

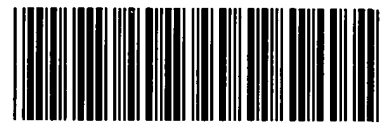
Registered number: 10886841

EVERGREEN HOLDCO 1 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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EVERGREEN HOLDCO 1 LIMITED

COMPANY INFORMATION

Directors	S C Hirst L E Jordison J G Williams P D Overton
Registered number	10886841
Registered office	The Discovery Building Biocity Pennyfoot Street Nottingham Nottinghamshire NG1 1GR
Independent auditor	BDO LLP Two Snowhill Birmingham B4 6GA
Bankers	HSBC UK Bank Plc 130 New Street Birmingham B2 4JU

EVERGREEN HOLDCO 1 LIMITED

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EVERGREEN HOLDCO 1 LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Introduction

The directors present their Strategic Report together with the audited financial statements for the year ended 31 March 2023.

Principal activity

The Company is a holding company for its direct subsidiaries, Sygnature Discovery Limited, Renasci Limited and Sygnature Discovery Trustee Company Limited. In addition it also holds an indirect interest in Xenogenesis Limited, Peak Proteins Limited and SB Drug Discovery Limited. Renasci Limited, Sygnature Discovery Trustee Company Limited and Xenogenesis Limited are dormant companies. On 1st December 2022 the trade and assets of Peak Proteins Limited were transferred to Sygnature Discovery Limited at book value and from that date, the company ceased to trade.

Business review

The Company directly owns 100% of the shares of Sygnature Discovery Limited, a company engaged in collaborative integrated drug discovery services to the pharmaceutical and biotechnology market.

The Company also indirectly owns 100% of the shares of SB Drug Discovery Limited, which was acquired on 16th December 2022. SB Drug Discovery Limited is also engaged in providing drug discovery services to the pharmaceutical and biotechnology market.

The Company measures its performance by the performance of Sygnature Discovery Limited and SB Drug Discovery Limited and a full review of these businesses can be ascertained from a review of these company's financial statements. The directors are satisfied with the performance of the investee companies during the year under review.

Principal risks and uncertainties

The Group's operations are managed according to policies and procedures approved by the board of directors.

As a holding company the principal risks relate to the recovery of its investment. The risks associated with the trade of Sygnature Discovery Limited and SB Drug Discovery Limited are disclosed in those company's financial statements.

Economic climate

Whilst outside of the Company's control, a difficult economic climate can work in favour of outsourcing businesses, as customers focus on reducing their total costs. Sygnature Discovery Limited and SB Drug Discovery Limited have focused on the element of business that allows customers to reduce costs and outsource risk.

The Company recognises the risk of bankruptcies as a result of the current inflationary economic environment and retains a tight credit control procedure to mitigate against the risk.

EVERGREEN HOLDCO 1 LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Competitor activity

The Company's trading subsidiaries have customers in both the UK market, and also in other countries around the world. Many of these markets are highly competitive in nature. As the market requires extensive skills and experience to participate, new entrants to the market are considered unlikely. The major risk is through more intense competition between existing suppliers. It is believed that, as end markets appear to be in strong growth, margin pressure should be manageable. To mitigate against increased margin pressure, the Company's indirect trading subsidiary constantly reviews its services and prices to ensure they are competitive, and appropriate to the value delivered to its customers.

Liquidity risk

The Company measures its liquidity risk by the performance of its trading subsidiaries. It seeks to manage the financial risk by ensuring sufficient liquidity is available in Sygnature Discovery Limited and SB Drug Discovery Limited to meet foreseeable needs assessed through careful monitoring of the long term cash requirements of the business. The objective is to ensure a mix of funding methods offering flexibility and costs effectiveness to match the needs of the Company. The Company has access to borrowings provided by Group companies and its liquidity requirements are met from these cash resources as required.

Insolvency risk

The directors consider that there is an unrecognised value in investments above historical cost on Balance Sheet and as such the directors are satisfied that long term liabilities will be satisfied through realising investments at a point in the future.

Interest rate risk

The directors consider that there is an unrecognised value in investments above historical cost on Balance Sheet and as such the directors are satisfied that long term liabilities will be satisfied through realising investments at a point in the future.

Retention of key people

The experience, engagement and skills of the employees of the Company's trading subsidiaries are a key resource. The loss of a number of these people could impact the indirect trading subsidiaries' ability to deliver for their customers. Regular reviews with the key staff are held, and development and reward plans are put in place to retain and develop those individuals. In addition to external training and attendance at scientific symposia, a comprehensive mentoring and promotion scheme is in place to facilitate employee career development. The indirect trading subsidiaries also invest in future generations of scientists through paid internships for local Universities. As the indirect trading subsidiaries continues to grow, more of those skills and experience become decentralised, leading to more diversification of key skills and therefore lower risk.

