Registered number: 12063741

Global Life Sciences Solutions Manufacturing UK Limited

Annual report and Financial Statements for the Year Ended 31 December 2020

Registered number: 12063741

Global Life Sciences Solutions Manufacturing UK Limited

Contents

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Global Life Sciences Solutions Manufacturing UK Limited

Company Information

Directors	M E Cooper M De Los Angeles Khoury Gonzalo E F J Ligner D R Robertson
Registered office	19 Jessops Riverside 800 Brightside Lane Sheffield United Kingdom S9 2RX
Solicitors	DLA Piper UK LLP 160 Aldersgate Street London EC1A 4HT
Bankers	HSBC 8 Canada Square Canary Wharf London E14 5HQ
Auditor	Ernst & Young LLP 400 Capability Green Luton LU1 3LU

Registered number: 12063741

Global Life Sciences Solutions Manufacturing UK Limited

Strategic report

The Directors present their Strategic report for the year ended 31 December 2020.

Principal activity and business review

The principal activity of the Company is the development and sale of specialized products for research based biotechnology and for the diagnosis and treatment of disease. The Company is part of Cytiva, a company within Danaher Corporation's Life Sciences platform. Cytiva is a global life sciences leader dedicated to advancing and accelerating therapeutics. Cytiva is a trusted partner to customers that undertake life-saving activities ranging from biological research to developing innovative vaccines, biologic drugs, and novel cell and gene therapies. Cytiva brings speed, efficiency and capacity to research and manufacturing workflows, enabling the development, manufacture and delivery of transformative medicines to patients.

As part of a large US based organisation much of the product manufactured by the Company is sold to intercompany partners for onward sale to third parties in their domestic markets.

The main KPIs of the Company include total sales, profit for the year after taxation, net assets and retained earnings.

The company began trading on 1st April 2020 following the completion of the sale of GE Healthcare Life Sciences Biopharma division to Danaher Corporation. Global Life Sciences Solutions Manufacturing UK Limited purchased the assets and liabilities related to the Biopharma division of GE Healthcare Limited.

The Company ended the period with net assets of £45 million (31 December 2019: nil) and retained earnings of £8 million (31 December 2019: nil). Total sales for the year was £79 million (2019: nil) and the profit of the year, after taxation, amounted to £8 million (2019: nil).

Principal risks and uncertainties

Business and Strategic Risks

• The COVID-19 pandemic has adversely impacted, and continues to pose risks to, certain elements of our business and our financial statements, the nature and extent of which are highly uncertain and unpredictable.
• Conditions in the global economy, the particular markets we serve and the financial markets can adversely affect our business and financial statements.
• We face intense competition and if we are unable to compete effectively, we may experience decreased demand and decreased market share. Even if we compete effectively, we may be required to reduce the prices we charge.

Global Life Sciences Solutions Manufacturing UK Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

Business and Strategic Risks (continued)

• Our growth depends in part on the timely development and commercialization, and customer acceptance, of new and enhanced products and services based on technological innovation. Our growth can also suffer if the markets into which we sell our products and services decline, do not grow as anticipated or experience cyclicality.
• The health care industry and related industries that we serve have undergone, and are in the process of undergoing, significant changes in an effort to reduce (and increase the predictability of) costs, which can adversely affect our business and financial statements.
• International economic, political, legal, compliance, social and business factors (including without limitation the impact of the United Kingdom's departure from the European Union) can negatively affect our business and financial statements.
• Collaborative partners and other third-parties we rely on for development, supply and marketing of certain products, potential products and technologies could fail to perform sufficiently.

Operational Risks

• Significant disruptions in, or breaches in security of, our information technology systems or data; other losses or disruptions due to catastrophe; and labour disputes can all adversely affect our business and financial statements.
• Defects and unanticipated use or inadequate disclosure with respect to our products or services, or allegations thereof, can adversely affect our business and financial statements.
• If we encounter problems manufacturing products, fail to adjust our manufacturing capacity or related purchases to reflect changing conditions, or suffer disruptions due to sole or limited sources of supply, our business and financial statements may suffer. Adverse changes with respect to key distributors and other channel partners can also adversely affect our business and financial statements.
• Our restructuring actions can have long-term adverse effects on our business and financial statements.

Intellectual Property Risks

• Any inability to adequately protect or avoid third party infringement of our intellectual property, and third party claims that we are infringing their intellectual property rights, can adversely affect our business and financial statements.

Strategic report (continued)

Principal risks and uncertainties (continued)

Financial and Tax Risks

Our business and financial statements can be adversely affected by foreign currency exchange rates, changes in our tax rates (including as a result of changes in tax laws) or income tax liabilities/assessments, the outcome of tax audits, recognition of impairment charges for our goodwill or other intangible assets, and fluctuations in the cost and availability of commodities.

Legal, Regulatory, Compliance and Reputational Risks

• Our businesses are subject to extensive regulation (including without limitation regulations applicable to the healthcare industry). Failure to comply with those regulations (including without limitation by our employees, agents or business partners) or significant developments or changes in laws or policies can adversely affect our business and financial statements. Changes in governmental regulations can also reduce demand for our products or services or increase our expenses.
• With respect to the regulated medical devices we offer, certain modifications to such products may require new regulatory clearances or other marketing authorizations and may require us to recall or cease marketing such products; off-label marketing of such products could result in substantial penalties; and clinical trials we conduct with respect to such products or potential products may have results that are unexpected or are perceived unfavourably by the market, all of which could adversely affect our business and financial statements.
• Our operations, products and services expose us to the risk of environmental, health and safety liabilities, costs and violations that could adversely affect our business and financial statements.

