

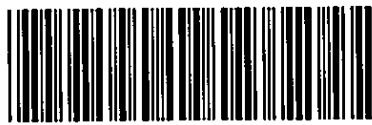
Registration number 02991879

LGC Limited

Annual report and accounts

31 March 2025

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COMPANIES HOUSE

LGC Limited

Directors

Helen Watson
Joydeep Goswami
Julian Braybrook
Marcus Kaeller

Independent Auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Registered Office

The Prestley Centre
10 Priestley Road
Surrey Research Park
Guildford
GU2 7XY

LGC Limited

Strategic report

The Directors present their Strategic report for the year ended 31 March 2025

Principal activity

LGC Limited ("the Company") provides a number of analytical, measurement and life science related products and services to clients worldwide. The Company is a member of a wider international life sciences group, with the main holding company of that wider group being LGC Science Group Holdings Limited ("the Group" or "LGC"), a company incorporated in England.

Everything we do is driven by our purpose: Science for a Safer World. We deliver on this by working with our partners to help diagnose disease, treat illness, feed a growing population and protect public health.

We provide standards, services and solutions for the world's most essential industries, from diagnostics, life sciences and pharmaceuticals through to environmental, agricultural, and food and beverage. Our solutions help to ensure that these systems can reliably operate to the highest standards of quality and safety.

As science and society evolve, we are committed to staying ahead of emerging challenges, investing in innovation, talent and partnerships that make for a sustainably strong business. We combine more than 180 years of scientific heritage with a proven track record of innovation and growth. We continue to expand our capabilities and footprint, enhancing our ability to deliver reliable, quality solutions, at scale.

We are united by our values: Passion, Curiosity, Integrity, Brilliance and Respect, and by a shared ambition to advance science, support our customers and contribute to a safer, more sustainable future.

A full review of the LGC business including future developments is disclosed in the financial statements of LGC Science Group Holdings Limited, a parent company of the Company, which are available to the public and may be obtained from Companies House.

Strategic priorities

This section serves as the s172 statement in compliance with the Companies Act 2006.

In accordance with s172 of the Companies Act 2006 each of the directors of the Company acts in the way that he or she considers, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. The directors include consideration of the following matters when fulfilling their duties:

- The probable consequences of any decisions in the long-term,
- The interests of our colleagues,
- The need to foster the Company's business relationships with suppliers, customers and other key stakeholders,
- The potential impact of the Company's operations on communities and the environment,
- The need to protect LGC's reputation for high standards of business conduct.

Our people make our purpose - Science for a Safer World - possible. We strive to attract, retain and grow the brightest and best talent to build an innovative and collaborative community of experts. We encourage our people managers to lead by example, equipping them to coach and communicate effectively, sharing our values, business goals, challenges and successes that help us connect, learn and improve. We have built a network of complementary channels to support them including Town Halls, global and local intranet sites, leadership blogs, discussion boards, cross-business councils, consultative committees, communities of practice and employee resource groups. To strengthen our speak-up culture, and to empower our colleagues, we run an Annual Employee Engagement Survey, in which we capture anonymous feedback on our colleagues' experience with LGC.

Our customers We partner with our customers worldwide to solve critical challenges that help diagnose, treat, feed and protect our growing population. Our innovative science is driven by close collaboration with our customers and understanding their needs. The work we do at LGC touches millions of lives every day and our solutions are integral to public health and global sustainability and align with our singular purpose: Science for a Safer World.

LGC Limited

Strategic report (continued)

Our suppliers We seek to build relationships with suppliers who share our values. We expect our suppliers to act with integrity and respect in all business interactions and to continually improve business standards. We consider supplier risk and environmental impact as we source products and services from suppliers around the globe. In working with our suppliers we focus on quality, assurance of supply, legal compliance and innovation. Throughout FY25 we worked hard to enhance relationships with our key suppliers to achieve flexibility and supply-chain resilience.

Our approach to ESG Over the past 12 months, we have continued to deliver on the ESG initiatives that contribute to our continued commercial success, strengthen our stakeholder relationships, fulfil our role in wider society and drive shareholder value. LGC's latest ESG Report is available on our website.

Our communities We actively encourage our colleagues to engage with the local communities around our sites, this includes volunteering with local charities to support environmental projects, food banks, and education activities. This year we strengthened this commitment, through introducing a volunteering policy, enabling all colleagues one day of paid leave to volunteer. Our Science, Technology, Engineering and Maths (STEM) agenda aims to inspire and support the next generation of careers in science – strengthening our future talent pipeline, providing tangible opportunities for colleagues to share their expertise, and build LGC's reputation as an active supporter of science education with our local communities, customers and the wider life science sector. This ranges from inviting students to our sites and attending schools to inspire young people around science, through to supporting early careers through work-experience, apprenticeships and bursaries for further education.

