

Abgene Limited

Annual report and financial statements for
the year ended 31 December 2013

Company registration number: 05556241



ABGENE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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ABGENE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

L Grant
K N Wheeler
K Wright

Company Secretary

N J Ward
Oakwood Company Secretary Limited

Registered office

3rd Floor
1 Ashley Road
Altrincham
Cheshire
WA14 2DT

Bankers

Barclays Bank
1 Churchill Place
London
E14 5HP

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
The Atrium
1 Harefield Road
Uxbridge
UB8 1EX

ABGENE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their strategic report on the company for the year ended 31 December 2013.

Review of the business

The directors are satisfied with the performance in the year. Turnover has reduced due to a change of business structure, but gross profit margin has improved. The directors expect to see continued profitability in the future.

The company will continue to operate within its existing markets.

Investment in research and development remains high, this is expected to maintain the company's firm positioning in the market. Research and development expenditure during the year was £212,000 (2012: £212,000).

Key performance indicators

The directors believe that the key performance indicators ('KPIs') are turnover growth and profitability.

Customer demand remains strong but turnover has decreased from £29,200,000 to £24,849,000 as a result of the closure of Epsom and with it the transfer of some distributed lines to other parts of the Thermofisher Group..

The profit for the financial year was £8,610,000 (2012:£5,728,000) which will be transferred to reserves.

Cost of sales has increased at a proportionally lower rate than turnover resulting in an increase in gross profit margins to 45% (2012: 30%). This is due to a number of factors, including the closure of Epsom

Operating margins increased in relation to sales to 32% (2012: 4%) primarily as a result of the closure of Epsom.

Employee numbers declined by 14 (5%) in the year following the closure of Epsom

The management of the business is subject to a number of risks including commercial risk, price risk, and interest rate and cash flow risk. The mitigation of these risks has been outlined below.

Commercial risk

The company continues to improve its services in order to maintain and develop its market place penetration as evidenced by the investment in research and development of new products and the improvements to the distribution network.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in price risk, currency risk and interest rate cash flow risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

In order to ensure stability of cash out flows and hence manage interest rate risk, the company is supported by fellow group operations. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

ABGENE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Financial risk management (continued)

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage interest rate risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these.

Price risk

The company is exposed to a low level of commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

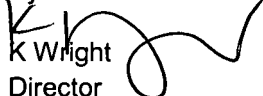
Currency risk

The company is exposed to a significant currency risk as a result of its operations. However, given the size of the groups operations, the cost of managing the exposure to currency risk through the use of derivative financial instruments exceeds any potential benefits, and as such no hedge accounting is applied. The company operates foreign currency bank accounts in order to offset foreign currency receipts and payments.

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances and intercompany loans, all of which earn interest at variable rate. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. Interest payable is on group loans only and therefore management of cash flows is taken account of as part of the group's financing activity.

By order of the board


K Wright
Director

5 August 2014

ABGENE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and the audited financial statements of the company for the year ended 31 December 2013.

Future developments

Future developments are deemed to be of strategic importance to the company and as such have been outlined within the strategic report.

Dividends

The directors do not recommend the payment of a dividend (2012: £nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

L Grant (appointed 7 February 2013)

K N Wheeler

K Wright

I Moodie (resigned 7 February 2013)

Third Party Indemnity Provision

The company has made qualifying third party indemnity provisions for the benefit of its directors (which extend to the performance of any duties as a director of any associated company) and these remain in force during the year and up to the date of signing of the financial statements.

Employees

The company recognises the benefit of keeping employees informed of the progress of the business and of involving them in the company's performance and, accordingly, maintains regular communications with employees and has well established consultation arrangements.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person.

Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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:

ABGENE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Statement of directors' responsibilities (continued)

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

Disclosure of information to auditors

Each of the persons who are a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- Each director has taken all the steps that he/she should have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution to consider their reappointment will be proposed at the annual general meeting.

