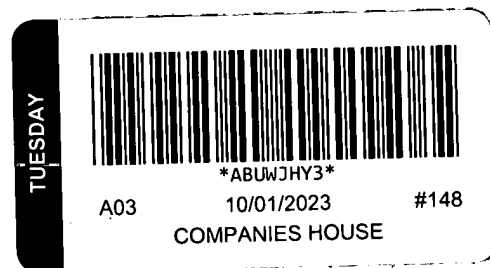


Company Registration No. 07289364 (England and Wales)

**BEAVER-VISITEC INTERNATIONAL SALES
LIMITED**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021**



BEAVER-VISITEC INTERNATIONAL SALES LIMITED

COMPANY INFORMATION

Directors	D Hinaut S Korangy S Richardson
Company number	07289364
Registered office	Waterloo Industrial Estate Bidford-Upon-Avon Warwickshire B50 4JH
Independent auditors	PricewaterhouseCoopers LLP One Chamberlain Square Birmingham B3 3AX

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Principal activities

The principal activity of the company is to distribute specialised single-use microsurgical knives, instruments, ocular solutions and procedure kits. Products serve a variety of ophthalmic surgeries including cataract, refractive, oculoplastic and vitreoretinal sub-specialties. The majority of product sales support cataract, LASIK, glaucoma and retinal surgeries as well as other specialty surgical operations like ear tube placement (myringotomy), orthopaedic, podiatry and cosmetic surgeries. The company products are sold under the BVI brand name.

Fair review of the business

Turnover increased 24% in 2021 compared to the prior year, reflecting a full recovery of sales to pre-pandemic levels. The company's revenues in Europe and the UK, which represent 80% of total revenues, increased 17% with all major markets reporting improvement: UK 44%, Spain 26%, France 21%, and Germany 20%. Rest of the world sales were 13% higher than 2020. This increase in sales was across the full product range, reflecting the higher demand from hospitals returning to normal levels of routine procedures following year when COVID-19 infection rates were high. Operating results declined in 2021 compared to the prior year due to disruption in supply chains and other impacts from the pandemic.

Most of the company's sales are made in foreign currency (70% in euros). During 2021 the pound appreciated against the euro which meant the company suffered an adverse exchange rate impact.

Current assets and liabilities have increased during the year as a result of intra group trading.

Principal risks and uncertainties

The company's business, financial position, and results of operations are influenced by a range of factors, some of which are beyond the control of the company. The principal risk factors are:

- there is competition in the industry but the directors focus on developing high quality products to meet customers' requirements;
- the company's operations give rise to extensive cash flows in foreign currency, the most significant of which are in euros. The company monitors the net exposure of these cash flows as part of the group wide currency management process; and
- the company operates in a regulated industry and the products are subject to rigorous manufacturing standards. To mitigate this risk, the company focuses heavily on quality.

Key performance indicators (KPIs)

The company's key financial KPIs are noted below:

	2021	2020	Change
	£000	£000	
Turnover	79,329	64,189	23.59%
Operating (loss)/profit	(1,310)	4,215	(131.08)%
Net assets	45,166	44,618	1.23%

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Section 172 (1) statement

The directors have acted in a way that they considered, in good faith, to be the most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s 172(1) (a-f) of the act) in the decisions taken in the year.

The likely consequences of any decision in the long term

The directors understand the business and the wider environment in which the company operates. The strategy of the company is aligned with BVI Group Limited and its subsidiaries (the "BVI Group") and is intended to strengthen its position as a leading supplier of ophthalmic surgical equipment.

The business plan is designed to have a long term beneficial impact on the company, to optimize and improve its existing assets and consider new market opportunities. The directors continue to operate the business within tight budgetary controls.

The interests of the company's employees

The directors recognise that employees are core to the business and the delivery of its strategy. The success of the business depends on attracting, retaining and motivating employees. From ensuring the company remains a responsible employer, to pay and benefits and health and safety and workplace environment. The directors factor in the impact of their decisions on employees when relevant and feasible.

The need to foster the company's business relationships with suppliers, customers and others

Delivering the strategy requires good relationships with suppliers and customers. Directors assess the priorities related to customers and suppliers, but the size and distribution of our stakeholders and the group means stakeholder engagement often takes place at an operational level.