Our values Integrity is embedded in our Company we are committed to high standards of corporate governance and ethical behaviour in directing LGC's affairs. LGC's Code of Ethics sets out our ethical principles which the Directors and our colleagues are expected to follow and guides all our decisions and interactions with stakeholders such as employees, customers, partners and suppliers. It supports our commitment to do business in compliance with all applicable laws and to the highest ethical standards.

Ownership

The Company's immediate parent company is LGC (Holdings) Limited. The smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is LGC Science Group Holdings Limited, which are available to the public and may be obtained from Companies House. The largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is LGC Science Corporation Limited, which are available to the public and may be obtained from Companies House.

At the balance sheet date, the Company's ultimate parent company is LGC Science Corporation S à r l, an entity incorporated under the laws of the Grand Duchy of Luxembourg. LGC Science Corporation S à r l was established through investment funds managed by Astorg Asset Management S à r l, an independent private equity group ("Astorg"), and Cinven (the "Seventh Cinven Fund", together with Astorg, the "Majority Sponsors"). Subsequently, and prior to 31 March 2021, the Majority Sponsors sold 9.7% of their interests in LGC Science Corporation S à r l to Luxinva S A), a wholly owned subsidiary of the Abu Dhabi Investment Authority ("ADIA").

- Astorg is a European private equity group, founded in 1998, with offices in London, Paris, New York, Luxembourg, Frankfurt and Milan. Astorg invests in global B2B companies, with market-leading positions that sell highly differentiated products or services.
- Founded in 1977, Cinven is a leading international private equity firm with offices in London, New York, Frankfurt, Paris, Milan, Madrid, Guernsey and Luxembourg. Cinven funds focus on investments across six core sectors: Business Services, Consumer, Financial Services, Healthcare, Industrials and Technology, Media and Telecommunications.
- ADIA is an independent public investment institution owned by the Emirate of Abu Dhabi, founded in 1976, it manages a diversified global investment portfolio across more than two dozen asset classes and sub-categories, including quoted equities, fixed income, real estate, private equity, alternatives and infrastructure.

LGC Limited

Strategic report (continued)

Review of the business performance and future developments

Review of business performance

The income statement set out on page 12 shows the profit after taxation for the financial year of £13,850,000 (2024 profit of £7,905,000)

The Company's key performance indicators for the year were as follows

£million	2025	2024
Turnover	165.1	152.0
Adjusted EBITDA*	24.6	15.3
Operating profit/(loss)	2.5	(9.6)
Average number of employees	946	901

* Adjusted EBITDA is defined as operating profit/loss before depreciation, amortisation, material, unusual and non-recurring items and unrealised foreign exchange gains and losses

Reconciliations of Adjusted EBITDA to operating loss are as follows

£million	2025	2024
Adjusted EBITDA	24.6	15.3
Depreciation and amortisation	(17.1)	(15.4)
Material, unusual and non-recurring items	(5.1)	(9.4)
Unrealised foreign exchange net gains/(losses)	0.1	(0.1)
Operating profit/(loss)	2.5	(9.6)

Adjusted EBITDA is one of the Company's key internal performance metrics which is monitored by both management and other stakeholders as a measure of recurring, underlying profit performance. Adjusted EBITDA is operating profit/loss before depreciation, amortisation, material, unusual and non-recurring items and unrealised foreign exchange gains or losses. Adjusted EBITDA is not specifically defined under, nor presented in accordance with FRS 101, and should not therefore be considered as an alternative to profit/loss for the period as determined in accordance with FRS 101.

In deriving Adjusted EBITDA, operating profit/loss is adjusted for a number of material, unusual and non-recurring items to permit a better understanding by management and other stakeholders of the Company's recurring profit performance. Typically these material, unusual and non-recurring items include transaction-related costs, which include transaction costs in relation to business acquisitions, business disposals, transactions and financing activities, and integration costs, share-based payments expense and restructuring costs.

In the year to 31 March 2025, the Company continued to invest in existing businesses, new technology and in new opportunities. Overall tangible and intangible capital expenditure for the year was £18.1 million (2024 £17.4 million), reflecting continued investment in scientific equipment, facilities and IT across the Company.

