

Acorus Therapeutics Limited

Annual Report and Financial Statements

Year ended 31 December 2022

Company Registration Number 03976183

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28/09/2023

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COMPANIES HOUSE

Acorus Therapeutics Limited

Company Information

Directors

J K Burrell

MA Pardos Blanco

Company secretary

L J Benson

Registered office

Eden House

Lakeside

Chester Business Park

Chester

CH4 9QT

Company number

03976183

Acorus Therapeutics Limited

Strategic report

For the year ended 31 December 2022

Principal activities

The Company did not trade during the period, and the Directors intend to wind up the activities of the Company in due course.

Business review and future developments

The company has not traded in the current or prior period.

The profit before taxation for the year ended 31 December 2022 is £2,000 (2021: loss of £1,000) and a dividend of £Nil was paid in the year (2021: £Nil).

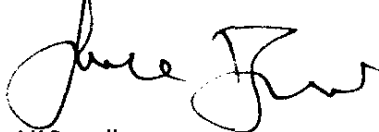
Principal risks and uncertainties

The Directors of Sinclair Pharma Ltd, the Company's intermediate parent undertaking, manage the Group's risks at a group level, rather than at an individual business unit level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Sinclair Pharma Ltd Group, which include those of the Company, are discussed in the Directors' Report of the Group's annual report which does not form part of this report.

Key performance indicators ('KPIs')

The Directors of Sinclair Pharma Ltd manage the Company's operations at a group level. For this reason, the Company's Directors believe that analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company's business. The development and performance of the Group's key products, which includes the business of Acorus Therapeutics Limited, is discussed in the Business Review of the Group's annual report which does not form part of this report.

On behalf of the board



J K Burrell
Director

21 September 2023

Acorus Therapeutics Limited

Report of the Directors

For the year ended 31 December 2022

The Directors present their report and the financial statements of the Company for the year ended 31 December 2022.

Directors

The Directors who served the Company during the period and up to the date of these financial statements were as follows:

C P Spooner (resigned 31 May 2022)
A M Olby (resigned 13 May 2022)
J K Burrell
MA Pardos Blanco (appointed 28 April 2022)

Financial risk management

The Company is exposed to a variety of financial risks that include the effects of changes in foreign exchange rates on certain liabilities. The Company has a risk management programme that seeks to limit the adverse effects of these risks on the financial performance of the Company. Foreign exchange risk and liquidity risk are managed at a group level.

Statement of Directors' responsibilities

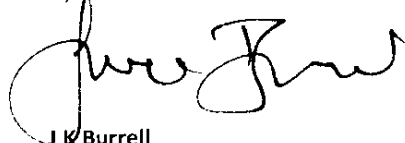
The Directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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 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.

By order of the Board



J K Burrell

Director

21 September 2023

Acorus Therapeutics Limited

Income statement

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Administrative expenses		2	(1)
Operating profit/(loss) and profit/(loss) on ordinary activities before taxation	3	<u>2</u>	<u>(1)</u>
Tax on profit/(loss) on ordinary activities	4	-	-
Profit/(loss) and total comprehensive income/(expense) for the financial period		<u>2</u>	<u>(1)</u>

All of the activities of the Company are classed as discontinued.

The notes on pages 6 to 9 form part of these financial statements.

Acorus Therapeutics Limited

Balance sheet at 31 December 2022

	Note	2022 £'000	2021 £'000
Current assets			
Debtors	5	246	244
Net assets		<u>246</u>	<u>244</u>
Capital and reserves			
Share capital	6	-	-
Retained earnings		246	244
Total shareholders' funds		<u>246</u>	<u>244</u>
Company Registration Number: 03976183			

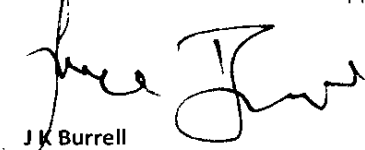
Audit exemption statement

For the year ending 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476
- 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 were approved by the Board of Directors and authorised for issue on 21 September 2023.


J K Burrell
Director

The notes on pages 6 to 9 form part of these financial statements.

Acorus Therapeutics Limited

Statement of changes in equity at 31 December 2022

	Share capital £'000	Currency translation reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2021	-	-	245	245
Loss for the period	-	-	(1)	(1)
Balance at 31 December 2021	-	-	244	244
Profit for the period	-	-	2	2
Balance at 31 December 2022	-	-	246	246

The notes on pages 6 to 9 form part of these financial statements.