The impact of the company's operations on the community and the environment

The directors ensure that environmental, health and safety and social responsibility policies and plans are in place to protect people and the environment.

The desirability of the company maintaining a reputation for high standards of business conduct

The directors periodically review and approve plans policies and frameworks such as code conduct, and internal policies relating to regulatory compliance.

The directors recognise their role in ensuring the desired culture is embedded in the values, attitudes and behaviours the company demonstrates.

The need to act fairly as between members of the company

As the board of directors, our intention is to behave responsibly towards our shareholders and treat them fairly and equally, so they may benefit from the success of the company.

On behalf of the board

Sean Richardson

Sean Richardson (Dec 20 2022, 09:51 GMT+1)

S Richardson

Director

20-Dec-2022

Date:

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and the audited financial statements for the year ended 31 December 2021.

Branches

The company has branches in Belgium, Germany, Italy, and Spain and a representative office in Russia. The results of these branches are included within the profit and loss account.

BVI Group Limited and its subsidiaries (the "BVI Group") comply with all applicable sanctions, including US, EU, UK, and UN sanctions measures with respect to Russia. The BVI Group maintains sanction and export compliance policies and procedures that seek to ensure that sales to sanctioned territories, including Russia, are carried out in accordance with applicable sanctions and export controls. Turnover in Russia in 2021 was £1,082,000 (2020: £1,062,000).

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Hinaut	
S Korangy	
D Murray	(Appointed 9 March 2021 and resigned 26 September 2022)
S Richardson	(Appointed 9 March 2021)
D Mead	(Resigned 9 March 2021)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Financial instruments

Liquidity risk

The company has cash flow related targets in respect of inventory days, debtor days and creditor days. This ensures that the company generates healthy cash surpluses and as a result liquidity is not a significant risk in the company.

Interest rate cash flow risk

The company has interest bearing assets. Interest bearing assets include cash balances, which earn interest at fixed rate. The company has no interest bearing liabilities other than finance leases. In the event that debt is taken on, the company has a policy of maintaining debt at fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Where debt finance is utilised, this is subject to pre-approval by the directors and such approval is limited to financial institutions with an acceptable net worth credit.

Post reporting date events

In 2022, various changes were made to the BVI Group's external financing facilities, to which the company is a guarantor (see note 28),

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Future developments

The company has continued to focus on customer service and supply of the best quality products to the customers. The company is continuing to generate business in Europe and other regions of the world and expects to generate positive cash flow from operations in 2022.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon reporting

The company is a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company which are required to comply with these regulations. The financial statements of the company are consolidated in the financial statements of BVI Group Limited. These consolidated financial statements are publicly available from Companies House.

Statement of disclosure to auditors

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Business environment

The company operates in the growing medical devices sector. The company is committed to sourcing and distributing innovative and effective products at affordable prices that meet the needs of both medical professionals and patients.

On behalf of the board

Sean Richardson

Sean Richardson (Dir: 20.12.22 09:51 GMT)

S Richardson

Director

20-Dec-2022

Date:

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEAVER-VISITEC INTERNATIONAL SALES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Beaver-Visitec International Sales Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: Statement of Financial Position as at 31 December 2021; Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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.

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEAVER-VISITEC INTERNATIONAL SALES LIMITED (CONTINUED)

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement; whether due to fraud or error; and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to medical equipment regulation, health and safety legislation, employment legislation and taxation legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of unusual journals to revenue and cash and the manipulation of significant accounting estimates. Audit procedures performed by the engagement team included:

- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- Testing journals posted to revenue and cash that have unusual account combinations;
- Challenging assumptions and judgements made by management in determining significant accounting estimates; and
- Incorporating elements of unpredictability.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEAVER-VISITEC INTERNATIONAL SALES LIMITED (CONTINUED)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Matthew Walker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered accounts and Statutory Auditors
Birmingham