Cyber security risk

The Company is exposed to Cyber Security risks to a similar extent to other Companies in the Industry. The risk is closely monitored and countermeasures taken by highly skilled IT specialists. Additionally, a regular training on this is compulsory for all associates with access to the Company's IT systems.

Foreign exchange risk

The nature of the Company's trading activities mean that it has customers outside the UK and therefore exposed to foreign exchange risk. The balance sheet exposures are not hedged, and fluctuations in currency exchange rates may affect operating results.

Strategic report (continued)

Principal risks and uncertainties (continued)

Liquidity and interest risk

The Company has established a risk and financial management framework whose primary objectives are to protect the Company from events that hinder the achievement of the Company's performance objectives. The objectives aim to limit counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

Brexit

The United Kingdom left the European Union at the end of January 2020 and formally exited the European Union at the end of December 2020. A Brexit steering team was established in 2017 and this continued throughout 2020 to assess the impact of changes relating to Brexit.

The main risks under consideration during the year relating to a 'No-deal' scenario included disruption to supply chain, enhanced trade compliance including tariffs and border controls, change in regulatory requirements and impact on our employees. The Brexit steering committee has continued to assess these topics after year end with the trade deal being agreed only in the last few days of 2020.

To buffer against any risk in receipt of raw materials into the UK, additional lead time and safety stock was put in place for our UK manufacturing sites as a contingency for potential Brexit related delays.

To buffer against potential delays of shipments from our European distribution centre to UK customers, a warehouse facility in Heathrow was implemented in partnership with a third-party logistics provider. Here we located contingency stock to mitigate potential delays of shipments entering the UK. A cross functional operations team met daily to monitor and address any other delays or potential business interruptions, with full visibility shared with the leadership team.

Section 172(1) Statement

The Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172.

Strategic report (continued)

Section 172(1) Statement (continued)

This S172 statement explains how the Directors:
a) have engaged with employees, suppliers, customers and others; and
b) have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the company during the financial year.

The S172 statement focuses on matters of strategic importance to the Company, and the level of information disclosed is consistent with the size and the complexity of the business.

General confirmation of Directors' duties

The Board has a clear framework for determining the matters within its remit and certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval. The Delegation of Authority sets out the delegation and approval process across the broader business.

When making decisions, each Director ensures that he/she acts in the way he/she considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

S172(1) (A) "The likely consequences of any decision in the long term"

The company is part of the Danaher group which is a global group of companies listed on the New York Stock Exchange, and all of its shares are held internally within the Danaher group. The Danaher group of companies embrace the Danaher Business System (DBS) into its core values. The business, its Directors and employees embody the core values of building the best team, continuously improving and driving innovation and this is included in each decision made in the short or long term.

The Directors understand the business and the evolving environment in which it operates, including the related challenges. The company manufactures Biopharmaceutical and Medical products as part of a toll manufacturing service provided to a fellow group company. The strategy set by the Board is intended to strengthen the position as a leading manufacturing services company by providing quality products while keeping safety and social responsibility fundamental to the business approach.

Strategic report (continued)

Section 172(1) Statement (continued)

S172(1) (B) "The interests of the company's employees"

The Directors recognise that employees are fundamental and core to the business and delivery of its strategic ambitions. The success of the business depends on attracting, retaining and motivating employees. From ensuring that it remains a responsible employer, from pay and benefits to the health, safety and workplace environment, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

Employee engagement, organisational culture, attracting and retaining talent is key to the business and to Danaher group. The company complies with all employment legislation. A key driver in the Danaher culture is to embed diversity and inclusion. Each year all employees have the opportunity to take part in a Danaher wide independent employee survey, the results of which are reviewed in detail and actions taken. An annual appraisal program is followed for all employees. The Directors recognise that our pensioners, though no longer employees, also remain important stakeholders.

S172(1) (C) "The need to foster the company's business relationships with suppliers, customers and others"

Delivering the Company's strategy requires strong mutually beneficial relationships with suppliers, customers and government. The Company seeks the promotion and application of sound corporate governance principles in such relationships, which are prescribed in standards such as the Supplier Code of Conduct which governs the Company's approach to suppliers. The Company continuously assess the priorities related to customers and those with whom we do business, and the Board is involved in this process through business strategy updates and considering investment or divestment proposals.

The Directors receive information updates on a variety of topics that indicate and inform how these stakeholders have been engaged. These range from information provided from the finance and/or legal department (e.g. supplier contract management topics) to information provided by the Financial Planning and Analysis Department (on customers related to business strategies, projects and investment or divestment proposals).

S172(1) (D) "The impact of the company's operations on the community and the environment"

The Board receives information on these topics to both provide relevant information for specific Board decisions (e.g. those related to specific strategic initiatives such as investment or divestment proposals, business strategy reviews, etc.) and to provide ongoing overviews (e.g. regular Health & Safety updates, reports from internal audit).

