

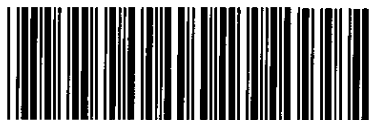
Sinclair Pharma Holdings Limited

Annual Report and Financial Statements

For the year ended 31 December 2020

Company Registration Number 08871117

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Sinclair Pharma Holdings Limited

Strategic report

For the year ended 31 December 2020

Principal activities

The principal activity of the Company is that of a holding company.

Business review and future developments

The Company acts as a holding company and therefore does not engage in trading activities. All costs incurred by the Company are in its capacity as a holding company. The business will continue to operate as a holding company for the foreseeable future.

The results for the year ended 31 December 2020 show a loss on ordinary activities before taxation of £27,000 (2019: profit £49,384,000).

Principal risks and uncertainties

The Directors of Sinclair Pharma Ltd, the Company's ultimate 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, which includes the business of Sinclair Pharma Holdings 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



A-M Olby
Director

9 September 2021

Sinclair Pharma Holdings Limited

Report of the Directors

For the year ended 31 December 2020

The Directors present their report and the financial statements of the Company for the year ended 31 December 2020.

Going concern

The Directors are satisfied, after making appropriate enquiries that the Company has adequate resources to continue in business for at least twelve months and accordingly considers that it is appropriate to adopt the going concern basis in preparing the financial statements.

Dividends

The Directors do not recommend the payment of any dividends (2019: £Nil).

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates on certain liabilities. The Company has in place a risk management programme that seeks to limit the adverse effects of these risks on the financial performance of the Company. Foreign exchange risk is managed at a group level.

Charitable and political donations

The Company made no charitable or political donations during the period.

Directors

The Directors of the Company who were in office during the period and up to the date of signing the financial statements were as follows:

C P Spooner
A M Olby
J K Burrell

Directors' and officers' liability insurance

The Company had in place qualifying third party indemnity insurance for all Directors throughout the period.

Post balance sheet events

On 12 April 2021, the company issued one additional share with a nominal value of £1 to its parent company, Sinclair Pharma Management Limited for cash consideration of £22,571,420.

On the same date, the Company acquired 100% of the share capital the below members of the Cocoon Medical group, a manufacturer of energy based devices for the aesthetics industry, based in Barcelona.

Cocoon Medical International EOOD (Bulgaria) for £5,207,000
Cocoon Medical Hong Kong Limited for £113,000
Cocoon Medical Italy S.R.L. for £557,000
Cocoon Medical USA LLC for £182,000
Cocoon Medical Colombia SAS for £867,000

The Company also granted a capital contribution to its subsidiary, Silhouette Holding Iberia SL, of £15,647,000 to fund the acquisition by Silhouette Holdings Iberia SL of High Technology Products S.L.U. part of the Cocoon Medical group registered in Spain.

Sinclair Pharma Holdings Limited

Report of the Directors

For the year ended 31 December 2020

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



A M Olby
Director

9 September 2021

Sinclair Pharma Holdings Limited

Statement of comprehensive income For the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Administrative income/(expense)		311	(50,254)
Operating profit/(loss)	3	311	(50,254)
Dividends received from subsidiary undertakings		-	44
Interest income	4	524	2,336
Interest expense	4	(862)	(1,510)
Loss on ordinary activities before taxation		(27)	(49,384)
Tax on loss on ordinary activities	5	-	-
Loss for the financial period		(27)	(49,384)
Other comprehensive income for the financial period, net of tax		-	-
Total comprehensive expense for the financial period		(27)	(49,384)

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

The notes on pages 8 to 15 form part of these financial statements.