On behalf of the Board


K Wright
Director

5 August 2014

ABGENE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABGENE LIMITED

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Abgene Limited, comprise:

- balance sheet as at 31 December 2013;
- profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

ABGENE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABGENE LIMITED

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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 matters

The company has passed a resolution in accordance with section 506 of the Companies Act 2006 that the Senior Statutory Auditors name shall not be stated.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge

7 August 2014

ABGENE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

| | Note | 2013 Total £'000 | 2012 Discon- tinued £'000 | 2012 Contin-uing £'000 | 2012 Total £'000 |
|--|------|------------------------|------------------------------------|------------------------------|------------------------|
| Turnover | 2 | 24,849 | 6,716 | 22,484 | 29,200 |
| Cost of sales | | (13,578) | (6,645) | (13,882) | (20,527) |
| Gross profit | | 11,271 | 71 | 8,602 | 8,673 |
| Administrative expenses | | (1,780) | (1,040) | (1,743) | (2,783) |
| Operating Exceptional item | 3 | - | - | (1,344) | (1,344) |
| Distribution expenses | | (1,514) | (1,558) | (1,710) | (3,268) |
| Operating profit/(loss) | 3 | 7,977 | (2,527) | 3,805 | 1,278 |
| Profit on disposal of trade and assets | | - | | | 3,833 |
| Interest receivable and similar income | 6 | 553 | | | 328 |
| Interest payable and similar charges | 7 | (25) | | | (30) |
| Profit on ordinary activities before taxation | | 8,505 | | | 5,409 |
| Tax on profit on ordinary activities | 8 | 105 | | | 319 |
| Profit for the financial year | | 8,610 | | | 5,728 |

Current year results are from continuing operations.

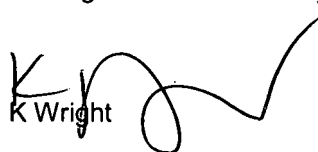
The company has no recognised gains and losses other than those included in the profit and loss account above, and therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial years stated above, and their historical cost equivalent.

ABGENE LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2013**

| | Note | 2013 £'000 | 2012 £'000 |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Intangible assets | 9 | 44 | 58 |
| Tangible assets | 10 | 2,309 | 2,344 |
| | | 2,353 | 2,402 |
| Current assets | | | |
| Stock | 11 | 1,083 | 795 |
| Debtors | 12 | 58,578 | 7,993 |
| Cash at bank and in hand | | 7,262 | 47,733 |
| | | 66,923 | 56,521 |
| Creditors: amounts falling due within one year | 13 | (9,946) | (8,237) |
| Net current assets | | 56,977 | 48,284 |
| Total assets less current liabilities | | 59,330 | 50,686 |
| Provision for liabilities | 14 | (336) | (302) |
| Net assets | | 58,994 | 50,384 |
| Capital and reserves | | | |
| Called up share capital | 16 | 8,090 | 8,090 |
| Profit and loss account | 17 | 50,904 | 42,294 |
| Total shareholders' funds | 18 | 58,994 | 50,384 |

The financial statements on pages 8 to 20 were approved by the board of directors on 5 August 2014 and signed on its behalf by


K Wright

Director

Company registration number: 05556241

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

Basis of accounting

These financial statements have been prepared on a going concern basis and under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, all of which have been consistently applied throughout the year and the preceding year are set out below.

Cash flow statement and related party disclosures

The company is included in the consolidated financial statements of Thermo Fisher Scientific Inc. which are publically available. Consequently, as the company is a 100% owned subsidiary, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996) "cash flow statements". The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Thermo Fisher Scientific Inc. group (see note 22).

Intangibles

License fees

Intellectual property licence agreement fees are capitalised and amortised over the length of the agreement.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost, net of accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and costs attributable to bringing the asset into its working condition for its intended use.

The fixed assets have been depreciated on a straight line basis at rates calculated to reduce the net book value of each asset to its estimated residual value by the end of its expected useful economic life in the company's business, and the rates are as follows:

| | |
|------------------------|---|
| Leasehold Improvements | - Over the life of the lease on a straight line basis |
| Plant and Equipment | - 12.5% to 20% per annum |
| Office Equipment | - 20% per annum |

Stocks

Stocks are stated at the lower of historical cost and net realisable value. Finished goods and work in progress include overheads appropriate to the stage of manufacture based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Raw materials and goods for resale are valued at purchase cost on a first in, first out basis. Provision is made for obsolete, slow-moving or defective items where appropriate.

