

Synexus Clinical Research Midco No 1 Limited

Registered number: 09389074

Annual report and financial statements

For the year ended 31 December 2022

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

COMPANY INFORMATION

Directors	A H Smith (appointed 29 March 2023) D J Norman (appointed 29 March 2023) E D R Cameron (appointed 29 March 2023) S W Ahmed (appointed 29 March 2023)
	R Gregg
Company secretary	Oakwood Corporate Secretary Limited
Registered number	09389074
Registered office	12B Granta Park Great Abington Cambridge CB21 6GQ
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor One St. Peter's Square Manchester M2 3DE

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

CONTENTS

	Page
Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditor's Report	5 - 8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 - 21

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Business review

Synexus Clinical Research Midco No 1 Limited ("the Company") and its subsidiaries (together "the Group") are part of the world's largest multi-national group entirely focused on the recruitment and running of clinical trials at its own Dedicated Research Centres and affiliated sites. The Company's principal activity is that of a holding company.

Principal risks and uncertainties

Being a holding company, the only risk facing the entity is the risk of impairment of the carrying value of investments in subsidiary entities.

Economic impact of global events

UK businesses are currently facing many uncertainties such as the consequences of Brexit, Covid 19, environmental sustainability and geopolitical events such as the Russian invasion of Ukraine. These uncertainties have contributed to an environment where there exists a range of issues and risks, including inflation, rising interest rates, labour shortages, disrupted supply chains and new ways of working.

The Directors have carried out an assessment of the potential impact of these uncertainties on the business, including the impact of mitigation measures, and have concluded that these are non-adjusting events with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

Synexus Clinical Research Midco 1 Limited continues to work with its partners to minimise any impacts of these events and maximise the realisation of any opportunities they may provide to the business.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Group uses intra-group financing where required.

Key performance indicators

Being a non-trading company holding investments in subsidiaries, the directors consider that there are no key performance indicators for the Company as an individual entity but instead consider it as part of their analysis of operating companies in the wider Group, Synexus Clinical Research Limited and its subsidiaries.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Directors' statement of compliance with Section 172(1)

S172(1) of the Companies Act sets out the duties of each Director of a company to act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of the shareholders as a whole and in doing so, have regard to a number of broader matters which are set out below:

- a) the likely consequences of any decision in the long term;
- b) the interest of the Company's employees;
- c) the need to foster the Company's business relationships with suppliers, customers and others;
- d) the impact of the Company's operations on the community and the environment;
- e) the desirability of the Company maintaining a reputation for high standards of business conduct;
- f) the need to act fairly between members of the Company.

Given that the Company is a holding Company only, the directors' of Synexus Clinical Research Midco 1 Limited consider that their responsibilities in respect of s172 are appropriately complied with and are disclosed fully within relevant group entities, please see Synexus Clinical Research Limited financial statements for details of these matters in respect of the trading entity or the wider group.

This report was approved by the board and signed on its behalf.

E D R Cameron

Director

Date: 15 December 2023

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

Being a holding company, the only risk facing the entity is the risk of impairment of the carrying value of investments in subsidiary entities.

Results and dividends

The profit for the year, after taxation, amounted to £539 thousand (2021 -£8,348 thousand).

The directors do not recommend the payment of a dividend for the year ended 31 December 2022 (2021: £nil).

Directors

The directors who served during the year were:

J James (resigned 24 May 2023)
R Harris (resigned 29 March 2023)

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

While 2022 continued to be impacted by many uncertainties such as the consequences of Brexit, Covid-19 Pandemic, environmental sustainability and geopolitical events with a consequent impact on global markets, suppliers and customers, it does not directly impact non-trading company and therefore is not considered to be a risk to the going concern assessment of the company.

The directors are of the opinion that the Company will have sufficient funds available to finance its operations for a period of at least 12 months following the date of approval of these financial statements and accordingly they have prepared the financial statements on the going concern basis.

The directors' have received confirmation that PPD International Investments Limited intends to support the company in order to meet its liabilities as they fall due, for at least 12 months after the financial statements have been approved. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The directors have relied on the ongoing support of the parent group in making their assessment.

Disclosure in the Strategic Report

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Director's Report have been omitted as they are included in the Strategic Report. These matters relate to financial risk management.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15 December 2023 and signed on its behalf.

E D R Cameron
Director

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

Opinion

We have audited the financial statements of Synexus Clinical Research Midco No 1 Limited (the 'Company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend either to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: anti-money laundering regulation, employment regulation and health and safety regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.

