

Report of the Directors and
Financial Statements for the Year Ended 31 December 2019
for
FLOURISHING PARTNERS HOLDINGS LIMITED

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for the Year Ended 31 December 2019

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FLOURISHING PARTNERS HOLDINGS LIMITED

Company Information
for the Year Ended 31 December 2019

DIRECTORS:

V CHESHIRE
N SAVJANI
H ZHANG

SECRETARY:

TMF CORPORATE ADMINISTRATION SERVICES LIMITED

REGISTERED OFFICE:

FOSUN, 2 THOMAS MORE SQUARE
LONDON
UNITED KINGDOM
E1W 1YN

REGISTERED NUMBER:

11044708 (England and Wales)

AUDITORS:

MAH CHARTERED ACCOUNTANTS
154 BISHOPSGATE
LONDON
EC2M 4LN

Report of the Directors
for the Year Ended 31 December 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The company has taken advantage of the small companies' exemption from the requirement to prepare a Strategic Report under s.414B of the Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of investment holdings.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

V CHESHIRE
N SAVJANI
H ZHANG

GOING CONCERN

The financial statements are prepared on a going concern basis. The company remains assured of the financial support provided by the intermediate parent company. The directors have received confirmation that the intermediate parent company will continue to support the company and provide it with adequate funds when necessary to enable it to meet its debts as they fall due in the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Report of the Directors
for the Year Ended 31 December 2019

DISCLOSURE OF INFORMATION TO AUDITORS

The directors confirm that:

-so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and

-They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information."

AUDITORS

MAH, Chartered Accountants are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

H ZHANG - Director

18 December 2020

Opinion

We have audited the financial statements of FLOURISHING PARTNERS HOLDINGS LIMITED (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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.

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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has 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 Report of the Directors.

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page two, 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 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.

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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

MOHAMMED HAQUE (Senior Statutory Auditor)
for and on behalf of MAH CHARTERED ACCOUNTANTS
154 BISHOPSGATE
LONDON
EC2M 4LN

18 December 2020

Income Statement
for the Year Ended 31 December 2019

	Notes	Year Ended 31.12.19 £	Period 2.11.17 to 31.12.18 £
TURNOVER		-	-
Administrative expenses		<u>24,620</u>	<u>20,495</u>
OPERATING LOSS and LOSS BEFORE TAXATION	4	(24,620)	(20,495)
Tax on loss	6	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(24,620)</u>	<u>(20,495)</u>

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 31 December 2019

	Notes	Year Ended 31.12.19 £	Period 2.11.17 to 31.12.18 £
LOSS FOR THE YEAR		(24,620)	(20,495)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(24,620)</u>	<u>(20,495)</u>

Balance Sheet
31 December 2019

	Notes	31.12.19 £	£	31.12.18 £	£
FIXED ASSETS					
Investments	7		1		1
CREDITORS					
Amounts falling due within one year	8	<u>45,115</u>		<u>20,495</u>	
NET CURRENT LIABILITIES			<u>(45,115)</u>		<u>(20,495)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(45,114)</u>		<u>(20,494)</u>
CAPITAL AND RESERVES					
Called up share capital	9		1		1
Retained earnings	10		<u>(45,115)</u>		<u>(20,495)</u>
SHAREHOLDERS' FUNDS			<u>(45,114)</u>		<u>(20,494)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 18 December 2020 and were signed on its behalf by:

H ZHANG - Director

Statement of Changes in Equity
for the Year Ended 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
Deficit for the period	-	(20,495)	(20,495)
Total comprehensive income	-	(20,495)	(20,495)
Issue of share capital	1	-	1
Total transactions with owners, recognised directly in equity	1	-	1
Balance at 31 December 2018	1	(20,495)	(20,494)
Deficit for the year	-	(24,620)	(24,620)
Total comprehensive income	-	(24,620)	(24,620)
Total transactions with owners, recognised directly in equity	-	-	-
Balance at 31 December 2019	1	(45,115)	(45,114)

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2019

1. **STATUTORY INFORMATION**

FLOURISHING PARTNERS HOLDINGS LIMITED is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 62, B64(d), B64(c), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

This information is included in the consolidated financial statements of Fosun International Limited as at 31 December 2019 and these financial statements may be obtained from ir.fosun.com.