Future developments

The Directors anticipate that the business will continue to progress in fields similar to those that the Company has worked in previously. A key element of this progress will be continued investment in research and development as the Company continues to innovate, both continuing to refine existing programmes, products and services and developing new offerings. In addition, partnering with fellow LGC Group companies will further support this progress.

Our relationship with the UK Government continues to be a cornerstone of LGC and the Company will continue to invest in our people and infrastructure to live up to the responsibilities entrusted to us. In the coming year our National Laboratories will relocate to a new purpose-designed facility in Guildford. The state-of-the-art facilities will be a powerful platform to continue our strong industry-government collaboration.

LGC Limited

Strategic report (continued)

The Directors believe the Company is well positioned to address long-term sustainable growth drivers arising in its markets. These include the increasingly complex manufacturing and supply chain environments for developed and emerging markets (and their adaptation to meet net zero targets), the growing 'one health' agenda across multiple sectors role in both developed and emerging economies, the increasing regulatory frameworks in a wide range of technically demanding industries (including pharmaceutical, food, environment, clinical diagnostic and therapeutic, and industrial), the increased use of molecular diagnostics and therapeutics in a clinical setting, and the need to improve crop yields to meet increasing demand.

Principal risks and uncertainties

The review of other principal risks and uncertainties contains certain forward-looking statements. These statements have been made by the Directors in good faith based on the information available to them at the time of their approval of this report. They should be treated with caution due to the inherent uncertainties arising because they relate to circumstances that may or may not occur in the future. The principal risks facing the Company are grouped broadly into competitive and financial instrument risks.

Competitive risk

The Company is reliant on a number of contracts, some with UK Government bodies that are subject to periodic competitive tender. Renewal of these contracts is uncertain and is based on financial and performance criteria, in some cases allied to the continuance or otherwise of testing or research programmes. Overall, customer concentration is low with the largest non-related party customer accounting for approximately 15% of revenues. The largest related party customer accounts for approximately 27% of revenues.

Competitive risk is further managed through a highly structured approach to quality, underpinning the wide range of ISO 17025, ISO Guide 43, ISO 17034, GMP, GLP and other accreditations. Any quality incidents are subject to a robust reporting and investigation process, with corrective and preventative actions taken.

Financial instruments

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk, liquidity risk, interest rate cash flow risk and foreign exchange risk. LGC Science Group Holdings Limited, a parent company of the Company, has in place a group-wide risk management programme that seeks to limit the adverse effects on the financial performance of the Group. Interest rates are partially hedged using interest rate caps and interest rate swaps and the Group is seeking to mitigate the impact of high inflation by controlling costs wherever possible. Details are set out in the financial statements of LGC Science Group Holdings Limited (note 26).

Credit risk

Ongoing credit evaluation is performed on the financial condition of debtors and, where appropriate, credit protection methods are employed. The Company has implemented policies that require appropriate credit checks on potential customers before sales are made and individual customer credit limits are applied to manage exposure to any individual customer. The Company's principal financial assets are bank balances, cash and debtors.

Liquidity risk

Liquidity is managed by LGC Science Group Holdings Limited, a parent company of the Company. The wider Group actively maintains a mixture of long-term and short-term debt finance and cash deposits that are designed to ensure that the Company has sufficient available funds for operations, expansion and planned acquisitions.

Foreign exchange risk

The Company is exposed to cash flow risk as a result of assets and liabilities denominated in foreign currency. This risk is partially mitigated by internally generated cash flows in a similar mix of currencies. Net risk of exposure to operations in foreign currencies is managed by the purchase of forward foreign exchange contracts.



Marcus Kaeller
Director and Chief Financial Officer
10 December 2025

LGC Limited

Directors' report

The Directors present their report and financial statements for the year ended 31 March 2025

In accordance with section 414C(11) of the Companies Act 2006, certain information that would otherwise be included in the Directors' report has instead been included in the Strategic Report. This includes a business review, details of risks and uncertainties and details of future developments.

Directors

The Directors who served the Company during the year were as follows

Euan O'Sullivan	(resigned 31 January 2025)
Helen Watson	(appointed 17 January 2025)
Joydeep Goswami	(appointed 17 January 2025)
Julian Braybrook	
Marcus Kaeller	(appointed 3 June 2024)
Vivid Sehgal	(resigned 24 May 2024)

Key person and Directors and Officers insurance is maintained for all Directors

Dividends

The Directors do not recommend an interim dividend or final dividend (2024 £nil)

Employee involvement and disabled employees

The Company is committed to creating an employment environment that attracts, retains and motivates the best employees. Throughout the Company, emphasis is placed on personal development to meet both today's needs and those of the future. Employee communication and consultation is encouraged at all levels of the business and the provision of information and consultation between management and staff is facilitated through structured quarterly communication, the 'myLGC' intranet and various consultative committees existing across the Company.

