AB SCIEX ApS

Åkandevej 21
2700 Brønshøj
Central Business Registration No 32448615

Annual report 2017

The Annual General Meeting adopted the annual report on 23.05.2018

Chairman of the General Meeting

Name: Juan Martin Wolpert

Contents

Entity details

Entity
AB SCIEX ApS
Åkandevej 21
2700 Brønshøj

Central Business Registration No: 32448615
Registered in: Brønshøj
Financial year: 01.01.2017 - 31.12.2017

Executive Board
Juan Martin Wolpert
Inese Lowenstein
Tara Lynn Illiano

Entity auditors
Ernst & Young Godkendt Revisionspartnerselskab
Osvald Helmuths Vej 4
2000 Frederiksberg

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of AB SCIEX ApS for the financial year 01.01.2017 - 31.12.2017.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 23.05.2018

Executive Board

Juan Martin Wolpert Inese Lowenstein Tara Lynn Illiano

Independent auditor's report

To the shareholder of AB Sciex ApS

Opinion

We have audited the financial statements of AB SCIEX ApS for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31.12.2017 and of the results of the Company's operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines 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, Management is 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 in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has 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 and additional requirements applicable in Denmark will always detect a material misstatement when it exits. 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Independent auditor's report

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 23.05.2018

Ernst & Young
Godkendt Revisionspartnerselskab
Central Business Registration No: 30700228

Henrik Kronborg Iversen
State Authorised Public Accountant
MNE-number mne24687

Rasmus Bloch Jespersen
State Authorised Public Accountant
MNE-number mne35503

Management commentary

Primary activities
The object of the company is to market and sell analytical instrumentation, consumables, service and other related products.The Company operates as a sales entity in the Danish market for the AB Sciex Group.

Development in activities and finances
The Company's income statement for the year ended 31 December 2017 shows a net income of DKK 962,979 and the balance sheet at 31 December 2017 shows equity of DKK 5,550,841.

In November 2016, the Company acquired the 100% ownership interest in Phenomenex ApS, as part of the Danaher Corporation' acquisition of the Phenomenex Group. The total cost price of DKK 34,622 thousand (USD 5,042 thousand) was allocated to AB Sciex ApS as part of the group share purchase agreement entered by Danaher Corporation. The acquisition was financed by an inter-company loan obtained via the group cash-pool credit facility.

Events after the balance sheet date
No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2017

	Notes	2017 DKK	2016 DKK
Gross profit		**10.020.975**	**10.592.718**
Staff costs	1	(8.436.769)	(9.563.146)
Depreciation, amortisation and impairment losses	2	(252.796)	(252.796)
Operating profit/loss		**1.331.410**	**776.776**
Other financial income	3	328	633
Other financial expenses	4	(61.482)	(48.749)
Profit/loss before tax		**1.270.256**	**728.660**
Tax on profit/loss for the year	5	(307.277)	(246.857)
Profit/loss for the year		**962.979**	**481.803**
Proposed distribution of profit/loss			
Retained earnings		962.979	481.803
		962.979	**481.803**

Balance sheet at 31.12.2017

	Notes	2017 DKK	2016 DKK
Goodwill		487.671	721.753
Intangible assets		**487.671**	**721.753**
Other fixtures and fittings, tools and equipment		9.690	28.404
Property, plant and equipment		**9.690**	**28.404**
Investments in group enterprises		34.621.646	34.621.646
Fixed asset investments	6	**34.621.646**	**34.621.646**
Fixed assets		**35.119.007**	**35.371.803**
Manufactured goods and goods for resale		322.404	117.985
Inventories		**322.404**	**117.985**
Trade receivables		7.828.141	11.860.122
Receivables from group enterprises		6.715.798	2.330.489
Other receivables		738.112	5.563
Prepayments		49.407	40.014
Receivables		**15.331.458**	**14.236.188**
Cash		**150.199**	**194.048**
Current assets		**15.804.061**	**14.548.221**
Assets		**50.923.068**	**49.920.024**

Balance sheet at 31.12.2017

	Notes	2017 DKK	2016 DKK
Contributed capital	7	125.000	125.000
Retained earnings		5.425.841	4.462.862
Equity		**5.550.841**	**4.587.862**
Deferred tax		100.000	80.849
Provisions		**100.000**	**80.849**
Trade payables		116.873	102.688
Payables to group enterprises	8	36.822.538	35.989.576
Income tax payable		265.000	145.185
Other payables		5.362.653	7.391.156
Deferred income		2.705.163	1.622.708
Current liabilities other than provisions		**45.272.227**	**45.251.313**
Liabilities other than provisions		**45.272.227**	**45.251.313**
Equity and liabilities		**50.923.068**	**49.920.024**
Contingent liabilities	9		
Group relations	10		

Statement of changes in equity for 2017

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	125.000	4.462.862	4.587.862
Profit/loss for the year	0	962.979	962.979
Equity end of year	**125.000**	**5.425.841**	**5.550.841**

Statement of changes in equity for 2016

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	125.000	3.981.059	4.106.059
Profit/loss for the year	0	481.803	481.803
Equity end of year	**125.000**	**4.462.862**	**4.587.862**