Going concern

The financial statements are prepared on a going concern basis. The company remains assured if financial report provided by the intermediate parent company. The directors have received confirmation that the intermediate company will continue to support the company and provided it with adequate funds when necessary to enable it to meet its debts as they fall due in the foreseeable future. On this basis the directors consider it appropriated to prepare the financial statements on a going concern basis.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Foreign currencies

The company's functional and presentational currency is GBP.

Transactions in foreign currencies are initially recognized at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Consolidated financial statement

The company is exempt under section 401 of Company 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 its intermediate controlling party, Fosun International Limited. These financial statement therefore present information about the company as individual undertaking and not about its group.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Financial instruments

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The company classifies all of its financial assets as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The company classifies all of its financial liabilities as liabilities at amortised cost.

Financial instruments

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the statement of financial position.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2019 nor for the period ended 31 December 2018.

The average number of employees during the year was NIL (2018 - NIL).

	Year Ended 31.12.19 £	Period 2.11.17 to 31.12.18 £
Directors' remuneration	—	—

4. LOSS BEFORE TAXATION

The Income Statement has been prepared on the basis that all operations are continuing operations.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

5. **AUDITORS' REMUNERATION**

	Year Ended 31.12.19 £	Period 2.11.17 to 31.12.18 £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	<u>2,800</u>	<u>2,800</u>

6. **TAXATION**

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2019 nor for the period ended 31 December 2018.

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.19 £	Period 2.11.17 to 31.12.18 £
Loss before income tax	<u>(24,620)</u>	<u>(20,495)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(4,678)	(3,894)
Effects of:		
Tax losses	<u>4,678</u>	<u>3,894</u>
Tax expense	<u>-</u>	<u>-</u>

7. **INVESTMENTS**

COST

At 1 January 2019
and 31 December 2019

NET BOOK VALUE

At 31 December 2019
At 31 December 2018

Investment in a subsidiary company £
<u>1</u>
<u>1</u>
<u>1</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

7. **INVESTMENTS - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Kennington Holdings, Inc.

Registered office: 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808

Nature of business: Investment Holding

Class of shares:	% holding	31.12.19	31.12.18
Ordinary Share Capital	100.00	£	£
Aggregate capital and reserves		(96,850)	(99,023)
(Loss)/profit for the year/period		<u>(379)</u>	<u>15,411</u>

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.19	31.12.18
	£	£
Amount owed to group companies	39,955	16,195
Accrued expenses	<u>5,160</u>	<u>4,300</u>
	<u>45,115</u>	<u>20,495</u>

The amounts owed to group companies are interest free and repayable on demand.

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31.12.19	31.12.18
Number:	Class:	Nominal value:	£	£
1	Ordinary Share Capital	£1	<u>1</u>	<u>1</u>

10. **RESERVES**

	Retained earnings £
At 1 January 2019	(20,495)
Deficit for the year	<u>(24,620)</u>
At 31 December 2019	<u>(45,115)</u>

This reserve represents cumulative profits and losses.

11. **RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption offered by FRS 101 from the requirements of paragraph 17 of IAS 24 related party disclosure not to disclose key management personnel compensation and from the requirements of IAS 24 related party disclosure to disclose related party transactions entered into between two or more members of a group.

12. CONTROLLING PARTY

The immediate parent company is Ashton Rock Holdings Limited, a company incorporated in Hong Kong.

The intermediate controlling party is Fosun International Limited, a company incorporated in Hong Kong.

The largest group into which the results of the company are consolidated is Fosun International Limited. The financial statements of Fosun International Limited are available from: www.fosun.com

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.