Global Life Sciences Solutions Manufacturing UK Limited

Strategic report (continued)

Section 172(1) Statement (continued)

S172(1) (E) "The desirability of the company maintaining a reputation for high standards of business conduct"

The Company aims to meet the growing needs for Biopharmaceutical and Medical products manufactured in ways which are economically, environmentally and socially responsible. The Board periodically reviews and approves clear frameworks, such as the Standards of Conduct, specific Ethics & Compliance manuals, and ensures all personnel participate in training which cover topics such as Bribery and Modern Slavery.

All personnel have access to the Danaher Integrity and Compliance Helpline, as well as the Danaher reporting platform through which any compliance or ethics issues can be discussed or reported to Danaher Corporation, the ultimate holding company. The Company also performs due diligence before entering into new supplier or distributor agreements. These measures ensure that high standards of business conduct are maintained both within the Company and its business relationships.

S172(1) (F) "The need to act fairly as between members of the company"

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of the Company's strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, the Directors act fairly between the Company's members but are not required to balance the Company's interest with those of other stakeholders, and this can sometimes mean that certain stakeholder interests may not be fully aligned.

By order of the board

Daniel Robertson

Daniel Robertson
Director

Date: 22 December 2021

Global Life Sciences Solutions Manufacturing UK Limited

Directors' report

The Directors present their report and the financial statements for the year ended 31 December 2020. The Directors have elected to present the business review, analysis of key performance indicators and principal risks and uncertainties in the Strategic Report on page 2 to 8.

Directors

The Directors who held office during the year and up to the date of signing this report were as follows:

M E Cooper (appointed 31 March 2020)
M De Los Angeles Khoury Gonzalo (appointed 31 March 2020)
S E French (appointed 31 March 2020, resigned 20 May 2021)
E F J Ligner (appointed 31 March 2020)
D R Robertson (appointed 20 May 2021)
F T McFaden (resigned 31 March 2020)

Recommended dividend

No dividends were paid during the year (2019: £nil). No final dividend is proposed.

Future developments

Bringing manufacturing of critical products closer to our customers reduces uncertainty, shortens lead times and helps to meet regional customer demands. As such, capacity expansion is being actively explored within the UK and with a focus on both UK and European customers.

Research and development

Research and development is conducted by other group companies.

Employees

The Company recognises the benefits of keeping employees informed of the progress of the business. During the period, the employees were regularly provided with information regarding the financial and economic factors affecting the performance of the Company, their site and on other matters of concern to them as employees, through the medium of monthly briefings via live broadcasts available to all employees. The meetings are led by the CEO and members of the Executive team and allow communication of the views of employees which can be considered in making decisions which are likely to affect their interests.

Global Life Sciences Solutions Manufacturing UK Limited

Directors' report (continued)

Employees (continued)

Danaher Corporation regularly monitors the satisfaction and engagement of its staff through continuous live feedback through the intranet site and through a voluntary annual organisation-wide formal survey which aim to inform the foundational work and relationships within the organisation. Through these tools we provide an opportunity for critical input into what's working and here improvement is needed categorised in three sections: my organisation and purpose, my future and development and me, my manager and my daily work, all looked at through the lenses of a diverse and inclusive workforce.

The Company's policy regarding the employment of disabled persons is that equal consideration is given to all applications from both able and disabled persons, subject only to the overriding consideration of safety. The special needs of disabled employees for training and advancement are kept under review.

Events since the balance sheet date

There has been a new lease agreement signed in June 2021 to expand Cardiff plant capacity. The contractual term is 10 years and total lease liability is £4.6 million. In connection with the plant capacity expansion £19 million capital expenditure occurred in 2021 and further £23 million is expected during 2022.

Going Concern

The financial statements of the Company show a strong financial position and profitable trading for 2020. This strong financial position has continued through 2021 and is forecast to continue in 2022. Cytiva's business continues to grow rapidly including continued upside as a result of COVID-19.

The group cash pool arrangement in the UK is also available if the company requires immediate access to cash funds to meet its liabilities as they fall due. The cash position of the UK group is strong and therefore the company has access to sufficient operating funds as necessary.

After making due enquiries and considering the impact of COVID-19, UK Group cash pool and the funding strength of the ultimate parent undertaking, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for the going concern assessment period of 12 months from the date of signing of these financial statements.

Accordingly, the financial statements have been prepared on the going concern basis.

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Directors' report (continued)

Streamlined energy and carbon reporting

The Directors present their Streamlined energy and carbon reporting for year ended 31 December 2020. This is the first year that the Company has been subject to the Streamlined Energy and Carbon Reporting requirements and, as allowed by guidance, no comparatives are given.

Energy Consumption and Carbon Emissions

The Company recognises its responsibility to minimise its impact on the natural environment and continues its commitment to reduce its energy consumption, carbon emissions, water usage and waste.

Energy consumption continues to be a priority for Global Life Sciences Solutions Manufacturing UK Limited. Our site in Cardiff carried out energy focused actions:
- Set up electric car charging spaces;
- Installation of LED lighting, overnight shutdown procedures and light sensors;
- Moved from a tariff based on 25% renewable energy to one that based on 100% renewable energy; and
- Entered into a scheme with Terracycle that enables our customers based in America to recycle plastic syringe filters, which would otherwise need to be disposed of as hazardous waste.

