

Company registration number: 07398284

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**Sprint UK Holdings 1 Limited**  
**(formerly ABG UK Holdings 1 Limited)**  
**Strategic report, Directors' report**  
**and financial statements**  
for the year ended 31 March 2015

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# **Sprint UK Holdings 1 Limited** **(formerly ABG UK Holdings 1 Limited)**

## **Strategic report**

for the year ended 31 March 2015

### **Principal activities**

The Company is an investment holding company within the Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited) group ("Group").

### **Business review**

The Company's loss for the financial year was £16,624,000 (2014: £28,450,000 loss).

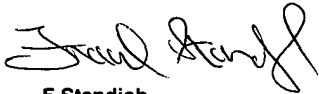
On 28 May 2014, the Company issued 1 ordinary share of £1 at a premium of £14,783,000 to Sprint Investments 4 Limited (formerly Alliance Boots Investments 4 Limited) and used the funds received to partly repay an external loan.

### **Principal risks and uncertainties**

The Company's Directors monitor the overall risk profile of the Company. In addition, the Directors are responsible for determining clear policies as to what the Company considers to be acceptable levels of risk. These policies seek to enable the Company to identify risks that could undermine performance and to devise ways of bringing them to within acceptable levels. Where the Directors identify risks that are not acceptable, they develop action plans to mitigate them with clear allocation of responsibilities and timescales for completion and ensure that progress towards implementing these plans is monitored and reported upon.

There are no additional business risks for the Company necessary for an understanding of the development, performance or position of the business.

By order of the Board:



**F Standish**  
Company Secretary  
8 February 2016

Registered Office:  
Sedley Place  
4<sup>th</sup> Floor  
361 Oxford Street  
London  
W1C 2JL

Registered in England and Wales No. 07398284

# **Sprint UK Holdings 1 Limited** **(formerly ABG UK Holdings 1 Limited)**

## **Directors' report**

for the year ended 31 March 2015

The Directors present their report and the audited financial statements for the year ended 31 March 2015.

On 12 May 2015, the Company changed its name from ABG UK Holdings 1 Limited to Sprint UK Holdings 1 Limited.

### **Financial instruments**

The Company is exposed to currency, credit and interest rate risk. The Group manages these risks at a Group level in accordance with Group Treasury Policy including the use of financial instruments for the purpose of managing these risks. Group risks are discussed in the consolidated financial statements, which do not form part of this report.

### **Dividends**

An interim dividend of £400,000 (2014: £nil) was declared and paid during the year.

### **Directors**

The following served as Directors during the year:

M Caprioli

S Pessina

W Zettel (appointed 20 October 2015)

S Lambert (appointed 20 October 2015)

### **Post balance sheet events**

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these financial statements.


### **Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors were deemed to be reappointed and KPMG LLP will therefore continue in office.

### **Disclosure of information to auditors**

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board:



### **F Standish**

Company Secretary

8 February 2016

### **Registered Office:**

Sedley Place

4<sup>th</sup> Floor

361 Oxford Street

London

W1C 2JL

Registered in England and Wales No. 07398284

**Sprint UK Holdings 1 Limited**  
**(formerly ABG UK Holdings 1 Limited)**

**Statement of Directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements**  
for the year ended 31 March 2015

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report**

to the members of Sprint UK Holdings 1 Limited (formerly ABG UK Holdings 1 Limited)

We have audited the financial statements of Sprint UK Holdings 1 Limited (formerly ABG UK Holdings 1 Limited) for the year ended 31 March 2015 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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.



**Karen McCulloch (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
Canary Wharf  
London, E14 5GL  
8 February 2016

**Sprint UK Holdings 1 Limited**  
**(formerly ABG UK Holdings 1 Limited)**

**Profit and loss account**  
for the year ended 31 March 2015

	Notes	2015 £000	2014 £000
Operating costs	2	(13)	-
<b>Operating loss</b>	2	(13)	-
Income from shares in group undertakings		3	-
Impairment of investments	6	(16,533)	(28,234)
Interest receivable and similar income	3	904	55
Interest payable and similar charges	4	(1,010)	(335)
<b>Loss on ordinary activities before taxation</b>		(16,649)	(28,514)
Tax on loss on ordinary activities	5	25	64
<b>Loss for the financial year</b>		(16,624)	(28,450)

There are no recognised gains and losses for the current and preceding financial years other than the loss of £16,624,000 (2014: £28,450,000 loss) shown above. Accordingly, no statement of recognised gains and losses is presented.

The amounts presented for the current and preceding financial years are derived from continuing operations.

The notes on pages 7 to 11 form part of the Company's financial statements.