21 December 2022

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Turnover	3	79,329	64,189
Cost of sales		(60,238)	(45,412)
Gross profit		19,091	18,777
Administrative expenses		(20,413)	(16,502)
Other operating income		12	225
Profit on disposal of French and Italian branches	4	-	1,715
Operating (loss)/profit	7	(1,310)	4,215
Interest receivable and similar income	9	2,094	1,356
Interest payable and similar expenses	10	(377)	(3)
Profit before taxation		407	5,568
Tax on profit	11	131	(197)
Profit for the financial year		538	5,371
Other comprehensive income net of taxation			
Actuarial gain on defined benefit pension schemes		10	14
Total comprehensive income for the year		548	5,385

BEAVER-VISITEC INTERNATIONAL SALES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	12		581		548
Tangible assets	13		195		327
Investments	14		9,737		2,525
			<u>10,513</u>		<u>3,400</u>
Current assets					
Stocks	17	11,933		13,503	
Debtors falling due after more than one year	18	37,802		21,548	
Debtors falling due within one year	18	72,617		51,804	
Cash at bank and in hand		3,900		7,170	
		<u>126,252</u>		<u>94,025</u>	
Creditors: amounts falling due within one year	19	<u>(80,565)</u>		<u>(52,344)</u>	
Net current assets			<u>45,687</u>		<u>41,681</u>
Total assets less current liabilities			<u>56,200</u>		<u>45,081</u>
Creditors: amounts falling due after more than one year	20		(10,816)		(10)
Provisions for liabilities					
Provisions	21	60		160	
Defined benefit pension liability	23	<u>158</u>		<u>293</u>	
			<u>(218)</u>		<u>(453)</u>
Net assets			<u>45,166</u>		<u>44,618</u>
Capital and reserves					
Called up share capital	24		10		10
Other reserves	25		18,947		18,947
Profit and loss reserves	25		<u>26,209</u>		<u>25,661</u>
Total equity			<u>45,166</u>		<u>44,618</u>

The financial statements on pages 9 to 30 were approved by the board of directors and authorised for issue on 20 Dec 2021 and are signed on its behalf by:

Sean Richardson
 Sean Richardson (Dec 20, 2022 09:51 GMT)
 S Richardson
 Director

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Other reserves	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2020	10	18,947	20,276	39,233
Year ended 31 December 2020:				
Profit for the year	-	-	5,371	5,371
Other comprehensive income net of taxation:				
Actuarial gains on defined benefit plans	-	-	14	14
Total comprehensive income for the year	-	-	5,385	5,385
Balance at 31 December 2020	10	18,947	25,661	44,618
Year ended 31 December 2021:				
Profit for the year	-	-	538	538
Other comprehensive income net of taxation:				
Actuarial gains on defined benefit plans	-	-	10	10
Total comprehensive income for the year	-	-	548	548
Balance at 31 December 2021	10	18,947	26,209	45,166

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Beaver-Visitec International Sales Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Waterloo Industrial Estate, Bidford-Upon-Avon, Warwickshire, B50 4JH.

The company's principal activities and nature of its operations are disclosed in the Strategic Report

Accounting convention

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the requirements of the Companies Act 2006.

The financial statements are prepared in Pounds Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000, unless otherwise stated.

The financial statements have been prepared under the historical cost convention. These policies have been consistently applied to all the years presented, unless otherwise stated. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of BVI Group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

The financial statements of the company are consolidated in the financial statements of BVI Group Limited. These consolidated financial statements are available from its registered office, Waterloo Industrial Estate, Bidford-Upon-Avon, Warwickshire, B50 4JH.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Going concern

The company is in a net asset position of £45,166,000 (2020: £44,618,000) and during the year it made an operating loss of £1,310,000 (2020: profit of £4,215,000). Throughout 2021, the pandemic continued to cause disruption across the world impacting the economic environment, supply chains and business operations, including the company's. The company's sales have been impacted in 2022 by the political and military conflict in the Ukraine and Russia; however, the impact has not been significant as its distribution into these countries is limited. The company has taken mitigating actions against inflationary pressures and unfavourable changes in foreign currency exchange rates and has also benefitted as the BVI Group secured a refinancing in June 2022 of its debt facility that is available to provide liquidity in the near term.

The company is subject to a group cross guarantee arrangement in place over all liabilities owed to Goldman Sachs by various entities in the BVI Group.

