

Amdipharm Marketing Limited
(Registered Number 06062056)

Annual Report and Financial Statements

For the year ended 31 December 2018



Company No. 06062056

Company registration number

06062056

Registered office

Capital House
85 King William Street
London
England
EC4N 7BL

Directors

Adeel Ahmad
Vikram Kamath
Graeme Duncan

Secretary

David Williams (till 30 September 2018)
Robert Sully (appointed on 01 October, 2018)

Solicitors

Morgan, Lewis & Bockius UK LLP
Condor House
5-10 St. Paul's Churchyard
London EC4M 8AL

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Strategic report for the year ended 31 December 2018

The directors have pleasure in presenting their strategic report for the year ended 31 December 2018. The comparative period is for the year ended 31 December 2017.

Review of business and future developments

The Company is a wholly owned subsidiary of Amdipharm UK Limited, which is incorporated in the United Kingdom. The Company had no operations during the year.

The Statement of Comprehensive Income and Statement of Financial Position are set out on pages 7 and 8 respectively. These show a result before taxation of £nil (2017: result before taxation of £nil) and a result for the financial year of £nil (2017: result of £nil) for the year ended 31 December 2018 and net assets at 31 December 2018 of £204 (31 December 2017: net assets of £204).

Key performance indicators

The Company had no trade or operations during the year ended 31 December 2018 and hence the directors have not identified any key performance indicators relevant to the business.

Principal risks and uncertainties

The management of the business and the nature of the Company's strategy are subject to the following risks:

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses intercompany finance.

Approved by the Board on 20 September 2019 and signed on its behalf by:



Vikram Kamath
Director

Directors' report for the year ended 31 December 2018

The directors present their annual report and the unaudited financial statements for the year ended 31 December 2018.

General information:

The Company is incorporated in United Kingdom as a limited company. The registered office of the Company is situated at Capital House, 85 King William Street, London EC4N 7BL.

Amdipharm UK Limited, United Kingdom is the immediate holding company which holds 100% of the equity shares of the Company. The ultimate holding company is Advanz Pharma Corp. (formally known as Concordia International Corp).

Future developments:

The Company is an intermediate company and there are no current future plans to amend this.

Dividends:

During the year, dividend of £nil (2018: £nil) was recommended for payment by the Directors.

Directors:

The directors who served the Company were as follows:

Adeel Ahmad

Graeme Duncan (resigned on 08 March 2018 and re appointed on 30 November 2018)

Vikram Kamath

Directors' indemnities:

Advanz Pharma Corp. maintains liability insurance for its directors. For the purposes of the Companies Act 2006, Advanz Pharma Corp. provides indemnity insurance for its directors and company secretary for qualifying third party provisions, this insurance was in place for the full year ending 31 December 2018 and remains in place at the date of signing of these financial statements.

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 101 "Reduced Disclosure Framework", 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.

Directors' report for the year ended 31 December 2018

(continued)

Statement of directors' responsibilities in respect of the financial statements (continued)

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 101, 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.

Going concern:

The financial statements have been prepared on a going concern basis which assumes that adequate financial support will be made available by the Company's ultimate Parent undertaking, Advanz Pharma Corp., for a period of not less than 12 months from the date of signing these financial statements.

Business Impact in Relation to Brexit

On June 23, 2016, the U.K. held a referendum and voted to withdraw from the European Union ("Brexit"). On March 29, 2017, the U.K. delivered notice to the European Council in accordance with Article 50 of the Treaty on European Union ("EU") of the U.K.'s intention to withdraw from the EU. The negotiated withdrawal of the U.K. from the EU should have taken two (2) years from the date of the withdrawal notification. However, as no member state has formally withdrawn from the EU in the past, and as an agreed position on the withdrawal has yet to be finalized, there is no precedent for the operation of Article 50 and, as a result, the timing and outcome of Brexit continues to be uncertain at this time. On April 10, 2019, the EU agreed to an extension of Article 50 until October 31, 2019. If the U.K. and EU ratify a withdrawal agreement before October 31, 2019, then the U.K. would leave the EU on the first day of the following month.

The Company has significant operations within the United Kingdom and other parts of the European Union, and therefore continues to monitor developments related to Brexit, including the impact resulting from currency market movements.

Directors' report for the year ended 31 December 2018 (continued)

Business Impact in Relation to Brexit (continued)

We have continued to monitor the position of Brexit negotiations, and a senior working group meets to assess the likely impact to our operations mainly affecting supply chain and also the supply of medicines to our patients. As a result, we consider that the possible range of Brexit impacts are now established and we have concluded that this risk warrants consideration in its own right, rather than being viewed as a composite element of other risks. Over the longer term, we continue to believe that Brexit will not have a material impact on our business.

Approved by the Board on ²⁰September 2019 and signed on its behalf by:



Vikram Kamath
Director

Statement of Comprehensive Income for the year ended 31 December 2018

During the financial year, the Company did not trade and has earned no income and incurred no expenditure. Consequently, the Company has made neither a profit nor a loss. The Company had no other gains and losses nor any cash flows during the year.

There was no other comprehensive income in 31 December 2018 or 31 December 2017.

The accompanying accounting policies and notes on pages 9 to 11 form an integral part of these financial statements.

Statement of Financial Position as at 31 December 2018

	Note	As at 31 December 2018 £	As at 31 December 2017 £
Current assets			
Debtors	6	204	204
		<u>204</u>	<u>204</u>
Net current assets		<u>204</u>	<u>204</u>
Total assets less current liabilities		<u>204</u>	<u>204</u>
Equity			
Called up share capital	7	100	100
Profit and loss account		104	104
Total equity		<u>204</u>	<u>204</u>

The accompanying accounting policies and notes on pages 10 to 13 form an integral part of these financial statements.