Sinclair Pharma Holdings Limited

Balance Sheet at 31 December 2020

	Note	2020 £'000	2019 <i>restated</i> £'000
Non current assets			
Investments	6	80,878	80,810
Amounts due from group undertakings	7	42,005	47,473
Current assets			
Cash and cash equivalents		-	9
Creditors: amounts falling due within one year	8	(1)	(1)
Net current (liabilities)/assets		(1)	8
Creditors: amounts falling due in greater than one year	9	(42,586)	(47,968)
Net assets		<u>80,296</u>	<u>80,323</u>
Capital and reserves			
Called up share capital	10	118,063	118,063
Capital contribution reserve		2,525	2,525
Retained earnings		(40,292)	(40,265)
Total shareholders' funds		<u>80,296</u>	<u>80,323</u>

The Company's registered number is: 08871117

Audit exemption statement

For the year ending 31 December 2020 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 9 September 2021



A M Oby
Director

The notes on pages 8 to 15 form part of these financial statements.

Sinclair Pharma Holdings Limited

Statement of Changes in Equity at 31 December 2020

	Share capital £'000	Capital contribution reserve £'000	Accumulated losses £'000	Total equity £'000
Balance at 1 January 2019	118,063	2,525	9,119	129,707
Loss for the year	-	-	(49,384)	(49,384)
Total comprehensive expense for the period	-	-	(49,384)	(49,384)
Balance at 31 December 2019	118,063	2,525	(40,265)	80,323
Loss for the year	-	-	(27)	(27)
Total comprehensive expense for the period	-	-	(27)	(27)
Balance at 31 December 2020	118,063	2,525	(40,292)	80,296

The notes on pages 8 to 15 form part of these financial statements.

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

1 Company information

Sinclair Pharma Holdings Limited is a private company limited by shares, incorporated in the United Kingdom. The address of its registered office is 1st Floor, Whitfield Court, 30-32 Whitfield Street, London, W1T 2RQ, 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 balance sheet from 2019 has been restated to reflect the repayment period of intercompany loans. This has resulted in an increase in non-current assets of £47,473,000, with a corresponding decrease in current assets. There is £Nil impact on profit and equity in the period.

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 parent company, 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.

New standards, amendments and IFRIC interpretations

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2020 have had a material impact on the company.

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

2 Accounting policies – continued

Consolidated financial statements

The financial statements contain information about Sinclair Pharma Holdings Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Sinclair Pharma Ltd, a company incorporated in England and Wales.

Critical accounting estimates and judgements

Preparation of the Company's financial statements requires the use of estimates and judgements that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures. The Directors base these estimates and judgements on historic experience and on various other assumptions that they consider reasonable. Actual results may differ from these estimates under different assumptions and conditions. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. An impairment charge of £Nil (2019: Nil) has been recognised in administrative expenses in the year.

Impairment of investments in subsidiary undertakings

Determining whether investments are impaired requires an estimation of the value in use of the underlying asset to which each individual investment relates. The value in use calculation requires estimation of future cash flows expected to arise from the asset and a suitable discount rate in order to calculate present value. There is a risk of a material adverse impact on the income statement should an impairment adjustment be required.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are carried at cost, being the fair value of the consideration given, less impairment provision. Such investments are subject to review, and any impairment is charged to the income statement. 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). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the income-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or income-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (income-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying value of the asset (income-generating unit) is increased to the revised estimate of its recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (income-generating unit) in prior periods. A reversal of an impairment loss is recognised as income immediately.

Financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash, bank balances net of bank overdrafts and short term deposits held with banks by the Company, and are subject to insignificant risk of changes in value.

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

2 Accounting policies – continued

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.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Foreign currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Dividend income

Dividend income is recognised when the right to receive payment is established.

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.

Equity and dividend payments

Share capital represents the nominal value of ordinary shares and is recognised in equity.

Equity dividends payable are recognised directly in equity when they become legally payable.

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

3 Operating profit/(loss)

Operating profit/(loss) is stated after (crediting)/charging:

	2020 £'000	2019 £'000
Foreign exchange (gain)/loss	(313)	408
Impairment charges (note 6)	-	49,851

In the year ended 31 December 2019, an impairment charge was made against the Company's investment in Sinclair Holding Iberia SL. The trade which was previously in this group of companies has been transferred to a another group company, and the investment has therefore been written down to £Nil.