The directors have considered the ability of the company to continue as a going concern. As part of the going concern assessment, the directors have considered potential risk areas of the company, including the declining impact of the pandemic, inflationary pressures, and the ongoing political and military conflict. As the company is a wholly-owned subsidiary within the BVI Group, the consolidated cash flows forecasts were used to inform the directors' decisions.

An indirect parent company, BVI Holdings Mayfair Limited, has confirmed to the directors that it will continue to provide financial support to the company for the foreseeable future and for at least the next 12 months from the date of signing the financial statements. Based upon this the directors expect the company to be able to meet its liabilities as they fall due, and these financial statements have therefore been prepared on a going concern basis.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years straight line.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	Straight line over 5 years
Customer lists	Straight line over 10 years

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Straight line over 3 -10 years
---------------------	--------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Assets in the course of construction are not depreciated.

Fixed asset investments

Interests in subsidiaries and associates are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Raw materials and consumables are measured at their purchase cost on a first-in, first-out basis. Work in progress and finished goods are measured at the cost of direct materials and labour plus attributable overheads based on a normal level of activity.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Complex financial assets

Convertible loan notes are initially measured at fair value. A gain or loss is recognised through profit or loss and is recognised through, interest receivable and similar income or interest payable and similar expenses.

Call options are initially measured at fair value. A gain or loss is recognised through profit or loss and is recognised through, interest receivable and similar income or interest payable and similar expenses.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts due to group undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Annual bonus plan

The company operates an annual bonus plan for employees. Amounts in financial statements are accrued based on expected pay out in the following March.

Retirement benefits

The company operates a defined contribution pension scheme for qualifying employees. For employees in Germany and Belgium the company operates a defined benefit scheme.

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets' fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

The company received a discretionary cash grant of £12,000 (2020: £148,000) from the government as part of the Coronavirus Job Retention Scheme (CJRS) which compensates employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). The grant is conditional upon the employees being employed and on the company PAYE payroll and the employee is not able to do any work for their employer that makes money or provides services for their employer or any organisation linked or associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant.

This is recognised in other income in the statement of comprehensive income.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

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

Impairment of investments

The directors review the carrying value of its investments to determine whether there is any indication that those investments have suffered an impairment loss.

The basis for any impairment write down of investments is by reference to the higher of the post net realisable value and the value in use. For the purpose of determining impairment the income generating unit takes account of associated cash flows within the BVI group.

The value in use is determined through discounting future cash flows using a risk adjusted rate based on the weighted average cost of capital of the ultimate parent company, BVI Group Limited.

The carrying value of investments at the reporting date is £9,737,000 (2020: £2,525,000).

3 Turnover and other revenue

	2021 £'000	2020 £'000
Turnover analysed by class of business		
Sale of goods	79,329	64,189
	<u>79,329</u>	<u>64,189</u>
Other revenue		
Interest income	2,094	1,356
Coronavirus Job Retention Scheme grant	12	148
	<u>2,106</u>	<u>1,504</u>
Turnover analysed by geographical market		
United Kingdom	22,418	15,492
Europe	42,008	39,517
Rest of the world	14,903	9,180
	<u>79,329</u>	<u>64,189</u>

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Exceptional item

	2021	2020
	£'000	£'000
Expenditure		
Profit on disposal of French and Italian branches	-	(1,715)

On 1 February 2020, the company sold all of the assets and other cost centre items included in the French and Italian branches to BVI France SAS and BVI Italy SRL respectively. The assets of the French branch were disposed of in exchange for a 40% shareholding in BVI France SAS, which was recorded as an investment in the prior year. The assets of the Italian branch were disposed of in exchange for cash consideration of £600,000. All of the French and Italian branches' employees were transferred to BVI France SAS and BVI Italy SRL respectively on the same day. This exceptional item arose as the difference between the book value of assets sold and the consideration received.

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Administration	63	51
Distribution	9	10
Sales	41	31
Total	113	92

Their aggregate remuneration comprised:

	2021	2020
	£'000	£'000
Wages and salaries	6,471	5,435
Social security costs	742	617
Pension costs	189	271
	7,402	6,323

6 Directors' remuneration

	2021	2020
	£'000	£'000
Remuneration for qualifying services	121	19
Company pension contributions to defined contribution schemes	13	3
	134	22

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 1).