It is the Company's policy to provide equal opportunities for all applicants and employees based on objective criteria and personal ability regardless of gender, age, religion, sexual orientation and ethnic origin. This policy ensures that recruitment and advancement are carried out on the basis of merit.

The Company also gives full and fair consideration to disabled persons applying for employment, having regard to their particular aptitudes and abilities, as well as the continuing employment and appropriate training of employees who become disabled.

Going concern

The Directors have completed an extensive review of the principal activities, risks, future liquidity and financial requirements of the Company to determine whether the business will be able to meet its obligations as they become due for a period of at least twelve months from the approval of these financial statements.

The Directors have obtained a letter of support from a parent undertaking, LGC Science Group Holdings Limited, which confirms their ability and commitment to provide financial support to enable the company to meet its obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements.

The Directors have prepared a going concern assessment covering a period for at least twelve months from the date of approval of these financial statements. In doing so they have considered cash flow forecasts prepared for the period up to 31 March 2027. The Directors note that the Group has access to a Revolving Credit Facility ("RCF") of £265 million, which was undrawn at the reporting date. No covenant tests apply to any of the Group's debt except if the RCF is more than 40% drawn. The Group loan facilities provide adequate financing to support the Group's operations and have a remaining term in excess of four years from the reporting date.

LGC Limited

Directors' report (continued)

The base case assessment reflects the approved budget for the year ended 31 March 2026 and an approved forecast to 31 March 2027. In addition to a base case, a severe but plausible downside scenario was also considered with a 10% reduction in EBITDA across the two year forecasted period. Additional drawings on the RCF are forecast to be required in both the base case and downside scenario. The RCF would be more than 40% drawn in the downside scenario and the forecast indicates that the Group will comply with the leverage ratio financial covenant.

LGC Science Group Holdings Limited therefore has the ability to provide sufficient financial support to cover the liabilities of LGC Limited as they fall due.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore prepared the financial statements on a going concern basis.

Research and development activities

In the year ended 31 March 2025 further research and development was undertaken by the Company, both through customer funded programmes and in support of the Company's own projects. The Company continued its track record of developing new products and services during the year.

Future developments

Details of future developments are provided in the Strategic report on page 4.

Financial instruments

Details of financial instruments are provided in the Strategic report on page 5.

Streamlined energy and carbon reporting

The Company is exempt under paragraph 20A of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 from the requirement to present energy and carbon reporting as it is included within the consolidated financial statements of LGC Science Group Holdings Limited. The consolidated financial statements of LGC Science Group Holding Limited contain a statement covering the year ended 31 March 2025 which includes the data in relation to the Company. This statement has been prepared in line with the requirements of the Streamlined Energy and Carbon Reporting regulations and the relevant areas of the Greenhouse Gas ('GHG') Protocol Corporate Accounting and Reporting Standard.

Disclosure of information to the auditor

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

Reappointment of auditor

The auditors are deemed to be re-appointed in accordance with the provision of s487 of the Companies Act 2006.

By order of the Board



Marcus Kaeller
Director and Chief Financial Officer
10 December 2025

The Prestley Centre
10 Priestley Road
Surrey Research Park
Guildford
GU2 7XY

LGC Limited

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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is 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.

Independent auditor's report

to the members of LGC Limited

Opinion

We have audited the financial statements of LGC Limited ("the Company") for the year ended 31 March 2025 which comprise the Income statement, Statement of comprehensive income, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 2

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its profit for the year then ended,
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework, 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate,
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud
- Reading Board minutes
- Considering remuneration incentive schemes and performance targets
- Using analytical procedures to identify any unusual or unexpected relationships

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements. On this audit we do not believe there is a fraud risk related to revenue recognition because we had assessed there to be limited opportunity for management to manipulate revenue due to limited estimation uncertainty for overtime revenue, and for point in time revenue were considered to be straightforward and not exposed to a risk of fraudulent revenue recognition due to high volume and low value of transactions.