Greenhouse gas emissions

We report Scope 1 and 2 emissions defined by the Greenhouse Gas protocol as follows:
Scope 1 (Direct emissions): operation of facilities; and
Scope 2 (Indirect emissions): consumption of purchased electricity, heat and steam.

Emissions data in respect of the 2020 reporting period was as follows:

	2020
Emission Type	**CO2e tonnes**
Scope 1: Operation of facilities	412
Scope 2: Purchase Energy (UK)	977
Total Emissions	**1,389**

Directors' report (continued)

Streamlined energy and carbon reporting (continued)

Greenhouse gas emissions intensity ratio:

	2020
Total footprint (Scope 1 and Scope 2) – CO2e tonnes	1,389
Turnover (£000)	78,948
Intensity Ratio (CO2e tonnes/£000)	0.02

Scope and Methodology:
Our methodology has been based on the principles of the Greenhouse Gas Protocol, taking account of the 2015 amendment which set out a 'dual reporting' methodology for the reporting of Scope 2 emissions.
We have reported on all the measured emissions sources required under the Companies Act 2006 (Strategic Report and Directors Report Regulations 2013), except where stated.

This report includes emissions under Scope 1 and 2, except where stated, but excludes emissions from Scope 3.

Conversion factors for UK electricity, gas and other emissions are those published by the department for business, Energy and Industrial strategy 2018.

Gas, Electricity and Water
The Company sites used 4,191 MWH of electricity, 2,242 MWH of natural gas in 2020.

Director third party indemnities

Danaher Corporation has provided to all Directors limited indemnities in respect of the cost of defending claims against them and third-party liabilities. These are all third-party indemnity provisions for the purpose of the Companies Act 2006 and are all currently in force.

Global Life Sciences Solutions Manufacturing UK Limited

Directors' report (continued)

Disclosure of information to auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditors are unaware. Having made enquiries of fellow Directors and the Company's auditors, each Director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

Reappointment of auditor

The auditor, Ernst&Young LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

By order of the Board

Daniel Robertson

Daniel Robertson
Director

Date: 22 December 2021

Global Life Sciences Solutions Manufacturing UK Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable United Kingdom 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 company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

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 in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- in respect of the company financial statements, state whether applicable UK Accounting Standards, including FRS 101, 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 appropriate to presume that the company will not 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a directors' report, that complies with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Independent Auditor's Report to the Members of Global Life Sciences Solutions Manufacturing UK Limited

Opinion

We have audited the financial statements of Global Life Sciences Solutions Manufacturing UK Limited for the year ended 31 December 2020 which comprise such as the Profit and Loss account and Other Comprehensive Income, the Balance Sheet, Statement of cash flows, the Statement of Changes in Equity and the related notes 1 to 21, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its profit 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 Auditor's 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

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 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent Auditor's Report to the Members of Global Life Sciences Solutions Manufacturing UK Limited (continued)

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 this 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 the 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 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 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 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 15, 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.

Auditor's 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 auditor's 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 "Reduced Disclosure Framework" and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including health and safety, employees and GDPR.
- We understood how the Company is complying with those frameworks making enquiries of senior finance personnel and those charged with governance and gaining an understanding of the entity level controls of the company in respect of these areas and the controls in place to reduce opportunity for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management and those charged with

governance to understand where it considered susceptibility to fraud. We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud and gained an understanding as to how those procedures and controls are implemented and monitored. In addition, we completed procedures to conclude on the compliance of the disclosures in the financial statements with all applicable reporting requirements. We determined there to be a risk of manual override of controls in relation to the posting of non- standard manual journals in respect of revenue. To address this risk of management override, we have used data analytics and obtained the entire population of journals for the year and identified specific transactions for further investigation based on certain criteria. We understood the transactions identified for testing and agreed them to source documentation.

- Based on this understanding we designed our procedures to identify noncompliance with such laws and regulations. Our procedures included obtaining and reading board minutes and relevant approval documents, enquiries of senior finance personnel and those charged with governance and agreement of sample of transactions throughout the audit to supporting source documentation.

A further description of our responsibilities for the audit of the financial statements is located 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 auditor's 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.

Ernst & Young LLP

Fraser Bull (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

Luton

Date: 23 December 2021

Registered number: 12063741

Global Life Sciences Solutions Manufacturing UK Limited

Profit and Loss Account and Other Comprehensive Income for the Year Ended 31 December 2020

	Note	2020 £ 000	2019 £ 000
Turnover	3	78,948	-
Cost of sales		(41,689)	-
Gross profit		**37,259**	-
Administrative expenses		(12,784)	-
Other income/(charges)	4	(16,715)	-
Operating profit	5	**7,760**	-
Interest receivable and similar income	9	33	-
Interest payable and similar expenses	10	(113)	-
Profit before tax		**7,680**	-
Tax on profit	11	55	-
Profit for the year		7,735	-
Other comprehensive income		-	-
Total comprehensive income for the year		**7,735**	-

All activities derive from continuing operations.

