

INFRACAPITAL (BIO) GP LIMITED

REGISTRATION NUMBER: SC 516021

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

**COMPANIES HOUSE
EDINBURGH**

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INFRACAPITAL (BIO) GP LIMITED**GENERAL INFORMATION**

DIRECTORS	E H Clarke M A Fernandes M J Lennon J P McClelland (resigned on 7 September 2018)
REGISTERED NUMBER	SC 516021
REGISTERED OFFICE	50 Lothian Road Festival Square Edinburgh EH3 9WJ United Kingdom
INDEPENDENT AUDITOR	KPMG LLP 15 Canada Square London E14 5GL United Kingdom
LEGAL ADVISOR	BURNES PAULL LLP 50 Lothian Road Festival Square Edinburgh EH3 9WJ United Kingdom
ADMINISTRATOR	SANNE GROUP (UK) LIMITED 21 Palmer Street London SW1H 0AD United Kingdom

INFRACAPITAL (BIO) GP LIMITED

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INFRACAPITAL (BIO) GP LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors present their report and financial statements of Infracapital (Bio) GP Limited (the "Company") for the year ended 31 December 2018 ("the year").

Directors

The Directors who served for the year ended 31 December 2018 and as at the date of approving this report are:

E H Clarke
M A Fernandes
M J Lennon
J P McClelland (resigned on 7 September 2018)

Principal activity

The principal activity of the Company is to act as General Partner to Infracapital (Bio) SLP LP.

Infracapital (Bio) SLP LP ("the Partnership") is a limited partnership formed by virtue of the Limited Partnership Agreement dated 22 September 2015 (the "LPA"), as amended from time to time.

The Company is also a Designated Member of Infracapital (Churchill) GP LLP.

Business review and results

The result for the year was £nil (2017: £nil) and the net assets at 31 December 2018 were £1 (2017: £1). The Company had no recognised gains or losses other than those disclosed on page 8. Details of results for the year are set out in the Statement of Comprehensive Income on page 8.

Dividends

No dividends were paid during the year (2017: £nil). The Directors do not recommend the payment of a final dividend (2017: £nil).

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. In support of this expectation the Directors are unaware of any significant factors likely to affect the Company in the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the annual report and financial statements.

Qualifying third party indemnities

Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were accordingly in force during the course of the financial year ended 31 December 2018 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Director in relation to certain losses and liabilities may occur (or have occurred) in connection with their duties, power or office.

Statement of Director's responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the 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), including FRS 101 Reduced Disclosure Framework.

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 year.

INFRACAPITAL (BIO) GP LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of Director's responsibilities in respect of the Directors' Report and the financial statements (continued)

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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

The Company has taken advantage of the exemption provided for under section 414(B) of the Companies Act 2006, and has not produced a strategic report.

Disclosure of Information to Auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that each Director has taken all the steps that he ought to have taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post Balance Sheet Events

There have been no significant events affecting the Company since the year end which requires adjustment for or disclosure in the financial statements.

Auditor

Pursuant to section 487(2) of the Companies Act 2006, the auditor will be deemed to be reappointed and therefore KPMG LLP will therefore continue in office.

This report was approved by the board on 31 May 2019 and signed on its behalf.


M A Fernandes
Director

31 May 2019

INFRACAPITAL (BIO) GP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF INFRACAPITAL (BIO) GP LIMITED FOR THE YEAR ENDED 31 DECEMBER 2018

Opinion

We have audited the financial statements of Infracapital (Bio) GP Limited (the "Company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework, 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the Directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a Company and this is particularly the case in relation to Brexit.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model, including the impact of Brexit, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

INFRACAPITAL (BIO) GP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF INFRACAPITAL (BIO) GP LIMITED FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)

Directors' report

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on pages 3 and 4, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

INFRACAPITAL (BIO) GP LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF INFRACAPITAL (BIO)
GP LIMITED FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)**

The purpose of our audit work and to whom we owe our responsibilities

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.