The Directors did not receive any emoluments in respect of their services to the Company (2019: £Nil). The Directors are remunerated by other Group companies, and details of these are disclosed in those accounts. No amounts were recharged to the Company (2019: £Nil).

4 Interest

Interest income

	2020 £'000	2019 £'000
Foreign exchange differences arising on amounts owed by group undertakings	(598)	(430)
Foreign exchange differences arising on third party borrowings	-	900
Interest received on amounts owed by group undertakings	1,122	1,866
	524	2,336

Interest expense

	2020 £'000	2019 £'000
Interest on bank loans and overdrafts	-	(343)
Interest on amounts owed to group undertakings	(862)	(1,167)
	(862)	(1,510)

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

5 Tax on loss on ordinary activities

	2020 £'000	2019 £'000
Current tax:		

Current tax charge	-	-
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The tax assessed for the period differs from the standard rate of Corporation tax in the UK of 19.0% (2019: 19.0%).

The difference is explained below:

	2020 £'000	2019 £'000
Loss on ordinary activities before taxation	(27)	(49,384)

Loss on ordinary activities multiplied by the average standard rate of Corporation tax in the UK during the period of 19.0% (2019: 19.0%)	(5)	(9,383)
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Effects of:

Expenses not deductible for tax purposes	-	9,472
Income not taxable	-	(8)
Utilisation of tax losses	-	(81)
Losses surrendered to group relief	5	-
Total tax charge	-	-

6 Investments

	Shares in subsidiary undertakings £'000	Loans to Group undertakings £'000	Total £'000
Cost			
At 1 January 2019	166,285	1,422	167,707
Exchange adjustments	-	(82)	(82)
At 31 December 2019	166,285	1,340	167,625
Exchange adjustments	-	68	68
At 31 December 2020	166,285	1,408	167,693
Impairment			
At 1 January 2019	36,964	-	36,964
Impairment charges in the year	49,851	-	49,851
At 31 December 2019	86,815	-	86,815
Impairment charges in the year	-	-	-
At 31 December 2020	86,815	-	86,815
Net book value			
At 31 December 2020	79,470	1,408	80,878
At 31 December 2019	79,470	1,340	80,810

In the year ended 31 December 2019, an impairment charge was made against the Company's investment in Sinclair Holding Iberia SL. The trade which was previously in this group of companies has been transferred to a another group company, and the investment has therefore been written down to £Nil.

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

6 Investments (continued)

The Company's subsidiary undertakings are set out below:

Name	Country of Incorporation	Holding	Proportion held	Principal activity
Investments held directly by Sinclair Pharma Holdings Limited				
Sinclair Pharmaceuticals Limited	England	Ordinary shares	100%	Pharmaceutical products
Sinclair Pharma France Holding SAS	France	Ordinary shares	100%	Holding company
Sinclair Pharmaceutical Espana SL	Spain	Ordinary shares	100%	Pharmaceutical products
Sinclair Pharma GmbH	Germany	Ordinary shares	100%	Pharmaceutical products
Building Health Distribuidora de Productos para a Saude Ltda	Brazil	Ordinary shares	100%	Pharmaceutical products
IS Pharma Limited	England	Ordinary shares	100%	Dormant
Sinclair Life Sciences India Private Limited	India	Ordinary shares	100%	Dormant
Silhouette Holding Iberia SL	Spain	Ordinary shares	100%	Holding company
Sinclair Holdings BV	Netherlands	Ordinary shares	100%	Holding company
Sinclair Korea Limited	South Korea	Ordinary shares	100%	Pharmaceutical products
Sinclair Aesthetics de Mexico	Mexico	Ordinary shares	100%	Pharmaceutical products
Sinclair Pharma Australia Pty Ltd	Australia	Ordinary shares	100%	Dormant
Investments held indirectly				
Acorus Therapeutics Limited	England	Ordinary shares	100%	Dormant
IS Pharmaceuticals Limited	England	Ordinary shares	100%	Dormant
Sinclair France SAS	France	Ordinary shares	100%	Pharmaceutical products
AQTIS Medical BV	Netherlands	Ordinary shares	100%	Pharmaceutical products
Sinclair Netherlands IP BV	Netherlands	Ordinary shares	100%	Pharmaceutical products
Silhouette Lift SL	Spain	Ordinary shares	100%	Pharmaceutical company
Sinclair Pharma Inc	USA	Ordinary shares	100%	Pharmaceutical company

