

Chinese firms looking out to buy Sinclair Pharma

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Sinclair shares jump 23% in London, most in eight years



China Grand Enterprises Inc. and its affiliate Huadong Medicine Co. have made an approach to acquire Sinclair Pharma Plc, sending shares of the U.K. Company soaring the most in almost eight years.

"Discussions remain at a very early stage. Accordingly, there can be no certainty that an offer will be made, nor as to the terms on which any offer might be made," Sinclair said in a short statement.

As per UK law, the groups now have a set period in this case until August 2 to submit a formal bid or announce that it does not intend to make an offer, although this deadline can be extended.

"A further announcement will be made in due course," the aesthetic dermatology group said.

Shares of Sinclair, a maker of skin lifting and collagen stimulation treatments, rose 23 percent, the steepest gain since December 2010. The company has a market value of about 113 million pounds (\$149 million). Huadong fell as much as 3.3 percent in Shanghai on Friday. China Grand holds about 41.8 percent of Huadong.

Sinclair reported a 6 percent rise in revenues to £21.3 million for the first half of the year, with a particularly strong performance in its ex-US business, which booked 18 percent growth at constant exchange rates.