Fang Fang Zhou (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London,
E14 5GL

6 June 2019

INFRACAPITAL (BIO) GP LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Turnover	3	102	100
Administrative expenses	1.5	(102)	(100)
Operating result		-	-
Tax charge on profit on ordinary activities	6	-	-
Total comprehensive income		-	-

There is no other comprehensive income for the years ended 31 December 2018 and 31 December 2017 in addition to that included in the Statement of Comprehensive Income. All results and comparatives shown in the Statement of Comprehensive Income are from continuing operations.

The notes on pages 11 to 16 form part of these financial statements

INFRACAPITAL (BIO) GP LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Non-current assets			
Fixed asset investments	7	40	-
Debtors – amounts falling due after more than one year	8	1	1
		<u>41</u>	<u>1</u>
Current assets			
Debtors – amounts falling due within one year	9	-	225
Current liabilities			
Creditors – amounts falling due within one year	10	-	(225)
Net current assets		<u>-</u>	<u>-</u>
Creditors – amounts falling due after more than one year	11	(40)	-
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	12	1	1
Shareholder's funds		<u>1</u>	<u>1</u>

The financial statements on pages 8 to 16 have been approved by the Board of Directors and signed on its behalf by:


M A Fernandes
Director


E H Clarke
Director

31 May 2019

The notes on pages 11 to 16 form part of these financial statements

INFRACAPITAL (BIO) GP LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital £	Total equity £
Balance at 1 January 2017	1	1
Total comprehensive income for the year	-	-
Balance at 31 December 2017	1	1

	Share capital £	Total equity £
Balance at 1 January 2018	1	1
Total comprehensive income for the year	-	-
Balance at 31 December 2018	1	1

The notes on pages 11 to 16 form part of these financial statements

INFRACAPITAL (BIO) GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

Infracapital (Bio) GP Limited ("the Company") is a company incorporated and registered in Scotland. These financial statements are prepared for the year ended 31 December 2018 ("the year").

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements.

These financial statements present information about the Company as an individual undertaking and not about its group. The Company's ultimate parent, Prudential Plc, includes the Company in its consolidated financial statements. These consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are publicly available. Accordingly, the Company may adopt Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies, there are no significant judgements or estimates in preparing these accounts.

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79 (a)(iv) of IAS 1
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

The following principal accounting policies have been applied:

1.3 Change in accounting policies

The Company has adopted the following IFRSs in these financial statements:

- IFRS 15: Revenue from Contracts with Customers
- IFRS 9: Financial Instruments

IFRS 15 Revenue from Contracts with Customers

The Company has applied IFRS 15 using the retrospective with cumulative effect. The comparative information has not been restated and continues to be reported under IAS 18 and IAS 11. There have been no significant changes or quantitative impact as a result of the application of IFRS 15.

INFRACAPITAL (BIO) GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

1.3 Change in accounting policies (continued)

IFRS 9 Financial Instruments

The Company has adopted IFRS 9 with a date of initial application of 1 January 2018. The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement.

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

- Comparative periods have not been restated. There are no differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9. Accordingly, the information presented for the year ended 31 December 2017 is comparable to the information presented for the year ended 31 December 2018 under IFRS 9.
- The determination of the business model within which a financial asset is held has been made on the basis of the facts and circumstances that existed at the date of initial application.

There has been no qualitative impact as a result of adopting IFRS 9.

1.4 Turnover

Turnover arises from a share of profits the Company receives in relation to its role as General Partner to Infracapital (Bio) SLP LP (the "Partnership"). The General Partner's Share is £100 per annum from the partnership's profit in accordance with the Limited Partnership Agreement and is recognised in the Statement of Comprehensive Income on an accruals basis.

1.5 Administrative expenses

Management fees are payable by the Company to M&G Investment Management Limited, the appointed manager of Infracapital (Bio) SLP LP, pursuant to the Management Agreement. They are accounted for on an accruals basis.