EVERGREEN HOLDCO 1 LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Directors' statement of compliance with duty to promote the success of the Company

Section 172 of the Companies Act 2006 ("the Act") requires directors to take into consideration the interests of stakeholders in their decision-making having regard to the matters set out in Section 172(1)(a)-(f) of the Act. Details of how the directors have engaged with the Company's stakeholders during the period are set out in Spark Topco Limited's Strategic Report.

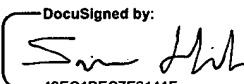
The Company has no employees other than the directors, however, as a subsidiary holding company within the Spark Topco Limited Group ("the Group"), the directors consider the impact of the Company's activities on its shareholder, that have an interest in the Company's investments.

The performance of the Company's investments are monitored regularly with senior management from the trading subsidiaries that have an interest in and are responsible for managing such investments.

The directors continued to provide oversight governance of its subsidiaries to ensure that they comply with the Group's policies and maintain high standards of business conduct. The subsidiaries provide regular updates on their activities to the directors in their role as director of the Company.

This report was approved by the board on 10 November 2023

and signed on its behalf by.

DocuSigned by:

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S C Hirst
Director

EVERGREEN HOLDCO 1 LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report and the financial statements for the year ended 31 March 2023.

Results and dividends

The loss for the year, after taxation, amounted to £180,517 (2022 - loss £200,195).

The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year and up to the date of this report were:

S C Hirst
L E Jordison
J G Williams
P D Overton

Future developments

Other than the transaction outlined, in the post balance sheet event note below, the directors do not currently anticipate any significant future changes in the nature of the Company's business.

Qualifying third party indemnity provisions

At the time of approval of this report, qualifying third party indemnity provision is in force and was in force during the year for the benefit of the Directors of the Group.

Disclosure of information to auditors

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

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

Post balance sheet events

On the 31st July 2023, Sygnature Discovery Limited (a direct subsidiary of Evergreen Holdco 1 Limited) acquired 100% of the share capital of Nuchem Sciences Inc and its subsidiaries, Omegachem Inc and IniXium Inc (together "Nuchem") via two newly formed companies registered in Canada, Symmetry Callco Inc and Symmetry ExchangeCo Inc. Symmetry ExchangeCo Inc was legally amalgamated with Nuchem coterminous with completion.

Based in Canada, Nuchem is one of North America's largest discovery CROs employing over 300 staff in Montreal and Quebec city. Nuchem delivers expert integrated and standalone discovery solutions across medicinal, synthetic, scale-up, process and computational chemistry, as well as DMPK, in vitro biology and in vivo pharmacology. Additionally, the company provides protein chemistry services and offers crucial knowledge based expertise in structural biology at the initial stages of drug discovery to global biotech and pharmaceutical companies.

EVERGREEN HOLDCO 1 LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

This report was approved by the board on 10 November 2023

and signed on its behalf.

DocuSigned by:

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S C Hirst
Director

EVERGREEN HOLDCO 1 LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors are responsible for preparing the Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 to 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.

EVERGREEN HOLDCO 1 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVERGREEN HOLDCO 1 LIMITED

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Evergreen Holdco 1 Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

EVERGREEN HOLDCO 1 LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVERGREEN HOLDCO 1 LIMITED
(CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

EVERGREEN HOLDCO 1 LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVERGREEN HOLDCO 1 LIMITED
(CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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 an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations

We considered the significant laws and regulations to be the applicable accounting framework, Companies Act 2006, corporate taxes and VAT legislation, employment taxes, health and safety and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

EVERGREEN HOLDCO 1 LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVERGREEN HOLDCO 1 LIMITED
(CONTINUED)**

Auditors' responsibilities for the audit of the financial statements (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of control.

Our procedures in respect of the above included:

- We tested all journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- We reviewed the Company's accounting policies for non-compliance with relevant standards. Our work also included considering significant accounting estimates for evidence of misstatement or possible bias and testing any significant transactions that appeared to be outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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 Auditors' 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.

DocuSigned by:

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Paul Fenner (Senior Statutory Auditor)

for and on behalf of
BDO LLP

Two Snowhill
Birmingham
B4 6GA
Date: 10 November 2023

<p>EVERGREEN HOLDCO 1 LIMITED</p>
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Administrative expenses		(180)	(135)
Operating loss		(180)	(135)
Interest receivable and similar income	6	1,561,254	176,850
Interest payable and similar expenses	7	(1,741,591)	(376,910)
Loss before tax		(180,517)	(200,195)
Loss for the financial year		(180,517)	(200,195)

There was no other comprehensive income for 2023 (2022:£NIL).