Notes

	2017 DKK	2016 DKK
1. Staff costs		
Wages and salaries	7.627.794	8.779.444
Pension costs	739.247	706.640
Other social security costs	69.728	77.062
	8.436.769	**9.563.146**
Average number of employees	**8**	**9**

	2017 DKK	2016 DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	234.082	234.082
Depreciation of property, plant and equipment	18.714	18.714
	252.796	**252.796**

	2017 DKK	2016 DKK
3. Other financial income		
Exchange rate adjustments	328	633
	328	**633**

	2017 DKK	2016 DKK
4. Other financial expenses		
Financial expenses from group enterprises	39.781	27.747
Exchange rate adjustments	1.249	0
Other financial expenses	20.452	21.002
	61.482	**48.749**

	2017 DKK	2016 DKK
5. Tax on profit/loss for the year		
Tax on current year taxable income	265.000	145.185
Change in deferred tax for the year	19.151	80.849
Adjustment concerning previous years	23.126	20.823
	307.277	**246.857**

Notes

	Investments in group enterprises DKK
6. Fixed asset investments	
Cost beginning of year	34.621.646
Cost end of year	**34.621.646**
Carrying amount end of year	**34.621.646**

Impairment considerations
At year-end, the Company has performed a review of impairment indicators and concluded that impairment indicators were present. The Company has prepared an impairment test and thereby calculated the recoverable amount of the Company's investment in group enterprises.

The impairment test is based on Danaher's standard internal valuation methodology. This method is based on financial reporting as of 31 December 2017, and representatitive EBITDA multiplied by benchmarked multiplicator based on a peergroup analysis, adjusted for control premiums if applicable and non-operating assets/liabiilities.

The impairment test did not result in need for impairment.

	Registered in	Equity interest %
Investments in group enterprises comprise:		
Phenomenex ApS	Hareskov, Danmark	100,0

	Number	Par value DKK	Nominal value DKK
7. Contributed capital			
A Shares	1.000	125	125.000
	1.000		**125.000**

The share capital has remained unchanged for the last 5 years.

Notes

8. Payables to group enterprises

As at 31 December 2017, the Company's payables to group enterprises amounts to DKK 36,822,538 comprising DKK 35.408.261 withdrawals on the cash pool credit line of the AB Sciex cash pool arrangement. The Company is covered by the Group's treasury policy. The treasury policy ensures that the Company will have sufficient liquidity to settle its obligations as they are due. Furthermore, the cash pool arrangement is set up in such a way that the payables amounts will not be called unless the Company has sufficient liquidity or has obtained sufficient financing to pay off the balance.

9. Contingent liabilities

	2017	2016
	DKK	DKK
Payments under operating leases and finance leases Concerning cars and computer equipment	648.000	697.000

The remaining terms are 1 - 3 years.

Joint taxation

The company is jointly taxed with Danaher Tax Administration ApS, which is the Management Company (Administrationsselskab) for the Danish joint taxation. The company is jointly and severally unlimited liable with the other jointly taxed companies for payment of corporation tax for the income year 2013 and later, and for withholding tax on interest, royalties and dividens, which are payable on 1 July 2012 or later. At 31 December 2017, the jointly taxed companies' net liability to SKAT is disclosed in the annual report for Danaher Tax Administraion ApS, registration number 28 31 68 87. Any subsequent assessments of the taxable income subject to joint taxation or withholding taxes on dividends, interest and royalties may entail that the Company's liability will increase.

Other contingencies

The company has no other contingent assets or liabilities.

10. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Danaher Corporation
2200 Pennsylvania Avenue, NW
Suite 800W
Washington, DC 20037
USA

The consolidated financial statements for the Danaher Group can be acquired at the following link:
http://investors.danaher.com/annual-report-and-proxy

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises, with addition of certain provisions for reporting class C enterprises.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial statement Act, no consolidated financial statement are prepared.

The financial statements for AB Sciex ApS and its subsidiary are part of the consolidated financial statements for Danaher Corporation, USA.

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Some reclassifications have been performed with adjustements to a few comparative figures.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement
Gross profit or loss
Gross profit or loss comprises revenue, cost of goods sold and external expenses.

Revenue
Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Dividend from investments in subsidiaries

Dividend from investments in subsidiaries is recognised in the income statement in the year of declaration. Distributions of dividend where the dividend exceeds the profit for the year or where the carrying amount of the Company's investments in the subsidiary exceeds the carrying amount of the subsidiary's net asset value will be evidence of impairment, meaning that an impairment test must be conducted.

Other external expenses
Other external expenses include expenses relating to the Entity’s ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs
Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses
Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income
Other financial income comprises interest income, including dividend from subsidiaries, interest income on receivables from group enterprises, net capital gains on payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet
Goodwill
Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a

Accounting policies

long-term earnings profile. Useful lives are reassessed on an annual basis. The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Property, plant and equipment other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount. In case of evidence of impairment, an impairment test must be conducted. Investments are written down to the lower of the carrying amount and the recoverable amount.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries is tested annually for evidence of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Accounting policies

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost of goods for resale and consumables consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Cash Pool
Balances in the group's cash pool sheme are not, due to the nature of the scheme, considered cash, but are recognised under 'Receivables from group enterprises' and 'Payables to group enterprises', as applicable.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income tax receivable or payable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.