John Daly (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

One St. Peter's Square

Manchester
M2 3DE

15 December 2023

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Administrative expenses		-	(150)
Other operating income	4	467	-
Operating profit/(loss)	5	467	(150)
Income from fixed assets investments		-	7,507
Interest receivable and similar income	8	472	1,004
Interest payable and similar expenses	9	(400)	(13)
Profit before tax		539	8,348
Profit for the financial year		539	8,348

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£000NIL).

The notes on pages 12 to 21 form part of these financial statements.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITEDREGISTERED NUMBER: 09389074

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Fixed assets			
Investments	11	19,394	19,394
Current assets			
Debtors: amounts falling due within one year	12	15,109	14,170
Creditors: amounts falling due within one year	13	(4,622)	(4,222)
Net current assets		<u>10,487</u>	<u>9,948</u>
Total assets less current liabilities		<u>29,881</u>	<u>29,342</u>
Net assets		<u>29,881</u>	<u>29,342</u>
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	<u>29,881</u>	<u>29,342</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 December 2023.

E D R Cameron
Director

The notes on pages 12 to 21 form part of these financial statements.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2021	-	20,994	20,994
Comprehensive income for the year			
Profit for the year	-	8,348	8,348
Total comprehensive income for the year	-	8,348	8,348
At 1 January 2022	-	29,342	29,342
Comprehensive income for the year			
Profit for the year	-	539	539
Total comprehensive income for the year	-	539	539
At 31 December 2022	-	29,881	29,881

The notes on pages 12 to 21 form part of these financial statements.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Synexus Clinical Research Midco No 1 Limited (the "Company") is a private company, limited by shares, registered number 09389074. Incorporated and registered in England and Wales. Its registered office is at 12B Granta Park, Great Abington, Cambridge, CB21 6GQ.

The Company is a part of the Synexus Group which is the world's largest multi-national group entirely focused on the recruitment and running of clinical trials at its own Dedicated Research Centres (DRCs) and partner sites.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. The financial statements are presented in GBP, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2. Accounting policies

2.1 Basis of preparation

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it on the grounds consolidated financial statements are prepared by Thermo Fisher Scientific Inc., which incorporate these disclosures and are publicly available. Disclosure exemptions have been taken for:

the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);

the requirements of Section 7 Statement of Cash Flows;

the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);

the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;

the requirements of Section 33 Related Party Disclosures paragraph 33.7.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.2 Going concern

While 2022 continued to be impacted by many uncertainties such as the consequences of Brexit, Covid-19 Pandemic, environmental sustainability and geopolitical events with a consequent impact on global markets, suppliers and customers, it does not directly impact non-trading company and therefore is not considered to be a risk to the going concern assessment of the company.

The directors are of the opinion that the Company will have sufficient funds available to finance its operations for a period of at least 12 months following the date of approval of these financial statements and accordingly they have prepared the financial statements on the going concern basis.

The directors' have received confirmation that PPD International Investments Limited intends to support the company in order to meet its liabilities as they fall due, for at least 12 months after the financial statements have been approved. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The directors have relied on the ongoing support of the parent group in making their assessment.

2.3 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probably that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.4 Intercompany Loans and Interest

Interest is calculated on some loans to and from other group undertakings and charged to the Statement of Comprehensive Income in the period that it arises. As all group loans are payable/repayable on demand, these loans and receivable have not been amortised.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

2.7 Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

2.8 Dividend income

Dividend income is recognised when the right to receive payment is established.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgments, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Impairment in investments of subsidiaries

Determining whether the Company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the Company to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Other operating income

	2022 £000	2021 £000
Foreign exchange difference - gain	<u>467</u>	<u>-</u>

5. Profit before tax

The profit before tax is stated after charging:

	2022 £000	2021 £000
Exchange differences	<u>(467)</u>	<u>150</u>

6. Particulars of Directors and employees

No staff costs have been incurred by the Company in the current financial year or the prior period. During the current year, the Directors did not receive any emoluments from the Company for their services but were remunerated by other group companies.