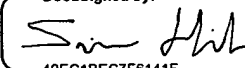
The notes on pages 15 to 23 form part of these financial statements.

EVERGREEN HOLDCO 1 LIMITED
REGISTERED NUMBER: 10886841

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	9	11,144,461	11,144,461
Current assets			
Debtors: amounts falling due after more than one year	10	22,301,732	1,265,844
Debtors: amounts falling due within one year	10	39,045	39,044
Cash at bank and in hand	11	4,843	5,123
		<u>22,345,620</u>	<u>1,310,011</u>
Creditors: amounts falling due within one year	12	(2,087,922)	(2,091,361)
Net current assets/(liabilities)		<u>20,257,698</u>	<u>(781,350)</u>
Total assets less current liabilities		<u>31,402,159</u>	<u>10,363,111</u>
Creditors: amounts falling due after more than one year	13	(32,986,434)	(11,766,769)
Net liabilities		<u>(1,584,275)</u>	<u>(1,403,658)</u>
Capital and reserves			
Called up share capital	14	32	32
EBT reserves	15	(100)	-
Profit and loss account	15	(1,584,207)	(1,403,690)
Total shareholders deficit		<u>(1,584,275)</u>	<u>(1,403,658)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

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S C Hirst

Director

10 November 2023

The notes on pages 15 to 23 form part of these financial statements.

EVERGREEN HOLDCO 1 LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	EBT Reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2022	32	-	(1,403,690)	(1,403,658)
Comprehensive loss for the year				
Loss for the year	-	-	(180,517)	(180,517)
Total comprehensive loss for the year	-	-	(180,517)	(180,517)
Contributions by and distributions to owners				
Transfer to the EBT	-	(100)	-	(100)
Total transactions with owners	-	(100)	-	(100)
At 31 March 2023	32	(100)	(1,584,207)	(1,584,275)

The notes on pages 15 to 23 form part of these financial statements.

EVERGREEN HOLDCO 1 LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	32	(1,203,495)	(1,203,463)
Comprehensive loss for the year			
Loss for the year	-	(200,195)	(200,195)
Total comprehensive loss for the year	<u>-</u>	<u>(200,195)</u>	<u>(200,195)</u>
At 31 March 2022	<u><u>32</u></u>	<u><u>(1,403,690)</u></u>	<u><u>(1,403,658)</u></u>

The notes on pages 15 to 23 form part of these financial statements.

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Evergreen Holdco 1 Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the Company's operations and its principal activity are set out in the Strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Spark Topco Limited as at 31 March 23 and these financial statements may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)**2.4 Going concern**

As at 31 March 2023, the Company has net current assets of 20,257,698 (2022: net current liabilities £781,350) and net liabilities of £1,584,275 (2022: £1,403,658). The Company is an investment holding company and as such the assessment of going concern for the Company is consistent with the investee companies in which it holds an investment and the wider group of which it is part. The structure of the Company is that the liabilities are owed to group companies and the directors are satisfied that the loans would only be recalled on the realisation of the investment in the trading entity and the value of the investment is sufficient to repay the liabilities in full.

The Company is part of wider Group debt facilities and therefore the directors have assessed the going concern of the Company by reviewing the wider Group. The board have prepared Group forecasts to March 2025 and considered a period of one year from the date the financial statements are approved. The forecasts are based on historic trading patterns and forecast growth. The directors are satisfied that the Group has headroom in its existing committed facilities to respond to the various realistic downside sensitivities in its forecasts that could be reasonably expected to be forecast at the date of approval of the financial statements such as the impact of cost inflation.

After consideration of these forecasts and taking account of historic trading and cash headroom, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence and to meet its debt covenants and settle its liabilities as and when they fall due for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.5 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.6 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.7 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less any accumulated impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.12 Financial instruments (continued)

at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

Valuation of investments in subsidiary undertakings

The carrying value is regularly reviewed by reference to the net assets or liabilities of the subsidiary undertakings and current and expected future trading profits. If there is evidence of impairment the carrying value is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income.

Tax deductibility of interest

The Company has entered into loan arrangements with related parties at a rate of interest disclosed in note 7. The directors have made an estimate as to the tax deductibility of the interest charged in order to calculate the corporation tax payable.

4. Auditors' remuneration

Costs associated with the audit of these financial statements and tax compliance services for the Company are included within the accounts of Sygnature Discovery Limited, a subsidiary.

5. Employees

The company has no employees other than the directors. The remuneration of the directors was paid from a subsidiary company.