**Sprint UK Holdings 1 Limited**  
**(formerly ABG UK Holdings 1 Limited)**

**Balance sheet**

as at 31 March 2015

	Notes	2015 £000	2014 £000
<b>Fixed assets</b>			
Investments	6	54,041	36,391
<b>Current assets</b>			
Debtors (including £nil (2014: £41,756,000) due after more than one year)	7	4,370	41,963
Cash at bank and in hand		6	1,126
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	8	(111)	(57)
<b>Net current assets</b>		4,265	43,032
<b>Total assets less current liabilities</b>		58,306	79,423
Creditors: amounts falling due after more than one year	9	(23,816)	(42,692)
<b>Net assets</b>		34,490	36,731
<b>Capital and reserves</b>			
Called up share capital	10,11	100	100
Share premium	11	35,123	79,340
Profit and loss account	11	(733)	(42,709)
<b>Shareholders' funds</b>		34,490	36,731

The notes on pages 7 to 11 form part of the Company's financial statements.

These financial statements were approved by the Board on 8 February 2016 and were signed on its behalf by:



**M Caprioli**  
Director



# **Sprint UK Holdings 1 Limited** **(formerly ABG UK Holdings 1 Limited)**

## **Notes to the financial statements** for the year ended 31 March 2015

### **1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited), the ultimate parent entity, includes the Company's assets, liabilities and results in its own publicly-available consolidated financial statements. Under FRS 1 (Revised 1996), 'Cash flow statements', the Company is therefore exempt from the requirement to prepare a cash flow statement.

The Company's voting rights are wholly controlled within the Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited) group ("Group") and, consequently, the Company is exempt under FRS 8, 'Related party Disclosures', from disclosing transactions with entities that are part of the Group or investees of the Group qualifying as related parties.

The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements and deliver them to the Registrar of Companies. The financial statements therefore present information about the Company as an individual undertaking and not about its group.

The Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis for preparing the financial statements.

#### **Foreign currencies**

Transactions denominated in non-sterling currencies are recorded at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in non-sterling currencies at the balance sheet date are translated at the exchange rates ruling at that date. Non-monetary assets and liabilities denominated in non-sterling currencies are translated using the exchange rates at the date of the underlying transactions. Exchange gains or losses are included in the profit or loss account.

#### **Interest receivable and similar income**

Interest receivable and similar income comprises interest receivable on funds invested, calculated using the effective interest rate, fair value movements on applicable derivative financial instruments and net exchange movements related to funds invested.

#### **Interest payable and similar charges**

Interest payable and similar charges comprises interest payable on borrowings, calculated using the effective interest rate, financing fees, fair value movements on applicable derivative financial instruments and net exchange movements related to financing items.

#### **Investments**

Investments are stated at cost less provision for impairment.

#### **Impairment of assets**

The Company's fixed assets are reviewed at each balance sheet date to determine whether events or changes in circumstances exist that indicate that their carrying amount may not be recoverable. If such an indication exists, the fixed asset's recoverable amount is estimated. The recoverable amount is the higher of a fixed asset's net realisable value and its value in use. An impairment loss is recognised in the profit and loss account for the amount by which the asset's carrying amount exceeds its recoverable amount.

#### **Cash at bank and in hand**

Cash at bank and in hand comprises cash in hand and short term deposits with maturities of three months or less from the date of acquisition. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

#### **Loans**

Loans are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the loans on an effective interest basis.

#### **Share capital**

##### *Equity instruments*

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Accordingly, a financial instrument is treated as equity if:

- there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- the instrument is a non-derivative that contains no contractual obligation to deliver a variable number of shares or is a derivative that will be settled only by the Company exchanging a fixed amount of cash or other assets for a fixed number of its own equity instruments.

Equity instruments are recorded as share capital and share premium, as applicable, net of tax-effected share issue costs. To the extent that this definition is not met, the proceeds of any issue are classified as a financial liability.

# Sprint UK Holdings 1 Limited (formerly ABG UK Holdings 1 Limited)

## Notes to the financial statements (continued) for the year ended 31 March 2015

### 1. Accounting policies (continued)

#### Financial instruments and derivative financial instruments

Financial assets and liabilities are recognised in the balance sheet at fair value when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities, excluding derivative financial instruments, are subsequently measured at amortised cost using the effective interest rate method.

The Company uses derivative financial instruments to hedge its exposure to currency translation and interest rate risks arising from operating, financing and investing activities. The Company does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for at fair value with movements taken to the profit and loss account.

Derivative financial instruments are recognised initially at fair value, with movements on remeasurement recognised immediately in the profit and loss account.

The fair value of forward exchange contracts is their market price at the balance sheet date.