7. Dividends received

	2022 £000	2021 £000
Income from fixed asset investments	<u>-</u>	<u>7,507</u>
	<u>-</u>	<u>7,507</u>

8. Interest receivable and similar income

	2022 £000	2021 £000
Interest receivable from group companies	<u>472</u>	<u>1,004</u>

9. Interest payable and similar expenses

	2022 £000	2021 £000
Interest payable to group companies	<u>400</u>	<u>13</u>

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Taxation

	2022 £000	2021 £000
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-
Factors affecting tax charge for the year		

The tax assessed for the year is lower than (2021 -lower than) the standard rate of corporation tax in the UK of 19% (2021 -19%). The differences are explained below:

	2022 £000	2021 £000
Profit on ordinary activities before tax	539	8,348
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 -19%)	102	1,586
Effects of:		
Expenses not deductible for tax purposes	-	46
Capital allowances for year in excess of depreciation	-	154
Change in deferred tax rate	-	(175)
Non-taxable income	-	(1,492)
Transfer pricing adjustments	-	(119)
Effect of Group relief/other reliefs	(102)	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11. Fixed asset investments

	Investments in subsidiary companies £000
Cost	
At 1 January 2022	19,394
At 31 December 2022	<u>19,394</u>
Net book value	
At 31 December 2022	<u>19,394</u>
At 31 December 2021	<u>19,394</u>

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Synexus Clinical Research Acquisitions Limited (incorporated in England)*^	Holding Company	Ordinary shares	100%
Synexus Clinical Research Limited (incorporated in England)^	Clinical Trials	Ordinary shares	100%
Synexus Limited (incorporated in England)*^	Clinical Trials	Ordinary shares	100%
Synexus Polska sp z.o.o (incorporated in Poland)* (1)	Clinical Trials	Ordinary shares	100%
Synexus Clinical Research SA (Pty) Ltd (incorporated in South Africa)* (2)	Clinical Trials	Ordinary shares	100%
Synexus Magyarorszag Ktf (incorporated in Hungary)* (3)	Clinical Trials	Ordinary shares	100%
Synexus Clinical Research GmbH (incorporated in Germany)* (4)	Clinical Trials	Ordinary shares	100%
Synexus Ukraine Limited liability (incorporated in Ukraine)* (5)	Clinical Trials	Ordinary shares	100%
Synexus Bulgaria (incorporated in Bulgaria)* (6)	Clinical Trials	Ordinary shares	100%
Synexus Czech sro (incorporated in Czech Republic)* (7)	Clinical Trials	Ordinary shares	100%

* Investments held indirectly through subsidiaries.

The registered addresses of the above subsidiary undertakings are as follow:

^ 12B Granta Park, Great Abington, Cambridge, CB21 6GQ, United Kingdom;

(1) - Gwiazdzista 66, 53-413 Wroclaw, Poland;

(2) - 60 Stamvrug Street Val de Grace, Pretoria 0184, South Africa;

(3) - Becsi ut 61, H-1036 Budapest, Hungary;

(4) - Johannisplatz 1, 04103 Leipzig, Germany;

(5) - 119-121 Peremogy avenu, Office 850, 03115 Kyiv, Ukraine;

(6) - 20 Andrei Saharov, Mladost 1, 1784 Sofia, Bulgaria;

(7) - Karlovo namesti 2097/10, Nove Mesto, 120 00 Praha 2, Czech Republic

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Debtors

The deferred tax asset not recognised of £721k (2021:£577k) that relates to losses that are not probable to be utilised.

	2022 £000	2021 £000
Amounts owed by group undertakings	<u>15,109</u>	<u>14,170</u>

Amounts due from group undertakings are unsecured, with varying interest rates and repayable on demand.

13. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Amounts owed to group undertakings	<u>4,622</u>	<u>4,222</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

14. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
1 (2021 -1) Ordinary shares share of £1.00 each	<u>1</u>	<u>1</u>

Holders of the ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

15. Reserves

Profit and loss account

A reserve that contains the balance of retained earnings to carry forward.

16. Related party transactions

The Company has taken advantage of the exemption available in Section 33 of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" related party disclosures from the requirement to disclose transactions with wholly owned group companies.

SYNEXUS CLINICAL RESEARCH MIDCO NO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17. Controlling party

The Company is a wholly owned subsidiary undertaking of PPD International Investments Limited, a company registered in England and Wales.

At 31 December 2022 the directors regarded Thermo Fisher Scientific Inc., as the ultimate holding company.

The smallest and largest company that Synexus Clinical Research MidCo No 1 Limited is consolidated into is Thermo Fisher Scientific Inc. The Company is incorporated in the United States of America and its common stock is listed on the New York Stock Exchange. Copies of the financial statements of the ultimate parent company are publicly available and can be obtained from its headquarters at 168 Third Avenue, Waltham, MA 02451, USA.

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