Provisions

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

Leasing and hire purchase commitments

Costs in respect of operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies (continued)

Turnover

Turnover is the amount of revenue earned from the sale and distribution of molecular biology reagents and plastic consumables to the life sciences market net of discounts and VAT. Turnover is recognised at the point that goods are either dispatched or received depending on whether the customer is responsible for shipping.

Research and development

Fixed assets held to provide facilities for Research and Development have been capitalised and depreciated over their estimated useful economic life. Pure and applied research expenditure costs are written off in the profit and loss account in the year in which they are incurred.

Foreign currency

Transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transactions is included as an exchange gain or loss in the profit and loss account.

Pensions

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

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

Taxation

Corporation tax is provided on taxable profits at the current rate.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

2 Turnover

| Turnover by geography | 2013 £'000 | 2012 £'000 |
|--------------------------|---------------|---------------|
| United Kingdom | - | 2,431 |
| Rest of Europe | 24,810 | 21,648 |
| United States of America | 39 | 4,490 |
| Rest of World | - | 631 |
| | 24,849 | 29,200 |
| Turnover by industry | 2013 £'000 | 2012 £'000 |
| Industry | - | 5,108 |
| Universities | - | 2,444 |
| Distributors | - | 1,185 |
| Intercompany | 24,584 | 20,143 |
| Other | 265 | 320 |
| | 24,849 | 29,200 |

3 Operating profit/(loss)

| | | |
|--|---------------|---------------|
| The operating profit is stated after charging/(crediting): | 2013 £'000 | 2012 £'000 |
| Amortisation of intangible fixed assets | 14 | 75 |
| Depreciation of tangible fixed assets | | |
| - Owned assets | 694 | 1,264 |
| Impairment of tangible fixed assets | - | 1,344 |
| Operating lease charges | | |
| - Plant and machinery | 79 | 207 |
| - Other | 213 | 336 |
| Auditors remuneration: | | |
| - Fees payable for the audit | 64 | 77 |
| - Fees payable for other services - tax compliance | - | 7 |
| R&D Expenditure | 212 | 212 |
| Foreign exchange (gain)/loss | (121) | 7 |

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

4 Information regarding directors and employees

| By activity | 2013 Number | 2012 Number |
|--|-----------------------|-----------------------|
| Average monthly numbers of persons employed by activity | | |
| Manufacturing, distribution and marketing | 218 | 232 |
| Testing and maintenance | 18 | 18 |
| Administration | 11 | 11 |
| | 247 | 261 |
| | | |
| Staff costs during the year | 2013 £'000 | 2012 £'000 |
| Wages and salaries | 5,337 | 7,269 |
| Social security costs | 604 | 677 |
| Other pension costs | 225 | 266 |
| | 6,166 | 8,212 |

5 Directors' emoluments

Directors emoluments represent an allocation of their services to this company. Directors emoluments were borne by another group company, Thermo Electron (Management Services) Limited.

| | 2013 £'000 | 2012 £'000 |
|--|---------------|---------------|
| Aggregate emoluments | 13 | 24 |
| Compensation for loss of office | - | 1 |
| Company contributions to defined contribution pension scheme | 1 | 2 |
| | 14 | 27 |

Retirement benefits accrued to no directors (2012: no directors) under a defined benefit scheme. Retirement benefits accrued to 4 (2012: 4) directors under a money purchase pension scheme.

During the year 3 directors (2012: 2 directors) exercised options over shares of Thermo Fisher Scientific Inc.

In 2013 4 (2012: 4) directors were entitled to shares under a long-term incentive scheme.

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

5 Directors' emoluments (continued)

| Highest paid director | 2013 £'000 | 2012 £'000 |
|--|---------------|---------------|
| Total emoluments and amounts (excluding shares) receivable under long-term incentive schemes | 7 | 9 |
| Company contributions to defined contribution pension scheme | - | 1 |

The highest paid director exercised share options over shares in Thermo Fisher Scientific Inc. during 2013.