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7	Operating (loss)/profit	2021	2020
		£'000	£'000
	Operating (loss)/profit for the year is stated after charging/(crediting):		
	Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	2,140	(2,098)
	Government grants	(12)	(148)
	Depreciation of owned tangible fixed assets	92	90
	Depreciation of tangible fixed assets held under finance leases	11	14
	Loss on disposal of tangible fixed assets	11	-
	Amortisation of intangible assets	84	951
	Impairment of stocks recognised or reversed	249	650
	Operating lease charges	565	765
		<u> </u>	<u> </u>
8	Auditors' remuneration	2021	2020
		£'000	£'000
	Fees payable to the company's auditors and their associates:		
	For audit services		
	Audit of the financial statements of the company	58	70
		<u> </u>	<u> </u>
	In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditors for other services as this information is included in the consolidated financial statements of BVI Group Limited.		
9	Interest receivable and similar income	2021	2020
		£'000	£'000
	Interest income		
	Interest receivable from group companies	2,094	1,352
	Other interest income	-	4
		<u> </u>	<u> </u>
	Total income	2,094	1,356
		<u> </u>	<u> </u>
10	Interest payable and similar expenses	2021	2020
		£'000	£'000
	Interest on bank overdrafts and loans	-	3
	Interest payable to group undertakings	374	-
	Other interest	3	-
		<u> </u>	<u> </u>
		377	3
		<u> </u>	<u> </u>

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

11 Taxation

	2021 £'000	2020 £'000
Current tax		
UK corporation tax on profits for the current period	-	129
Group tax relief	-	102
Total UK current tax	-	231
Foreign current tax on profits for the current period	-	27
Total current tax	-	258
Deferred tax		
Origination and reversal of timing differences	(131)	(61)
Total tax (credit)/charge	(131)	197

The total tax (credit)/charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2021 £'000	2020 £'000
Profit before taxation	407	5,568
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	77	1,058
Tax effect of expenses that are not deductible in determining taxable profit	138	(1,335)
Effect of change in corporation tax rate	(58)	-
Group relief	(279)	447
Effect of overseas tax rates	-	27
Deferred tax not recognised	(9)	-
Taxation (credit)/charge for the year	(131)	197

Factors that may affect future tax charges

On 3 March 2021, the UK Government announced an increase in the main rate of corporation tax from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Intangible fixed assets

	Goodwill £'000	Software £'000	Customer lists £'000	Total £'000
Cost				
At 1 January 2021	13,682	276	595	14,553
Additions	-	-	117	117
At 31 December 2021	13,682	276	712	14,670
Amortisation and impairment				
At 1 January 2021	13,682	259	64	14,005
Amortisation charged for the year	-	17	67	84
At 31 December 2021	13,682	276	131	14,089
Carrying amount				
At 31 December 2021	-	-	581	581
At 31 December 2020	-	17	531	548

Amortisation of intangible fixed assets is recognised in administrative expenses in the statement of comprehensive income.

13 Tangible fixed assets

	Assets under construction £'000	Plant and equipment £'000	Total £'000
Cost			
At 1 January 2021	53	722	775
Additions	-	24	24
Disposals	(11)	-	(11)
Transfers	(42)	-	(42)
At 31 December 2021	-	746	746
Depreciation and impairment			
At 1 January 2021	-	448	448
Depreciation charged in the year	-	103	103
At 31 December 2021	-	551	551
Carrying amount			
At 31 December 2021	-	195	195
At 31 December 2020	53	274	327

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

13 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	2021 £'000	2020 £'000
Plant and equipment	9	20

Depreciation of tangible fixed assets is recognised in administrative expenses in the statement of comprehensive income.