Acorus Therapeutics Limited

Notes to the financial statements For the year ended 31 December 2022

1. Company information

Acorus Therapeutics Limited is a private company limited by shares, incorporated in the United Kingdom. The address of its registered office is Eden House, Lakeside, Chester Business Park, Chester, CH4 9QT, England.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with applicable accounting standards and in accordance with Financial Reporting Standard 101 – 'The Reduced Disclosure Framework (FRS 101)'. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have all been applied consistently throughout the period unless otherwise stated.

The financial statements have been prepared on a historical cost basis, as modified by certain assets and liabilities measured at fair value.

The financial statements are presented in Sterling (£) and have been presented in round thousands (£'000).

Going concern

The Company's intermediate controlling party, Sinclair Pharma Ltd, has confirmed they will continue to provide financial support to the Company for a period of at least 12 months from the date these financial statements are approved by the Board. As such these financial statements have been prepared on a going concern basis.

Disclosure exemptions adopted

The following disclosure exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - Paragraph 79(a)(iv) of IAS1
- The following paragraphs of IAS 1 'Presentation of Financial Statements'
 - 10(d) (statement of cash flows)
 - 16 (statement of compliance with all IFRS)
 - 38A (requirement for minimum of two primary statements, including cash flow statements)
 - 38B-D (additional comparative information)
 - 111 (cash flow statement information), and
 - 134 – 146 (capital management disclosures)
- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- IAS 7, 'Statement of cash flows'
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Financial instruments

Non-derivative financial instruments comprise trade and other debtors and trade and other creditors.

Trade and other debtors

Trade and other 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.

Trade and other creditors

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

Acorus Therapeutics Limited

Notes to the financial statements

For the year ended 31 December 2022

2 Accounting policies (*continued*)

Taxation

The charge for taxation is based on the result for the period and takes into account current and deferred taxation.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of temporary differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

The presentational currency of the Company is sterling. Sterling is used as the functional currency for UK operations and the Swiss Franc was the functional currency for foreign operations of the Swiss branch of Acorus.

As at the reporting date, the assets and liabilities of foreign branch operations are translated into the presentational currency of the Company at the rate of exchange ruling at the balance sheet date and the profit and loss account is translated at the weighted average exchange rates for the year. The exchange differences arising on retranslation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

Transactions entered into in a currency other than the functional currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the profit and loss account.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate as at the date of initial transaction.

3 Operating profit/(loss)

Operating profit/(loss) is stated after crediting:

	2022 £'000	2021 £'000
Foreign exchange gain	<u>2</u>	<u>-</u>

The Company has no employees (2021: None). The Directors' receive no remuneration for their services as Directors of the Company (2021: £Nil). The Directors receive remuneration from other Group companies and no element is apportioned to the Company.

Acorus Therapeutics Limited

Notes to the financial statements For the year ended 31 December 2022

4 Tax on profit/(loss) on ordinary activities

The tax assessed for the year differs from the standard rate of Corporation tax in the UK of 19.0% (2021: 19.0%). The difference is explained below:

Factors affecting current tax charge

	2022 £'000	2021 £'000
Profit/(loss) on ordinary activities before taxation	2	(1)
Profit/(loss) on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 19.0% (2021: 19.0%)	-	-
Effects of:		
Losses surrendered to group relief	-	-
Total tax charge	-	-

5 Debtors

	2022 £'000	2021 £'000
Amounts owed by group undertakings	246	244

6 Called up share capital

	2022		2021	
	No.	£	No.	£
Allotted, called-up and fully paid:				
Ordinary shares of £1 each	100	100	100	100

7 Related party transactions

The Company is a wholly owned subsidiary of Sinclair Pharma Ltd, the consolidated financial statements of which are publically available. As permitted by paragraph 8(k) of FRS101 related party transactions with wholly owned members of Sinclair Pharma Ltd have not been disclosed.

There were no other related party transactions in the period ended 31 December 2022.

Acorus Therapeutics Limited

Notes to the financial statements **For the year ended 31 December 2022**

8 Parent company and controlling party

At 31 December 2022, the immediate parent company was IS Pharma Ltd, a company incorporated in England. The Directors consider Sinclair Pharma Ltd, a company incorporated in England, to be the intermediate parent company. Sinclair Pharma Limited is owned by Huadong Medicine Aesthetics Investment (Hongkong) Limited, a subsidiary of Huadong Medicine Co., Ltd. Both companies are registered in China. There is no ultimate controlling party.

These financial statements are consolidated within the financial statements of Huadong Medicine Co. Ltd which is listed on the Shenzhen Stock Exchange. Information about the company including its annual report and financial statements is available on the company's website: www.eastchinapharm.com.