6 Interest receivable and similar income

| | 2013 £'000 | 2012 £'000 |
|---|---------------|---------------|
| Interest receivable from group undertakings | 389 | - |
| Bank interest receivable | 164 | 328 |
| | 553 | 328 |

7 Interest payable and similar charges

| | 2013 £'000 | 2012 £'000 |
|--|---------------|---------------|
| Interest payable to group undertakings | 25 | 30 |

8 Tax on profit on ordinary activities

| | 2013 £'000 | 2012 £'000 |
|--|---------------|---------------|
| Current tax | | |
| UK corporation tax on profits of the year | - | - |
| Total current tax | - | - |
| Deferred tax | | |
| Origination and reversal of timing differences | 37 | (330) |
| Adjustment in respect of prior years | (240) | (5) |
| Effect of tax rate change on opening balance | 98 | 16 |
| Total deferred tax (note 15) | (105) | (319) |

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

8 Tax on profit on ordinary activities (continued)

Factors affecting tax charge for the year:

The tax assessed for the year is lower (2012: lower) than the standard rate of corporation tax in the UK 23.25% (2012: 24.5%). The differences are outlined below:

| | 2013 £'000 | 2012 £'000 |
|---|----------------|----------------|
| Profit on ordinary activities before taxation | 8,505 | 5,409 |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK 23.25% (2012: 24.5%) | 1,977 | 1,325 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 19 | 5 |
| Accelerated capital allowances and other timing differences | (101) | 350 |
| Short term timing differences | 58 | 1 |
| Group relief received before payment | (1,946) | (1,642) |
| Tax relief for employee share acquisition | (7) | (39) |
| Current tax charge for the year | - | - |

Factors that may affect future tax charges:

The March 2013 Budget Statement announced changes to the UK Corporation tax rates that were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These reduced the main rate of corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015. As the changes have been substantively enacted at the balance sheet date their effects are included in these financial statements and accordingly deferred tax has been calculated using a rate of 20%.

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

9 Intangible assets

| | Licence Fees £'000 | Total £'000 |
|---------------------------------|-----------------------|----------------|
| Cost and valuation | | |
| At 1 January 2013 | 101 | 101 |
| At 31 December 2013 | 101 | 101 |
| Accumulated amortisation | | |
| At 1 January 2013 | 43 | 43 |
| Charge for the year | 14 | 14 |
| At 31 December 2013 | 57 | 57 |
| Net book value | | |
| At 31 December 2013 | 44 | 44 |
| At 31 December 2012 | 58 | 58 |

10 Tangible assets

| | Leasehold improve- ments £'000 | Plant and equipment £'000 | Office equipment £'000 | Total £'000 |
|---------------------------------|---|---------------------------------|------------------------------|----------------|
| Cost | | | | |
| At 1 January 2013 | 658 | 7,471 | 826 | 8,955 |
| Additions | 38 | 582 | 42 | 662 |
| Disposals | - | (60) | (658) | (718) |
| At 31 December 2013 | 696 | 7,993 | 210 | 8,899 |
| Accumulated depreciation | | | | |
| At 1 January 2013 | 343 | 5,628 | 640 | 6,611 |
| Charge for the year | 89 | 538 | 67 | 694 |
| Disposals | - | (57) | (658) | (715) |
| At 31 December 2013 | 432 | 6,109 | 49 | 6,590 |
| Net book value | | | | |
| At 31 December 2013 | 264 | 1,884 | 161 | 2,309 |
| At 31 December 2012 | 315 | 1,843 | 186 | 2,344 |

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

11 Stocks

| | 2013 £'000 | 2012 £'000 |
|-------------------------------------|---------------|---------------|
| Raw materials and consumables | 586 | 433 |
| Work in progress | 208 | 212 |
| Finished goods and goods for resale | 289 | 150 |
| | 1,083 | 795 |

The replacement cost of new materials and consumables is not materially different from the amounts stated above.

12 Debtors

| | 2013 £'000 | 2012 £'000 |
|------------------------------------|---------------|---------------|
| Trade debtors | 155 | 11 |
| Amounts owed by group undertakings | 57,416 | 6,909 |
| Other debtors | 131 | 304 |
| Prepayments and accrued income | 255 | 253 |
| Deferred tax asset (note 15) | 621 | 516 |
| | 58,578 | 7,993 |

Amounts owed by group undertakings include a loan of £50,000,000 which is unsecured and repayable on demand with interest accruing at LIBOR 6 month rate +2%.