14 Fixed asset investments

		2021 £'000	As restated 2020 £'000
	Notes		
Investments in subsidiaries	15	422	422
Investments in associates	16	2,103	2,103
Loans		7,212	-
		<u>9,737</u>	<u>2,525</u>

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings and participating interests £'000	Other investments £'000	Total £'000
Cost or valuation			
At 1 January 2021	2,525	-	2,525
Additions	-	7,212	7,212
At 31 December 2021	2,525	7,212	9,737
Carrying amount			
At 31 December 2021	2,525	7,212	9,737
At 31 December 2020	2,525	-	2,525

Other investments include \$10 million 6% convertible loan notes in Beyeonics Ophthalmic Ltd (Beyeonics), a company incorporated in Israel. The investment agreement provides a series of options which can be taken up within specified time periods. The options allow for Beaver-Visitec International Sales Limited to make additional investments in convertible loans and have an option to purchase the entire share capital of Beyeonics for specified terms. In the event that Beaver-Visitec International Sales Limited does not exercise any of the options to purchase the whole of the share capital of Beyeonics, the loan notes will convert into shares equating to a 15% holding at the time of conversion. Within the \$10 million investment is \$270,000 being the value allocated to the Purchase Option.

The call option, for which there is not a reliable measure of fair value, has been initially measured at cost.

The directors have reconsidered the classification of the fixed asset investments. As a result of this reassessment, the 40.5% holding in BVI France SAS of £2,103,000 has been deemed to be an investment in an associate rather than a subsidiary as the directors believe this more accurately reflects the position despite the remainder being held by parent companies within the overall group.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Beaver-Visitec International Australia Pty Ltd (Australia)	c/o Minter Ellison; Aurora Place 88 Philip street, Sydney NSW 2000, Australia	Dormant	Ordinary	100.00
Beaver-Visitec International Sales PTE Ltd (Singapore)	10 Anson Road, #31-10 International Plaza, Singapore 079903	Sales and marketing of ophthalmic surgical equipment	Ordinary	100.00
Beaver-Visitec International Japan KK (Japan)	2-28-1 Nihonbashi-Hamacho Chuo-ku, Tokyo, Japan	Sales and marketing of ophthalmic surgical equipment	Ordinary	100.00
BVI France SAS	2 Rue Louis Courtois De Vicoise, Portes Sud- BAT 3, 31100 Toulouse, France	Sales and marketing of ophthalmic surgical equipment	Ordinary	40.00

BVI France SAS has been accounted for as an associate.

The company has branches in Belgium, Germany, Italy, and Spain and a representative office in Russia.

16 Associates

Details of the company's associates at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
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17 Stocks

	2021 £'000	2020 £'000
Finished goods and goods for resale	11,933	13,503

The difference between purchase price of stocks and their replacement cost is not material.

Stocks are stated after provisions for impairment of £1,226,000 (2020: £1,141,000).

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

18 Debtors

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Trade debtors	8,173	7,470
Corporation tax recoverable	1,339	1,053
Amounts owed by group undertakings	57,265	40,610
Other debtors	5,378	2,432
Prepayments and accrued income	216	124
	<u>72,371</u>	<u>51,689</u>
Deferred tax asset (note 22)	246	115
	<u>72,617</u>	<u>51,804</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>37,802</u>	<u>21,548</u>
Total debtors	<u>110,419</u>	<u>73,352</u>

Amounts owed by group undertakings include balances of \$750,000 which bear interest at 2.35% (2020: \$750,000 at 2.35%), €35,970,000 which bear interest at 7% (2020: €22,952,000 at 5%), €3,385,000 which bear interest at 6% (2020: €2,300,000,000 at 5%) and £1,042,000 which bear interest at 6% (2020: £nil). £nil (2020: €1,000,000 at 2.5%). Other amounts owed by group undertakings are unsecured, non-interest bearing and repayable on demand.

Trade debtors are stated after provisions for impairment of £86,000 (2020: £74,000).

19 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Obligations under finance leases	4	12
Trade creditors	3,354	2,065
Amounts owed to group undertakings	73,758	46,827
Taxation and social security	144	172
Other creditors	212	-
Accruals and deferred income	<u>3,093</u>	<u>3,268</u>
	<u>80,565</u>	<u>52,344</u>

Amounts owed to group undertakings are unsecured, non-interest bearing and repayable on demand.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

20 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Obligations under finance leases	5	10
Amounts owed to group undertakings	10,811	-
	<u>10,816</u>	<u>10</u>

Amounts owed to group undertaking include balances of \$8,615,000 which bear interest at 6% (2020: \$nil), €5,271,000 which bear interest at 6% (2020: €nil). Other amounts owed to group undertakings are unsecured, non interest bearing and repayable on demand.

