation multiplied by standard rate in the UK of 19%	(1,126)	(752)
Factors affecting charge for the year		
Increase in tax losses carried forward not recognised	1,126	752
Tax charge for year	-	-

Changes in the UK Corporation tax rates were substantively enacted as a part of Finance Bill 2016 (on 26 October 2016) and Finance Bill 2017 (on 7 September 2017). These include a reduction to the main rate to reduce the rate to 19% from 1 April 2017 and 17% from 1 April 2020. Unrecognised deferred tax at the balance sheet date have been measured using these enacted rates and disclosed in these financial statements.

As at 31 December 2019 no deferred tax asset in relation to tax losses carried forward was recognised (2018 £nil). The deferred tax asset will be recognised when taxable profits are foreseen with certainty in the future. There were unrecognised deferred tax assets as follows

	2019	2018
	£	£
Tax losses	11,146	10,139
Total unrecognised asset	11,146	10,139

The deferred tax asset above has not been recognised due to uncertainty regarding whether there will be sufficient taxable profits against which the asset will crystallise in the foreseeable future.

A. Menarini Pharmaceuticals U.K. Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

6. Information regarding directors and employees

There were no persons employed by the company during the current or prior year

None of the directors received remuneration or contributions to pension schemes from the company for their services during the year (2018 £nil). The directors of the company are remunerated for their services by another group company

7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	3,522	4,044
Accruals and deferred income	5,011	4,032
	<u>8,533</u>	<u>8,076</u>

8. Called up share capital

	2019	2018
	£	£
Authorised 600,000 (2017: 600,000) ordinary shares of £100 each	<u>60,000,000</u>	<u>60,000,000</u>
Called up, allotted and fully paid 499,996 (2017: 499,996) ordinary shares of £100 each	<u>49,999,600</u>	<u>49,999,600</u>

9. Ultimate parent company and controlling party

The immediate parent company and parent of the smallest group into which the results of A Menarini Pharmaceuticals U.K. Limited are consolidated is Menarini International Operations Luxembourg S.A., a company registered in Luxembourg

The ultimate parent company, controlling party and parent of the largest group into which the results of A Menarini Pharmaceuticals U.K. Limited are consolidated is A Menarini Industrie Farmaceutiche Riunite s.r.l., a company registered in Italy, which prepares group financial statements. Copies can be obtained from Via Sette Santi, 1/3, Florence, Italy