13 Creditors – amounts falling due within one year

| | 2013 £'000 | 2012 £'000 |
|------------------------------------|---------------|---------------|
| Trade creditors | 550 | 517 |
| Amounts owed to group undertakings | 8,227 | 6,195 |
| Taxation and social security | 179 | 166 |
| Accruals and deferred income | 990 | 1,359 |
| | 9,946 | 8,237 |

Amounts owed to group undertakings include a loan of £1,482,000 (2012: £1,482,000) which is unsecured and repayable on demand with interest accruing at LIBOR 12 month rate +1% (2012: £1,482,000 LIBOR 12 month rate +1%). Other amounts owed to group undertakings are unsecured, interest free and repayable on demand.

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

14 Provisions for liabilities

| | Dilapidation Provision £'000 | Total £'000 |
|---|------------------------------------|----------------|
| At 1 January 2013 | 302 | 302 |
| Charged to the profit and loss account | 34 | 34 |
| At 31 December 2013 | 336 | 336 |

The dilapidation provision relates to the obligation to restore the property to its original state which arises under the terms of the property leases for the company's site based on the current lease terms, it will be utilised in 2 years.

15 Deferred tax asset

| | 2013 £'000 | 2012 £'000 |
|--------------------------------|---------------|---------------|
| Accelerated capital allowances | (550) | (489) |
| Other timing differences | (71) | (27) |
| Deferred tax | (621) | (516) |

| | Deferred tax asset £'000 |
|-----------------------------------|--------------------------------|
| At 1 January 2013 | (516) |
| Credit to profit and loss account | (105) |
| At 31 December 2013 | (621) |

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

16 Called up share capital

| | 2013 £ | 2012 £ |
|---|------------|------------|
| Authorised | | |
| 10,000,000 (2012: 10,000,000) ordinary shares of £1 | 10,000,000 | 10,000,000 |
| Allotted and fully paid | | |
| 8,090,001 (2012: 8,090,001) ordinary shares of £1 | 8,090,001 | 8,090,001 |

17 Reserves

| | Profit and loss account £'000 | Total £'000 |
|-------------------------------|--|----------------|
| At 1 January 2013 | 42,294 | 42,294 |
| Profit for the financial year | 8,610 | 8,610 |
| At 31 December 2013 | 50,904 | 50,904 |

18 Reconciliation of movements in shareholders' funds

| | 2013 £'000 | 2012 £'000 |
|-------------------------------------|---------------|---------------|
| Profit for the financial year | 8,610 | 5,728 |
| Net addition to shareholders' funds | 8,610 | 5,728 |
| Opening shareholders' funds | 50,384 | 44,656 |
| Closing shareholders' funds | 58,994 | 50,384 |

19 Defined contribution pension scheme

The company operates a defined contribution scheme. The pension cost charge for the year represents contributions payable by the company to the fund and amounted to £225,000 (2012: £266,000). The liability at the year end for the contributions payable to the defined contribution scheme is £32,000 (2012: £26,000).

ABGENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

20 Capital and other commitments

| | 2013 £'000 | 2012 £'000 |
|--|---------------|---------------|
| Contracts authorised for future capital expenditure not provided in the financial statements | 71 | - |

21 Financial Commitments

At 31 December 2013, the company had annual commitments under non-cancellable operating leases expiring as follows:

| | 2013 £'000 | 2012 £'000 |
|---------------------------|---------------|---------------|
| Land and buildings | | |
| Within two to five years | 224 | 181 |
| | 224 | 181 |
| Other | | |
| Within one year | - | 26 |
| Within two to five years | 142 | 112 |
| | 142 | 138 |

22 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Advanced Biotechnologies Limited whose registered office is 3rd Floor, Ashley Road, Altrincham, Cheshire WA14 2DT.

The ultimate parent undertaking and controlling party is Thermo Fisher Scientific Inc. which is the largest and smallest group to consolidate these financial statements. 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 publically available and can be obtained from its headquarters at 81 Wyman Street, Waltham, MA 02454, USA.