The notes on pages 22 to 45 form an integral part of these financial statements

Registered number: 12063741

Global Life Sciences Solutions Manufacturing UK Limited

Balance Sheet as at 31 December 2020

	Note	2020 £ 000	2019 £ 000
Non-current assets			
Intangible assets	12	33,900	-
Tangible assets	13	10,430	-
Right of use assets	14	4,918	-
		49,248	-
Current assets			
Stocks	15	5,975	-
Debtors: amounts falling due within one year	16	18,587	-
Cash at bank		16,756	-
		41,318	-
Creditors: Amounts falling due within one year	17	**(39,588)**	-
Net current assets		**1,730**	-
Total assets less current liabilities		**50,978**	-
Creditors: Amounts falling due after more than one year	18	(5,912)	-
Deferred tax liability	11	(312)	-
Net assets		**44,754**	-
Capital and reserves			
Called up share capital	19	-	-
Share premium	19	37,019	-
Retained earnings		7,735	-
Total shareholders' equity		**44,754**	-

These financial statements were approved by the Board of Directors on 22 December 2021 and were signed on its behalf by:

Daniel Robertson

....

Daniel Robertson
Director

The notes on pages 22 to 45 form an integral part of these financial statements

Registered number: 12063741

Global Life Sciences Solutions Manufacturing UK Limited

Statement of Changes in Equity for the Year Ended 31 December 2020

	Called up share capital £ 000	Share premium account £ 000	Profit and loss account £ 000	Total equity £ 000
At 1 January 2020	-	-	-	-
Total comprehensive income for the year				
Profit for the year	-	-	7,735	7,736
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**7,735**	**7,735**
Shares issued during the year	-	-	-	-
Share premium on shares issued during the year	-	37,019	-	37,019
At 31 December 2020	**-**	**37,019**	**7,735**	**44,754**

The notes on pages 22 to 45 form an integral part of these financial statements

Notes to the Financial Statements for the Year Ended 31 December 2020

1. Authorisation of financial statements and statement of compliance with FRS 101

Global Life Sciences Solutions Manufacturing UK Limited ("the Company") is incorporated and domiciled in England and Wales. The address of its registered office is 19 Jessops Riverside, 800 Brightside Lane, Sheffield, S9 2RX.

These financial statements were prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" and in accordance with applicable accounting standards. The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

The results of Global Life Sciences Solutions Manufacturing UK Limited are included in the consolidated financial statements of Danaher Corporation which are publicly available from 2200 Pennsylvania Avenue Suite 800 West, Washington DC 20037, USA.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1. Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 31 December 2020. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Company has taken advantage of the following disclosure exemptions under FRS 101:
(a) the requirements of IFRS 7 *Financial Instruments: Disclosures*,
(b) the requirements of paragraphs 91-99 of IFRS *13 Fair Value Measurement,*
(c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
i) paragraph 79(a)(iv) of IAS 1;
ii) paragraph 73 (e) of IAS 16 Property, Plant and Equipment;
(d) the requirements of paragraphs 10(d), 10(f), 38A, 38B, 38C, 38D, 111, and 134-136 of IAS 1 Presentation of Financial Statements;
(e) the requirements of IAS 7 Statement of Cash Flows;
(f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
(g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

(h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
(i) the requirements of paragraphs 130(f)(ii)-130(f)(iii)) of IAS 36 Impairment of Assets
(j) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share Based Payment because the share based payment arrangement concerns the instruments of another group entity

Going concern

The financial statements of the Company show a strong financial position and profitable trading for 2020. This strong financial position has continued through 2021 and is forecast to continue in 2022. Cytiva's business continues to grow rapidly including continued upside as a result of COVID-19.

The group cash pool arrangement in the UK is also available if the company requires immediate access to cash funds to meet its liabilities as they fall due. The cash position of the UK group is strong and therefore the company has access to sufficient operating funds as necessary.

After making due enquiries and considering the impact of COVID-19, UK Group cash pool and the funding strength of the ultimate parent undertaking, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for the going concern assessment period of 12 months from the date of signing of these financial statements.

Accordingly, the financial statements have been prepared on the going concern basis.

New standards, amendments, IFRIC interpretations and new relevant disclosure requirements

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2020 that have a material impact on the Company's financial statements.

2.2. Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

2. Accounting policies (continued)

2.2. Judgements and key sources of estimation uncertainty (continued)

Depreciation

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.
The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the profit and loss account in those expense categories consistent with the function of the impaired asset.
For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the profit and loss account, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

Acquired intangibles

The Company's business acquisitions, typically result in the recognition of goodwill, developed technology and other intangible assets, which affect the amount of future period amortization expense and possible impairment charges that the Company may incur. The fair values of acquired intangibles are determined using information available near the acquisition date based on estimated and assumptions that are deemed reasonable by the Company. Significant assumptions include the discount rates and certain assumptions that form the basis of the forecasted results of the acquired business including revenue, earnings before interest, taxes, depreciation and amortization ("EBITDA"), growth rates, royalty rates and technology obsolescence rates. These assumptions are forward looking and could be affected by future economic and market conditions. The Company engages third-party valuation specialists who review the Company's critical assumptions and calculations of the fair value of acquired intangible assets in connection with significant acquisitions.

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

2. Accounting policies (continued)

2.2. Judgements and key sources of estimation uncertainty (continued)

Deferred tax assets

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

2.3. Significant accounting policies

The Company has applied the following accounting policies consistently in dealing with items which are considered material in relation to the financial statements.