21 Provisions for liabilities

	2021 £'000	2020 £'000
Dilapidations	60	160
Movements on provisions:		
		Dilapidations £'000
At 1 January 2021		160
Reversal of provision		(100)
At 31 December 2021		<u>60</u>

Dilapidation provision relates to a leasehold property operated as a distribution centre. The provision is expected to be utilised when the company ceases to occupy the building.

22 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Assets 2021 £'000	Assets 2020 £'000
Balances:		
Accelerated capital allowances	(23)	(29)
Post employment benefits	(1)	-
Retirement benefit obligations	-	17
Short-term timing differences	270	134
Other differences	-	(7)
	<u>246</u>	<u>115</u>

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

22 Deferred taxation (Continued)

	2021 £'000
Movements in the year:	
Liability at 1 January 2021	115
Charge to profit or loss	131
Liability at 31 December 2021	<u>246</u>

The deferred tax asset set out above is expected to reverse within the foreseeable future and relates to the utilisation of tax losses against future expected profits of the same period.

23 Retirement benefit schemes

	2021 £'000	2020 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	189	271

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the reporting date, contributions of £37,000 (2020: £35,000) remained outstanding and are included within accruals.

Defined benefit schemes

For employees in Germany and Belgium, the company operates a defined benefit pension scheme.

In line with the accounting policies of the company these are valued annually. The schemes are valued on an appropriate basis for the particular scheme. For Germany, the valuation is based on the fair value of the re-insurance contracts which will cover the company's pension liability. For Belgium, the valuation method adopted is the unit credit method.

Management has concluded that further disclosure of these defined benefit pension schemes is not material to the financial statements.

24 Called up share capital

	2021 Number	2020 Number	2021 £'000	2020 £'000
Ordinary share capital Issued and fully paid				
Ordinary share capital of £1 each	10,000	10,000	10	10

Ordinary shares have full rights in the company with respect to voting, dividends and distributions.

25 Reserves

Other reserves

The company received a capital contribution of £21,134,000 in 2010 from Beaver-Visitec International (UK) Limited, the company's immediate parent company at the time. The remainder of the balance relates to historical share option transactions.

BEAVER-VISITEC INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

25 Reserves (Continued)

Profit and loss reserves

Profit and loss reserves represent cumulative profit and loss net of distributions to owners.

26 Financial commitments, guarantees and contingent liabilities

As of 31 December 2021, the company is a party to a joint security arrangement over all liabilities owed to Goldman Sachs by various entities in the BVI Group by way of a debenture and a fixed and floating charge over the trade and assets of the company. At 31 December 2021, management believe that these liabilities will be paid as they fall due and no liability will arise in the company as a result of providing this guarantee.

At 31 December 2021 and 2022, there were no contingent liabilities.

27 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £'000	2020 £'000
Within one year	359	515
Between one and five years	117	376
	<u>476</u>	<u>891</u>

28 Events after the reporting date

On 29 June 2022, certain subsidiaries within the BVI Group, including BVI Medical, Inc. (the "Parent Borrower") and its indirect parent company, BVI Holdings Mayfair Limited (the "Parent Guarantor"), entered into a new second lien credit agreement with a financial institution ("Second Lien Credit Agreement") that provided an initial total term loan commitment of €85,000,000 (approximately \$89,300,000). BVI Group Limited and each of its subsidiaries are guarantors under this agreement.

29 Related party transactions

The company has taken advantage of the exemption under FRS 102 section 33.1A not to disclose details of intra-group transactions where those transactions take place between companies which are wholly owned under a common parent entity. There are no other related party transactions requiring disclosure.

30 Ultimate controlling party

The company is a wholly owned subsidiary of PhysiOL SA a company incorporated in the Belgium. Its registered address is Allée des Noisetiers 4, 4031, Liège.

The parent company of the smallest and largest group in which company's financial statements are consolidated is BVI Group Limited, a company incorporated in the United Kingdom. Copies of its financial statements can be obtained from Companies House or its registered address: Waterloo Industrial Estate, Bidford-upon-Avon, Warwickshire, B50 4JH.

The ultimate parent undertaking and controlling party is TPG Inc., incorporated in the United States of America. Its registered address is 301 Commerce Street, Suite 3300, Fort Worth, Texas, 76102.