For the year ended 31 December 2018, the Company was entitled to the exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 7 to 13 were approved by the Board of Directors on 20 September 2019 and signed on its behalf by:

Vikram Kamath



Director

Company Registration Number: 06062056

Statement of Changes in Equity for the year ended 31 December 2018

	Called up share capital £	Profit and Loss account £	Total equity £
Balance at 1 January 2018	100	104	204
Balance at 31 December 2018	100	104	204

Statement of Changes in Equity for the year ended 31 December 2017

	Called up share capital £	Profit and Loss account £	Total equity £
Balance at 1 January 2017	100	104	204
Balance at 31 December 2017	100	104	204

The accompanying accounting policies and notes on pages 10 to 13 form an integral part of these financial statements.

Notes to the financial statements**1 General information**

Amdipharm Marketing Limited ('the 'Company') is incorporated in United Kingdom as a limited company. The registered office of the Company is situated at Capital House, 85 King William Street, London EC4N 7BL

Amdipharm UK Limited, incorporated in the United Kingdom, is the 'immediate holding company' which holds 100% of the equity shares of the Company. The Group is engaged in development, marketing, trading and distribution of pharmaceuticals products.

2 Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance, with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006, as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Summary of disclosure exemptions

The following disclosure exemptions were taken by the Company:

- Paragraph 16 of IAS 1, 'Presentation of financial statements' relating to statement of compliance with all IFRS.
- IAS 7 "Statement of cash flows"
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- IFRS 7, 'Financial instruments: Disclosures'.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers'.
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- The requirements of paragraph 30 and 31 of IAS 8 Accounting Policies, changes in accounting estimates and errors.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report.

On the basis of the confirmation received about adequate financial support, that will be made available for a period of not less than 12 months from the date of signing these financial statements, by the Company's ultimate Parent undertaking, Advanz Pharma Corp.

Notes to the financial statements (continued)**2 Summary of significant accounting policies (Continued)****Changes in accounting policy and disclosures****New standards, amendments and interpretations**

IFRS 15, "Revenue from Contracts with Customers" ("IFRS 15"), provides a comprehensive five-step revenue recognition model for all contracts with customers. The standard was effective January 1, 2018 and has been adopted by the Company using the modified retrospective approach, with no restatement of the comparatives. The Company has determined that there is not a significant change in the loss allowance for accounts receivable as a result of adopting IFRS 15. There are no material impact to revenue recognition for the year ended 31 December 2018 and 31 December 2017, respectively.

The Company adopted IFRS 9 on the effective date of January 1, 2018. The Company has determined that there is not a significant change in the loss allowance for accounts receivable as a result of adopting IFRS 9.

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 January 2018 have had a material impact on the group or parent company.

Income taxes

Income taxes are comprised of current and deferred taxes. These taxes are accounted for using the liability method.

Current tax is recognised in connection with income for tax purposes, unrealised tax benefits and the recovery of tax paid in a prior period. The determination of income for tax purposes requires interpretation of the relevant rules and judgement therefore an unrealised tax benefit may arise in connection with taxation years that have not yet been reviewed by the relevant tax authority. If appropriate, an unrealised tax benefit will be realised in the reporting period in which the Company determines that realisation is not in doubt. Current tax is measured at the tax rate applicable to the taxation period during which the income for tax purposes arose.

Income taxes are recognised in the statement of income (loss), except when they relate to an item that is recognised in other comprehensive income or directly in equity, in which case, the taxes are also recognised in other comprehensive income or directly in equity respectively. Where income taxes arise from the initial accounting for a business combination, these are included in the accounting for the business combination.

There is no deferred tax, recognised or otherwise, in this Company.

Trade debtors

Trade debtors do not carry any interest and are stated at cost. For trade debtors, the company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade debtors

Trade payables

Trade payables are not interest bearing and are stated at their fair value.

Notes to the financial statements (continued)

3 Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company has had limited transactions during the period and items on the Statement of Financial Position relate to mainly inter group balances, there is therefore no significant judgements or sources of estimation uncertainty.

4 Administrative expenses

Certain costs, including staff related costs are borne by a fellow group undertaking and is not re-charged to the Company. No such expense incurred in last three financial years.

5 Directors and employees

All directors and staff of Amdipharm Marketing Limited are employed by Advanz Pharma Services (UK) Limited (formerly known as Concordia International Rx (UK) Limited). These directors and staff have not received remuneration from the Company, therefore, their remuneration has been disclosed in the financial statements of the relevant company from which remuneration is received.

6 Debtors

	As at 31 December 2018 £	As at 31 December 2017 £
Amounts owed by group undertakings	204	204
	<u>204</u>	<u>204</u>

Amounts owed by group undertakings are interest free and repayable on demand.

7 Called up share capital

Authorised share capital:

	As at 31 December 2018 £	As at 31 December 2017 £
100 ordinary shares (2017: 100) of £1 each	<u>100</u>	<u>100</u>
	As at 31 December 2018 £	As at 31 December 2017 £
Allotted, called up and fully paid 100 (2017: 100) ordinary share of £1 each	<u>100</u>	<u>100</u>

Notes to the financial statements (continued)**8 Related Party Disclosures**

The Company has taken advantage of the exemption available under FRS 101 from disclosing related party transactions entered into between members of the same Group. There are no transactions with related parties which are external to the Group.

7 Ultimate parent undertaking

The immediate Parent undertaking is Amdipharm UK Limited. The ultimate Parent undertaking Advanz Pharma Corp. (formerly known as Concordia International Corp.), a company incorporated in Canada. The ultimate Parent Company consolidates the financial statements of the Company. A copy of the Consolidated Financial Statements can be obtained from the Company's website, www.advanzpharma.com.