Revenue recognition

The Company applies IFRS 15- Revenue from Contracts with Customers.

Revenue is recognised in the accounting period when control of the product has been transferred, at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to customers.

The principles in IFRS15 are applied to revenue recognition criteria using the following 5 step model:

1. Identify the contracts with the customer
2. Identify the performance obligation in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

Sales of goods

Below are details of fee arrangement and how these are measured and recognised, for revenue from the sale of products.

Revenue is recognised when we transfer control and performance obligations are met, usually on delivery of product to customer. Terms of the fee arrangement are detailed in the terms and conditions attached to the invoice.

2. Accounting policies (continued)

2.2. Judgements and key sources of estimation uncertainty (continued)

Performance obligations

Revenue from the sale of goods is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the trade customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for acceptance have been satisfied.

Transaction Price

The transaction price is the fair value of the consideration received for the product less discounts/rebates and value added taxes. Payment of the transaction price is due in line with the agreed credit terms in each customer's contract. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Interest income

Revenue is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

Royalty income
Royalty income is recognised when it becomes receivable.

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Leases

A lease arrangement is established by a contract which conveys to the user of the asset (the lessee) the right to control an identified asset for a period of time in exchange for consideration. IFRS 16 details that all leases and their associated contractual rights and obligations should be recognised in the Balance Sheet of the lessee unless the term is 12 months or less or if the lease is considered low value.

Right-of-use assets
A right to use asset is capitalised at the commencement date of the lease, this is generally equivalent to the present value of the future lease payments plus directly attributable costs and amortised over the term of the lease. Right of use assets are tested for impairment in accordance with IAS 36, Impairment of Assets.

Right-of-use liabilities
For each lease, the company recognises a liability for future lease obligations measured at the present value of the lease payments. Lease payments are apportioned between the finance charges and a reduction of the lease liability.

Lease modification
The Company reassess leases when a lease is modified. A lease modification is a change to the terms and conditions of a contract that results in a change in the scope of or the consideration for a lease. The Company (as a lessee) should reassess the lease term or a lessee option to purchase a leased asset at the point in time that any of the following occurs:

- There is a significant event or a significant change in circumstance that is within the control of the Company that directly affects whether the Company is reasonably certain to exercise or not to exercise an option to extend or terminate the lease or to purchase the underlying asset;
- There is an event that is written into the contract that obliges the Company to exercise (or not to exercise) an option to extend or terminate the lease;
- The Company elects to exercise an option even though the entity had previously determined that the lessee was not reasonably to do so;
- The Company elects not to exercise an option even though the entity had previously determined that the lessee was reasonably certain to do so.

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Intangible assets

Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The choice of measurement of non-controlling interest, either at fair value or at the proportionate share of the acquiree's identifiable net assets, is determined on a transaction by transaction basis. Acquisition costs incurred are expensed and included in administrative expenses.

The UK Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis over a period chosen by the Directors, its useful economic life. However, under IFRS 3 Business Combinations goodwill is not amortised. Consequently, the Company does not amortise goodwill, but reviews it for impairment on an annual basis or whenever there are indicators of impairment. The Company is therefore invoking a 'true and fair view override' to overcome the prohibition on the non-amortisation of goodwill in the Companies Act. The Company is not able to reliably estimate the impact on the financial statements of the true and fair override on the basis that the useful life of goodwill cannot be predicted with a satisfactory level of reliability, nor can the pattern in which goodwill diminishes be known.

Goodwill is initially measured at cost being the excess of the aggregate of the acquisition-date fair value of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units (or groups of cash generating units) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which goodwill is allocated shall represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and not be larger than an operating segment before aggregation.

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Intangible assets (continued)

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retain.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended. Borrowing costs directly attributable to assets under construction and which meet the recognition criteria in IAS 23 are capitalised as part of the cost of that asset.

Depreciation is provided on all property, plant and equipment, other than land, on a straight-line basis over its expected useful life as follows:

Freehold buildings	–	up to 30 years
Furniture and fixtures	–	up to 5 years
Plant and machinery	–	up to 10 years.

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the profit and loss account in the period of derecognition. Assets in the course of construction are stated at cost. Such assets are transferred to other tangible fixed asset categories and depreciated at the rates stated above when they are brought into use in the business.

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

2. Accounting policies (continued)

Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the profit and loss account in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the profit and loss account, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

Foreign currency

The Company's financial statements are presented in sterling, which is also the Company's functional currency. Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange prevailing at the balance sheet date. All exchange differences are included in the profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date when the fair value was determined.

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Stocks

Stock is valued at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving and defective stock. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

- Raw materials and consumables – purchase cost on a weighted average basis method
- Work in progress and finished goods - cost of direct materials and labour plus attributable overheads based on a normal level of activity, excluding borrowing costs

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Provision for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised; and
- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Taxation (continued)

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise, income tax is recognised in the profit and loss account.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

i) *Financial assets*

Initial recognition and measurement
Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive cash. Under IFRS 9, debt instruments are measured at fair value through profit or loss, amortised cost or fair value through OCI. Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. The classification depends on the purpose for which the investments were acquired or originated.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include amounts due from group undertakings and other debtors.