#### Taxation

##### Current taxation

Current tax is recognised at the amount expected to be paid or recovered for the period based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

### 2. Operating loss

	2015 £000	2014 £000
Operating costs	(13)	-
<b>Operating loss</b>	<b>(13)</b>	<b>-</b>

#### Auditor's remuneration

The 2015 audit fee in respect of auditing the accounts pursuant to legislation was £2,500. The 2014 fee for the audit of these financial statements was borne by a fellow group undertaking. The amount allocated that would have been incurred is £1,000.

#### Staff numbers and costs

The Directors have not received any remuneration for their services to the Company during the current year or prior year. There were no employees during the current year or prior year.

### 3. Interest receivable and similar income

	2015 £000	2014 £000
Interest receivable from group undertakings	621	3
Foreign exchange gains	-	2
Fair value gains on derivative financial instruments	113	-
Other finance income	170	50
	<b>904</b>	<b>55</b>

### 4. Interest payable and similar charges

	2015 £000	2014 £000
Interest payable to group undertakings	96	332
Interest payable on other loans	471	3
Foreign exchange losses	439	-
Other finance costs	4	-
	<b>1,010</b>	<b>335</b>

### 5. Tax on loss on ordinary activities

An analysis of the tax credit for the year is presented as follows:

	2015 £000	2014 £000
<b>Current tax</b>		
United Kingdom ('UK') corporation tax		
Corporation tax credit on loss for the year at 21% (2014: 23%)	25	64
<b>Tax on loss on ordinary activities</b>	<b>25</b>	<b>64</b>

# Sprint UK Holdings 1 Limited (formerly ABG UK Holdings 1 Limited)

## Notes to the financial statements (continued) for the year ended 31 March 2015

### 5. Tax on loss on ordinary activities (continued)

The current tax credit for the year is lower than (2014: lower than) the standard rate of corporation tax of 21% (2014: 23%). The differences are explained below:

	2015 £000	2014 £000
Loss on ordinary activities before tax	(16,649)	(28,514)
Current tax at 21% (2014: 23%)	3,496	6,558
Effects of:		
Impairment of fixed asset investments	(3,471)	(6,494)
Total current tax credit as above	25	64

### Factors that may affect future current and total tax charges

During 2014, the UK Government substantively enacted a reduction in the corporation tax rate to 20%, effective from 1 April 2015. Subsequent to the year end, the UK Government announced that the corporation tax rate would reduce by 1% from 1 April 2017 to 19% and a further 1% from 1 April 2020 to 18%. These further changes to the tax rate have not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

### 6. Fixed asset investments

	Shares in subsidiary undertakings £000
<b>Cost less provision for impairment</b>	
At 1 April 2014	36,391
Additions	34,183
Impairment	(16,533)
<b>At 31 March 2015</b>	<b>54,041</b>

On 9 December 2014, the Company made an additional £34,183,000 investment in Sprint Acquisitions UK Holdco 3 Limited (formerly AB Acquisitions UK Holdco 3 Limited), a directly owned subsidiary.

The impairment recognised during the year relates to the Directors' judgement of the permanent reduction in the carrying value of the Company's directly held investment when compared to its recoverable amount, and as such, the investment in Sprint Acquisitions UK Holdco 3 Limited (formerly AB Acquisitions UK Holdco 3 Limited) has been impaired by £16,533,000 (2014: £28,234,000).

As at 31 March 2015, the cumulative impairment recognised within fixed asset investments cost was £59,582,000 (2014: £43,049,000).

The Company's subsidiary undertakings at the balance sheet date were:

	Percentage of ordinary shares attributable to equity shareholders of the Company	Country of operation	Main activity
Sprint Acquisitions UK Holdco 3 Limited (formerly AB Acquisitions UK Holdco 3 Limited)	91.00	UK	Finance and investment company
Walvis Verwaltungs GmbH	91.00	Germany	Dormant
Alliance Healthcare Italia S.p.a.	90.99	Italy	Pharmaceutical wholesaling and distribution and retail pharmacy operator
Alliance Farma Servizi S.p.A.	76.46	Italy	Pharmaceutical wholesaling
Azienda Farmacie di Pontedera S.p.a.	69.61	Italy	Retail pharmacy
Alloga (Italia) S.r.l.	90.99	Italy	Pharmaceutical wholesaling
FARMA MGT SRL	99.99	Italy	Pharmaceutical wholesaling
Boots Pharmaceuticals S.r.l.	90.99	Italy	Pharmaceutical wholesaling
Almus S.r.l.	90.99	Italy	Pharmaceutical wholesaling
Confarma Distribuzione S.p.a.	76.96	Italy	Pharmaceutical wholesaling
Amfa S.p.a.	67.18	Italy	Retail pharmacy
Fa.Ce. S.p.a.	80.36	Italy	Retail pharmacy