6. Interest receivable

	2023 £	2022 £
Interest receivable from group companies	<u>1,561,254</u>	<u>176,850</u>

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Interest payable and similar expenses

	2023 £	2022 £
Interest payable to group companies	<u>1,741,591</u>	<u>376,910</u>

8. Taxation**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Loss on ordinary activities before tax	<u>(180,517)</u>	<u>(200,195)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(34,298)	(38,037)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	26
Remeasurement of deferred tax for changes in tax rates	(10,831)	-
Movement in deferred tax not recognised	45,129	-
Group relief surrendered	-	38,011
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

On the 3rd March 2021 Budget it was announced that the UK corporation tax rate will increase to 25% from 1 April 2023. This was substantively enacted on 24 May 2021.

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 April 2022	11,144,461
At 31 March 2023	<u>11,144,461</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Sygnature Discovery Limited	The Company is engaged in collaborative drug discovery services to the pharmaceutical and biotechnology market	Ordinary	100%
RenaSci Limited	Dormant – having ceased trading on 31 January 2022	Ordinary	100%
Sygnature Discovery Trustee Company Limited (previously Sygnature Chemical Services) Xenogenesis Limited*	Dormant	Ordinary	100%
Evergreen Holdco 3 Limited *	Dormant - having ceased trading on 31 January 2021	Ordinary	100%
Peak Proteins Limited *	Holding company	Ordinary	100%
	The Company was engaged in collaborative drug discovery services to the pharmaceutical and biotechnology market up until 30 November 2022. On 1 December 2022 the assets and trade were transferred to Sygnature Discovery Limited at book value and from that date the company ceased to trade.		
FGHJ Limited *	Holding company	Ordinary	100%

EVERGREEN.HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Principal activity	Class of shares	Holding
SB Drug Discovery Limited *	The Company is engaged in collaborative drug discovery services to the pharmaceutical and biotechnology market	Ordinary	100%

* - indirectly owned by Sygnature Discovery Limited

The country of incorporation for all companies is United Kingdom. The registered address of all companies is the same as Evergreen Holdco 1 Limited as given in the company information page, with the exception of SB Drug Discovery Limited and FGHJ Limited. The registered address of these companies are given on the company information page of those financial statements.

10. Debtors

	2023	2022
	£	£
Due after more than one year		
Amounts owed by group undertakings	22,301,732	1,265,844

Amounts owed by group undertakings

This comprises an unsecured interest-bearing loan of £20,563,629 and accumulated interest of £1,738,104 to Sygnature Discovery Limited. In the current financial year interest of £1,561,254 (2022: £176,850) has been charged at the rate of 10% (compounded) and is rolled up into the loan (see note 6). The loan is due to be fully repaid on 28 August 2031.

	2023	2022
	£	£
Due within one year		
Amounts owed by group undertakings	39,045	39,044

Amounts owed by group undertakings are unsecured.

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	<u>4,843</u>	<u>5,123</u>

12. Creditors: Amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	<u>2,087,922</u>	<u>2,091,361</u>

Amounts owed to group undertakings are unsecured.

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

	2023 £	2022 £
Amounts owed to group undertakings	<u>32,986,434</u>	<u>11,766,769</u>

Amounts owed to group undertakings

This comprises an unsecured interest-bearing loan of £29,652,591 and accumulated interest of £3,333,843 from Aghoco 1566 (Bidco) Limited. In the current financial year interest of £1,741,591 (2022: £376,910) has been charged at the rate of 10% (compounded) and is rolled up into the loan (see note 7). The loan is due to be fully repaid on 28 August 2031.

14. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
106,683 Ordinary shares of £0.0003 each	<u>32</u>	<u>32</u>

EVERGREEN HOLDCO 1 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Reserves

The Company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

EBT reserve

EBT reserve represents the value gifted to the EBT in the year.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

16. Contingent liabilities

There is security in favour of the third party debt provider in place over the assets of Spark Midco 2 Limited and its subsidiaries, excluding Sygnature Discovery Trustee Company Limited.

17. Related party transactions

The Company has taken advantage of the exemption offered by Financial reporting standard 102 (section 33) from the requirement to disclose transactions with other group companies that are 100% owned.

18. Controlling party

Evergreen Holdco 1 Limited is controlled by Aghoco 1566 (Bidco) Limited, a company incorporated in the United Kingdom. The registered office of Aghoco 1566 (Bidco) Limited is the same as Evergreen Holdco 1 Limited, as given in the Company Information page.

The smallest and largest group for which consolidated accounts are prepared is Spark Topco Limited, a company incorporated in the United Kingdom. The registered office of Spark Topco Limited is the same as Evergreen Holdco 1 Limited, as given in the Company Information page. Consolidated accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

In the opinion of the directors there is no ultimate controlling party.