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Financial instruments (continued)

Financial assets at fair value through profit of loss
Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by the accounting standard. The Company has not designated any financial assets upon initial recognition as at fair value through profit or loss.
Derivatives, including separated embedded derivatives are also classified as held for trading ûnless they are designated as effective hedging instruments.
Financial assets at fair value through profit and loss are carried in the balance sheet at fair value with changes in fair value recognised in finance revenue or finance expense in the profit and loss account.

Loans and receivables
Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as receivables. Receivables are measured at amortised cost using the effective interest method, less any impairment. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the profit and loss account. Losses arising from impairment are recognised in the profit and loss account in other operating expenses.

ii) Financial liabilities

Initial recognition and measurement
Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement
The measurement of financial liabilities depends on their classification as follows:

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Financial liabilities (continued)

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Interest bearing loans and borrowings
Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.
Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities
A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

iii) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

iv) Fair values
The fair value of financial instruments that are traded in active markets at the reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.
For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Pensions and other post-employment benefits

The Company operates a defined contribution pension plan. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the plan.

3. Turnover

All turnover is derived from group companies.

A geographical analysis of turnover is as follows:

	2020	2019
	£ 000	£ 000
United Kingdom	2,714	-
Europe	48,373	-
USA	16,009	-
Rest of world	11,852	-
	78,948	**-**

The following is an analysis of turnover by type:

	2020	2019
	£ 000	£ 000
Sale of goods	78,948	-
Rendering of services	-	-
Licensing	-	-
	78,948	**-**

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

4. Other income/(charges)

	2020	2019
	£ 000	£ 000
Intra-group royalties payable	(22,874)	-
Intra-group service charges receivable	6,160	-
Other charges	(1)	-
	(16,715)	-

5. Operating profit

Operating profit is stated after charging / (crediting):

	2020	2019
	£ 000	£ 000
Depreciation	2,099	-
Exchange losses	432	-

6. Auditor's remuneration

	2020	2019
	£ 000	£ 000
Audit of the financial statements	85	-

For the period ending 31 December 2019 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

7. Employees

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2020	2019
Production and development	231	-
General administration	9	-
	240	-

The aggregate payroll costs of these persons were as follows:

	2020	2019
	£ 000	£ 000
Wages and salaries	6,936	-
Social security	873	-
Pension costs	643	-
	8,452	-

8. Directors' emoluments

The Directors' emoluments for the year are as follows:

	2020	2019
	£ 000	£ 000
Directors' remuneration (including benefits in kind)	**1,542**	-

During the year the number of Directors who were receiving benefits and share incentives was as follows:

	2020	2019
Directors receiving benefits	4	-

The directors of the Company perform services for a number of group companies, no cost allocation is performed between the Companies as it is not practical to allocate the directors time between each related entity.

The emoluments of the highest paid director were £694,417 (2019 - nil).

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

9. Interest receivable and similar income

	2020	2019
	£ 000	£ 000
Bank interest receivable	33	-

10. Interest payable and similar expenses

	2020	2019
	£ 000	£ 000
Bank interest payable	56	-
Finance charges on lease	57	-
	113	-

11. Taxation

Analysis of current period tax (credit) / charge

	2020	2019
Current tax	£ 000	£ 000
Current tax on profits for the year	-	-
Total current tax	-	-
Deferred tax		
Current year	(55)	-
Total deferred tax	**(55)**	-
Tax per income statement	(55)	-

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

11. Taxation (continued)

The change for the year can be reconciled to the profit per the income statement as follows:

	2020 £ 000	2019 £ 000
Profit for the period - continuing activities	7,681	-
Tax on profit at standard UK tax rate of 19.00% (2019:19%)	1,459	-
Effects of:		
Expenses not deductible	152	-
Income not taxable	(90)	
Effects of group relief/other reliefs	(1,577)	-
Tax credit for the period	(55)	-
Income tax expense reported in the income statement	(55)	-

	2020 £ 000	2019 £ 000
Deferred tax (assets)/liabilities		
Deferred tax charge to income statement for the period	(55)	-
Movement arising from transfer of trade	367	-
Provision at end of period	**312**	**-**

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

12. Intangible fixed assets

	Goodwill £ 000	Total £ 000
Cost		
At 1 January 2020	-	-
Additions	33,900	33,900
Disposals	-	-
At 31 December 2020	**33,900**	**33,900**
Amortization		
At 1 January 2020	-	-
Amortization charge	-	-
Disposals	-	-
At 31 December 2020	-	-
Net book value		
At 31 December 2019	-	-
At 31 December 2020	**33,900**	**33,900**

On 25 February 2019, GE announced plans to sell its Biopharma business to Danaher for approximately $21.4 billion. The transaction ultimately completed on 31 March 2020 upon obtaining the appropriate regulatory and competition clearances.

As part of the Sales and Purchase Agreement, GE and Danaher agreed an allocation of the headline price of $21.4 billion, subject to various categories of agreed completion adjustments, between 11 different jurisdiction groups of assets. The UK was one of the geographical jurisdiction groups, which comprised the UK operations, assets and liabilities of the Biopharma business.

The Company engaged third-party valuation specialists who reviewed the Company's critical assumptions and calculations of the fair value of acquired intangible assets in connection with significant acquisitions.