1.6 Taxation

Tax is recognised in the Statement of Comprehensive Income, except to the extent that it is attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity, in which case it is recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

1.7 Fixed asset investments

Fixed asset investments represent capital contributions into limited liability partnerships and are held at cost less provision for impairment.

At the end of each reporting period, the Directors review the carrying amounts of fixed asset investments to determine whether there is any indication that the asset has suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised immediately in the statement of comprehensive income.

INFRACAPITAL (BIO) GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

1.8 Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

1.9 Creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.10 Functional currency

The Company's functional and presentational currency is Pound Sterling (£).

1.11 Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. In support of this expectation the Directors are unaware of any significant factors likely to affect the Company in the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the annual report and financial statements.

2. Use of judgments and estimates

In preparing these financial statements, the Directors have made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

3. Analysis of Turnover

	2018 £	2017 £
General Partner's Share receivable	<u>102</u>	<u>100</u>

4. Auditor's remuneration

Amounts receivable by the Company's auditor in respect of the audit of the Company's financial statements are £3,060 (2017: £3,000) and is payable by Infracapital Greenfield Partners I LP. Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, Prudential Plc.

5. Employees

The Company has no employees other than Directors, who did not receive any remuneration in respect of their services to the Company (2017: nil).

INFRACAPITAL (BIO) GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

6. Taxation

a) Analysis of tax charge in the year:

	2018 £	2017 £
Current tax:		
Current tax on profits for the year	-	-
Total current tax charge	-	-

b) Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year/period which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2017: 19.25%).

	2018 £	2017 £
Profit for the year – continuing activities	-	-
Tax on profit at standard UK tax rate of 19% (2017: 19.25%)	-	-
Total tax charge for the year	-	-

c) Factors that may affect future tax charges:

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce any future current tax charge for the Company accordingly.

7. Fixed asset Investments

	2018 £	2017 £
Opening balance at 1 January 2018	-	-
Additions	40	-
Balance at 31 December 2018	40	-

Fixed asset investments represent unpaid capital contributions £40 into Infracapital (Churchill) GP LLP.

8. Debtors: amounts falling due after more than one year

	2018 £	2017 £
Called up share capital not paid	1	1

Based on the likelihood of when the share capital will be paid it has been considered appropriate to classify this as amounts falling due after more than one year. However, there is no doubt over the recoverability of the amount.

INFRACAPITAL (BIO) GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

9. Debtors: amounts falling due within one year

	2018 £	2017 £
Amounts due from group undertakings	-	225

10. Creditors: amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	-	225

11. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Amounts owed to group undertakings	40	-

Amounts owed to group undertakings relate to unpaid capital contributions of £40 due to Infracapital (Churchill) GP LLP.

12. Called up share capital

	2018 £	2017 £
Allotted, called up and not paid		
1 ordinary share of £1 each (2017: 1 ordinary share of £1 each)	1	1

13. Related party transactions

The Company is entitled to receive General Partner's Share from Infracapital (Bio) SLP LP. For the year ended 31 December 2018, the General Partner's Share was £102 (2017: £100) of which £nil (2017: £225) was outstanding at the year end.

Except for related party disclosure of General Partner's Share, the Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow group companies which are wholly owned by Prudential Plc.

14. Directors' emoluments

No emoluments were paid to the Directors during the year in connection with the management of the affairs of the Company (2017: £nil)

One of the Directors exercised Prudential Plc share options during the year (2017: one).

All Directors were employed during the year by M&G Limited, the Company's immediate parent company. Analyses of staff costs, pension commitments and share based payments are shown in the annual report and financial statements of that company.

INFRACAPITAL (BIO) GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

15. Post balance sheet events

There have been no significant events affecting the Company since the year end which requires adjustment for or disclosure in the financial statements.

16. Immediate and ultimate controlling party

The Company's immediate parent Company is M&G Limited, a Company registered in England and Wales.

The ultimate parent Company of Infracapital (Bio) GP Limited is Prudential Plc, a Company registered in England and Wales. Consolidated financial statements are prepared by Prudential Plc and copies of these are available from the registered office at 1 Angel Court, London EC2R 7AG.