**Sprint UK Holdings 1 Limited**  
**(formerly ABG UK Holdings 1 Limited)**

**Notes to the financial statements (continued)**

for the year ended 31 March 2015

**6. Fixed asset investments (continued)**

	Percentage of ordinary shares attributable to equity shareholders of the Company	Country of operation	Main activity
Alliance Healthcare Italia Distribuzione S.p.a	89.46	Italy	Pharmaceutical wholesaling
Farmacie Comunali S.p.a.	65.51	Italy	Retail pharmacy
Di.Far. Società per Azioni	62.01	Italy	Pharmaceutical wholesaling
Lu.Ca.Par S.p.a. in liquidazione	66.54	Italy	Pharmaceutical wholesaling
Skills in Healthcare Italia S.r.l.	90.99	Italy	Pharmaceutical wholesaling

The respective country of incorporation for the subsidiary undertakings is the same as the country of operation.

**7. Debtors**

	2015 £000	2014 £000
Amounts owed by group undertakings	4,314	39,046
Other debtors	-	2,900
Corporation tax recoverable	56	17
	<b>4,370</b>	<b>41,963</b>

Amounts owed by group undertakings includes £4,293,000 (2014: £38,856,000) loaned to a subsidiary undertaking and £18,000 accrued interest. The loan is interest bearing and is repayable on demand. In the prior year, £41,756,000 of loans falling due for repayment in more than one year were separately disclosed on the face of the balance sheet, as they are material amounts, in accordance with UITF4 'Presentation of long-term debtors in current assets'.

**8. Creditors: amounts falling due within one year**

	2015 £000	2014 £000
Amounts owed to group undertakings	17	54
Other creditors	94	3
	<b>111</b>	<b>57</b>

**9. Creditors: amounts falling due after more than one year**

	2015 £000	2014 £000
Other loans	-	39,269
Amounts owed to group undertakings	23,816	3,423
	<b>23,816</b>	<b>42,692</b>

In the prior year, other loans included £39,269,000 loaned by a related party that was interest bearing and was repaid on 7 January 2015. Amounts owed to group undertakings includes £23,816,000 (2014: £3,423,000) loaned by a group undertaking that is interest-free and has a maturity date of 7 January 2025.

**10. Called up share capital**

	2015 £000	2014 £000
<b>Allotted, called up and fully paid</b>		
100,001 Ordinary shares of £1 each (2014: 100,000)	<b>100</b>	<b>100</b>

On 28 May 2014, the Company issued 1 ordinary share to its immediate parent company, Sprint Investments 4 Limited (formerly Alliance Boots Investments 4 Limited) at a premium of £14,783,000.

**Sprint UK Holdings 1 Limited**  
**(formerly ABG UK Holdings 1 Limited)**

**Notes to the financial statements (continued)**

for the year ended 31 March 2015

**11. Reconciliation of movements in equity shareholders' funds**

	Called up share capital £000	Share premium £000	Profit and loss account £000	Total £000
At 1 April 2013	100	79,340	(14,259)	65,181
Retained loss for the financial year	-	-	(28,450)	(28,450)
<b>At 1 April 2014</b>	<b>100</b>	<b>79,340</b>	<b>(42,709)</b>	<b>36,731</b>
Retained loss for the financial year	-	-	(16,624)	(16,624)
Issue of ordinary shares	-	14,783	-	14,783
Share premium reduction	-	(59,000)	59,000	-
Equity dividends paid	-	-	(400)	(400)
<b>At 31 March 2015</b>	<b>100</b>	<b>35,123</b>	<b>(733)</b>	<b>34,490</b>

On 4 September 2014, the Company reduced its share premium by £59,000,000 (2014: £nil).

**12. Ultimate parent undertaking**

At 31 March 2015, the Company's immediate parent company was Sprint Investments 4 Limited (formerly Alliance Boots Investments 4 Limited) and its ultimate parent company and controlling party was Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited). Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited) is the parent undertaking of the only group in which the Company is consolidated.

Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited) is incorporated in Gibraltar and its registered office is 57/63 Line Wall Road, Gibraltar. Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited) is jointly controlled by Alliance Santé Participations S.A., and three private equity investment vehicles advised by Kohlberg Kravis Roberts & Co. L.P., S. Pessina and O. Barra, who are Directors of Sprint Acquisitions Holdings Limited (formerly AB Acquisitions Holdings Limited), are also Directors of Alliance Santé Participations S.A., which is ultimately owned by a family trust.