12. Intangible fixed assets (continued)

Management considered the recognition criteria for intangible assets under IFRS 3. An intangible asset is identifiable for the purposes of IFRS 3 if it is either

- Separable – i.e. capable of being separated or divided from the entity or sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or
- Contractual – i.e. arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The goodwill is the residual value after deducting the value of all the identifiable tangible and intangible assets from the total purchase consideration. No intangibles were identified as a result of the valuation process.

The fair value of the identifiable assets and liabilities of the acquired business as at the date of acquisition were:

	£ 000
Tangible fixed assets	8,655
Right of use assets	5,617
Stocks	5,298
Debtors: amounts falling due within one year	4,521
Total assets	**24,091**
Creditors: amounts falling due within one year	(13,663)
Creditors: amounts falling due more than one year	(7,234)
Deferred tax liability	(367)
Total liabilities	**(21,264)**
Total identifiable net assets at fair value	**2,827**
Goodwill arising on acquisition	33,900
Purchase consideration transferred	**36,727**

The fair value of tangible fixed assets recognized in the financial statements were determined based on an independent valuation. The net book value of fixed assets transferred at the date of acquisition was £8,051k but following the independent valuation during the acquisition accounting period the value was increased to £8,655k.

The acquired goodwill reflects a number of items. Logically these items include the value of unrecognized intangibles, such as the assembled workforce, as well as the value attributable to future customers and future IP, but perhaps the most valuable element which facilitates those states is the market position and reputation of the business, which has been carved out over a long history and would be very difficult for a potential new competitor to replicate.

12. Intangible fixed assets (continued)

In order to assess the goodwill for impairment each year end management assess whether there is any deterioration in the forecasts or assumptions made for the data points that affect the valuation. It includes a comparison of current year actuals against previous forecast, actual forecast for the coming year, and management assessment of long term forecasts through to the terminal values.

13. Tangible fixed assets

	Buildings & improvements £ 000	Plant and Equipment £ 000	Assets under construction £ 000	Total £ 000
Cost				
At 1 January 2020	-	-	-	-
Asset transfer 31 March 2020	2,066	4,921	1,064	8,051
Fair value adjustments	(700)	1,444	(140)	604
Additions during the year	-	-	3,011	3,011
Transfers	133	767	(900)	-
Other adjustment	94	-	-	94
Disposal	(5)	(32)	(37)	(74)
At 31 December 2020	**1,588**	**7,100**	**2,998**	**11,686**
Accumulated depreciation				
At 1 January 2020	-	-	-	-
Fair value adjustments	110	85	-	195
Charge for the year	109	956	-	1,065
Disposal	(1)	(3)	-	(4)
At 31 December 2020	**218**	**1,038**	**-**	**1,256**
Net book value				
At 31 December 2019	-	-	-	-
At 31 December 2020	**1,370**	**6,062**	**2,998**	**10,430**

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

14. Right of use assets

	£ 000
Cost	
At 1 January 2020	-
Asset transfer 31 March 2020	5,766
Fair value adjustment	(149)
Additions	213
Disposals	(37)
At 31 December 2020	**5,793**
Depreciation	
At 1 January 2020	-
Depreciation charge	886
Disposals	(11)
At 31 December 2020	**875**
Net book value	
At 31 December 2019	-
At 31 December 2020	**4,918**

15. Stocks

	2020	2019
	£ 000	£ 000
Raw materials and consumables	6,016	-
Work in progress	657	-
Finished goods and goods for resale	164	-
Stock provision	(862)	-
	5,975	-

Notes to the financial statements for the Year Ended 31 December 2020 (Continued)

16. Debtors

	2020	2019
	£ 000	£ 000
Amounts owed by group undertakings	17,140	-
VAT receivable	1,447	-
	18,587	-

17. Creditors: Amounts falling due within one year

	2020	2019
	£ 000	£ 000
Trade creditors	7,423	-
Obligation under lease due within one year	1,805	-
Amounts owed to group undertakings	28,249	-
Other taxes and social security	1,006	-
Other creditors	342	-
Accruals and deferred income	763	-
	39,588	-

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

	2020	2019
	£ 000	£ 000
Obligation under lease due after more than one year	5,233	-
Dilapidations provision	679	-
	5,912	-

Notes to the financial statements for the year ended 31 December 2020 (Continued)

19. Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares £1 each	11	37,019,224	1	1

On 23 March 2020, the Company issued 10 ordinary shares of £1 nominal value of each for a total consideration of £37,019,223.

20. Ultimate parent undertaking and controlling party

The company's immediate parent is Pall European Holdings Limited, a company registered at 5 Harbourgate Business Park, Southampton Road, Portsmouth, Hampshire, PO6 4BQ.

The ultimate parent undertaking and controlling party is Danaher Corporation, a company incorporated in the United States of America.

The only group in which the results of the company are consolidated is that headed by Danaher Corporation. No other group financial statements include the results of the Company. The consolidated accounts of this group are available to the public and may be obtained from the company website or by contacting the company at 2200 Pennsylvania Avenue NW, Suite 800W, Washington, DC 20037, United States of America.

21. Post balance sheet events

There has been a new lease agreement signed in June 2021 to expand Cardiff plant capacity. The contractual term is 10 years and total lease liability is £4.6 million. In connection with the plant capacity expansion £19 million capital expenditure occurred in 2021 and further £23 million is expected during 2022.