The registered addresses of the company's direct subsidiary companies are as follows:

Sinclair Pharmaceuticals Limited	Eden House, Lakeside, Chester Business Park, Chester, CH4 9QT, UK
Sinclair Pharma France Holding SAS	44 Rue de la Bienfaisance, 75008 Paris, France
Sinclair Pharmaceutical Espana SL	Av De Castilla, Edficio Dublin Planta 2, San Fernando De Henares, Madrid 28830, Spain
Sinclair Pharma GmbH	Kurfursten Anlage 3, 69115 Heidelberg, Germany
Building Health Distribuidora de Productos para a Saude Ltda	Rua Baraldi, 894, 1o Andar - Sala 1, Sao Caetano do Sul - SP, CEP 09510-005, Brazil
IS Pharma Limited	Eden House, Lakeside, Chester Business Park, Chester, CH4 9QT, UK
Sinclair Life Sciences India Private Limited	Topiwala Center, CTS no. 746/7, Village-Pahadi, Goregaon (W), Mumbai City, MH 400062, India
Silhouette Holding Iberia SL	Av De Castilla, Edficio Dublin Planta 2, San Fernando De Henares, Madrid 28830, Spain
Sinclair Holdings BV	Prins Bernhardplein 200, 1097 JB, Amsterdam, Netherlands
Sinclair Korea Limited	(Suseo-dong)#228, 62, Saemal-ro, Seoul, Republic of Korea
Sinclair Aesthetics de Mexico	IOS Offices Kansas, Oficina 255, Insurgentes Sur 859, Napoles, Mexico, 03810
Sinclair Pharma Australia Pty Ltd	Mazars, Level 12, 90 Arthur Street, North Sydney NSW 2060

7 Amounts owed by group undertakings

	2020	2019
	£'000	£'000
Amounts owed by group undertakings	42,005	47,473

Amounts owed by group undertakings are unsecured and have no fixed date of repayment. The balance in 2019 has been restated from current assets to non-current assets, as the loans are not expected to be repaid in the next 12 months.

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

8 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Accruals	<u>1</u>	<u>1</u>

9 Creditors: amounts falling due after more than one year

	2020 £'000	2019 £'000
Amounts owed to group undertakings	<u>42,586</u>	<u>47,968</u>

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment.

10 Called up share capital

Allotted, called up and fully paid:

	2020 No.	£'000	2019 No.	£'000
Ordinary shares of £1 each	<u>118,063,426</u>	<u>118,063</u>	<u>118,063,426</u>	<u>118,063</u>

11 Post balance sheet events

On 12 April 2021 the company issued one additional share with a nominal value of £1 to its parent company, Sinclair Pharma Management Limited for cash consideration of £22,571,420.

On the same date, the company purchased 100% of the issued share capital of the following entities, part of the Cocoon Medical group, a manufacturer of energy based devices for the aesthetics industry.

Cocoon Medical International EOOD (Bulgaria) for £5,207,000

Cocoon Medical Hong Kong Limited for £113,000

Cocoon Medical Italy S.R.L. for £557,000

Cocoon Medical USA LLC for £182,000

Cocoon Medical Colombia SAS for £867,000

The Company also made a capital contribution to its subsidiary, Silhouette Holding Iberia SL, of £15,647,000 to fund the acquisition by Silhouette Holdings Iberia SL of High Technology Products S.L.U. part of the Cocoon Medical Group based in Spain.

12 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 2020.

Sinclair Pharma Holdings Limited

Notes to the financial statements

For the year ended 31 December 2019

13 Controlling parties

The immediate parent undertaking is Sinclair Pharma Management 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 parent undertaking.

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.