

Table of Contents

Part A	3
Introduction	3
Corporate Governance	3
Merger and Acquisition	4
Financial performances and positions	4
Litigation cases	5
Part B	5
Liquidity and Leverage Ratio	5
Liquidity Analysis	5
Leverage Analysis	7
Capital Structure Theories and Implications	8
Comparison with Competitors and Sectoral Average	11
Competitors analysis	11
Sectoral analysis	14
Share Return Analysis	15
Part C	17
Purpose Aim and Expected Outcome	17
Aim:	17
Expected Outcome:	17
Size and Financing of the Investment	19
Feasibility Assessment	21
SWOT Analysis	21
PESTLE Analysis	23
The Outcome of the Investment	24
Conclusion	25
Reference	27

Part A

Introduction



Figure 1: Company Logo

Source: AstraZeneca Website (2023)

AstraZeneca Plc is one of the leading multinational pharmaceutical and biotechnology companies operating in Cambridge, UK, with the merger of Sweden Astra AB and Britain Zeneca. The company was established in 1999. The organisation had about 60,000 employees worldwide in 2017 working on pharmaceuticals for cancer, cardiovascular and metabolic disease and many more (AstraZeneca 2023). Furthermore, AstraZeneca has established itself as a multinational company that researches, develops, and manufactures medical products within the drugs and biotechnology industry.

Corporate Governance

AstraZeneca applies all the main and basic principles of the U.K. Corporate Governance Code and related guidance, which were involved in their effective corporate governance (AstraZeneca 2023). The company holds a highly professional Board and Senior Executive Team. The Board members are responsible for Corporate Governance and establishing strategy and policy. In 2021, AstraZeneca Plc announced the appointment of Andreas Rummelt as a Board Member (AstraZeneca Plc 2023). Further, the management of the company announced the appointment of Michel Demare as the Chair designated of the Board in 2023 through a robust planning process led by Philip Broadley.

Merger and Acquisition

AstraZeneca Plc has acquired about 15 companies and made about 35 investments, including investments above \$67.54 billion for the acquisition in various industries, including Oncology, Rare Diseases, Cardiac and vascular disorders and more. In the year 2021, AstraZeneca made its acquisition of Alexion Pharmaceuticals Inc (Tracxn 2023). The company has a scientific involvement in immunology, an innovative complement biology site in Alexion, and an enhanced pipeline. These have a significant development of medicines for patients with severe disease, representing a potential unmet medical requirement and obtaining a high growth opportunity for the company. The company has made acquisitions with CinCor in 2023, Neogene Therapeutics in 2022, and TeneoTwo in 2022. AstraZeneca invested about \$39.00 billion in 2020 to acquire Alexion, MedImmune acquired \$15.60 billion in 2007, and Acerta Pharma acquired Food for \$5.70 billion in 2015 (Tracxn 2023).

Financial performances and positions

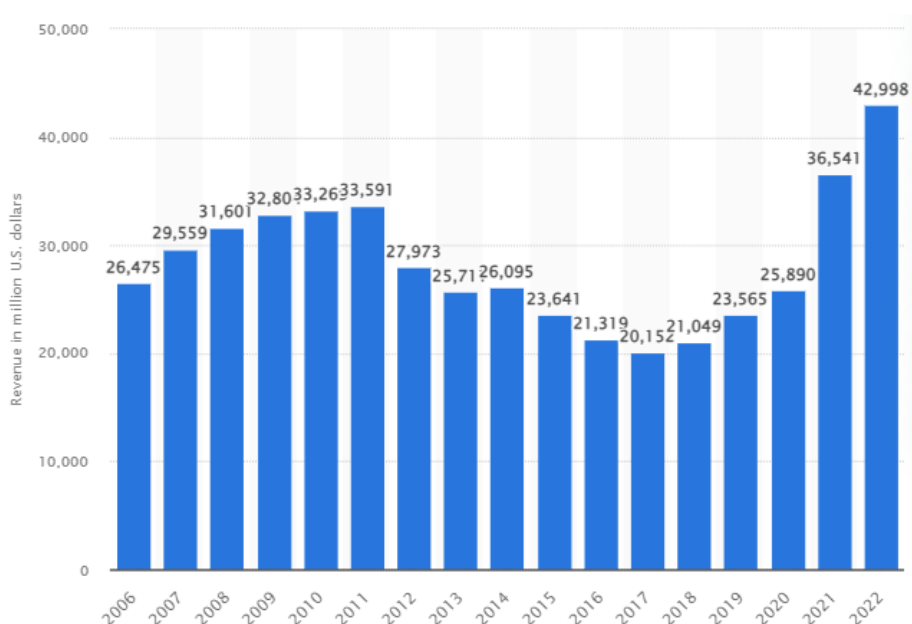


Figure 1: AstraZeneca's revenue from 2006 to 2022

Source: Mikulic, (2023)

The above figure showcases pharmaceutical company AstraZeneca's overall revenues from 2006 to 2022. The company is one of the multinational pharmaceutical companies operating in the U.K. Over the last five years, the company has performed better in obtaining high revenues. In 2018, AstraZeneca obtained \$21,049 million and increased over the year. In the year 2022, the company obtained \$42,998 million.

Litigation cases

Wise, (2021) stated in their report that many patients filed legal actions against AstraZeneca due to the problem of blood clots in the covid vaccines during the pandemic in 2021. The report further stressed that many lawyers had delivered the company notice, including pre-action protocol letters, on behalf of 75 claimants. In contrast, many millions of people have taken the covid vaccine without any complications, while most patients face the consequences and complications of blood clots due to covid vaccines. In 2021, the Medicines and Healthcare Products Regulatory Agency recognised a possible connection between the vaxzervria and a rare blood clot condition (Dyer, 2023).

Part B

Liquidity and Leverage Ratio

Liquidity Analysis

Liquidity	2022	2021	2020	2019	2018
<i>Current Ratio</i>	0.86	1.16	0.96	0.86	0.95
<i>Quick Ratio</i>	0.68	0.76	0.76	0.68	0.78
<i>Cash Ratio</i>	0.48	0.56	0.78	0.38	0.40

Table 1: Liquidity position

Source: Self-made