Independent auditor's report (continued)

We did not identify any additional fraud risks

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls

We also performed procedures including

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries posted to unrelated accounts linked to cash and revenue
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the Company's policies and procedures regarding compliance with laws and regulations

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit

The potential effect of these laws and regulations on the financial statements varies considerably

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, healthcare provision conduct regulations and employment law recognizing the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

Other information

The directors are responsible for the other information, which comprises the strategic report and the directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work

- we have not identified material misstatements in the other information,
- in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements, and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006

Independent auditor's report (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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

We have nothing to report in these respects

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so

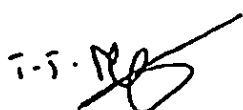
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

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



Timothy Rush (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
15 Canada Square
London
E14 5GL
10 December 2025

LGC Limited

Income statement

for the year ended 31 March 2025

	Notes	2025 £000	2024 £000
Turnover	4	165,143	151,965
Cost of sales		(111,022)	(92,830)
Gross profit		54,121	59,135
Operating expenses		(51,632)	(68,746)
Operating profit/(loss)	5	2,489	(9,611)
Income from shares in Group undertakings	16	-	18,722
Interest receivable and similar income	7	3,456	2,927
Interest payable and similar charges	8	(3,831)	(3,276)
Loss on disposal of investments	24	(177)	(1,597)
Profit before tax		1,937	7,165
Taxation	11	11,913	740
Profit for the year		13,850	7,905

The accompanying notes are an integral part of the financial statements

LGC Limited
Statement of comprehensive income
For the year ended 31 March 2025

	2025	2024
Notes	£000	£000
Profit for the year	13,850	7,905
Other comprehensive income/(loss)		
Items that will not be reclassified subsequently to profit or loss		
Actuarial net gains/(losses) on a defined benefit pension scheme	21 3,289	(6,877)
Tax on items that will not be reclassified subsequently to profit or loss	11 (822)	1,719
Other comprehensive profit/(loss) for the year, net of tax	2,467	(5,158)
Total comprehensive income for the year, net of tax	16,317	2,747

The accompanying notes are an integral part of the financial statements

LGC Limited

Balance sheet

at 31 March 2025

	Notes	2025 £000	2024 £000
Fixed assets			
Goodwill	12	14,544	14,544
Intangible assets	13	25,713	21,069
Tangible assets	14	11,995	12,248
Right-of-use assets	15	12,448	16,752
Investments	16	4,096	4,273
		68,796	68,886
Current assets			
Inventories	17	24,655	27,621
Debtors (including £17.5m (2024: £16.7m) due after more than one year)	18	153,414	153,201
Cash at bank and in hand		1,480	6,194
		179,549	187,016
Creditors – amounts falling due within one year	19	(114,533)	(122,153)
Net current assets		65,016	64,863
Total assets less current liabilities		133,812	133,749
Creditors – amounts falling due after more than one year	20	(9,671)	(22,284)
Retirement benefit obligations	21	(4,168)	(7,635)
Net assets		119,973	103,830
Capital and reserves			
Share capital	22	11,542	11,542
Share premium	22	120,000	120,000
Capital reserve		20	20
Profit and loss account		(11,589)	(27,732)
Shareholders' funds		119,973	103,830

The accompanying notes are an integral part of the financial statements



Marcus Kaeller
 Director and Chief Financial Officer
 10 December 2025
 Registration number 02991879

LGC Limited

Statement of changes in equity

for the year ended 31 March 2025

	Share capital £000	Share premium £000	Capital reserve £000	Profit and loss account £000	Total £000
At 1 April 2023	11,542	120,000	20	(30,631)	100,931
Profit for the year	-	-	-	7,905	7,905
Other comprehensive loss	-	-	-	(5,158)	(5,158)
Total comprehensive income	-	-	-	2,747	2,747
Share based payments	-	-	-	152	152
At 31 March 2024	11,542	120,000	20	(27,732)	103,830
Profit for the year	-	-	-	13,850	13,850
Other comprehensive income	-	-	-	2,467	2,467
Total comprehensive income	-	-	-	16,317	16,317
Share based payments	-	-	-	(174)	(174)
At 31 March 2025	11,542	120,000	20	(11,589)	119,973

The accompanying notes are an integral part of the financial statements

LGC Limited

Notes to the financial statements

1. Corporate information

These financial statements were authorised for issue by the Board on 10 December 2025. The Company is a private company limited by share capital incorporated in England and Wales and domiciled in the United Kingdom. The registered number is 02991879 and the registered address is:

The Priestley Centre
10 Priestley Road
Surrey Research Park
Guildford
GU2 7XY

LGC Limited ("the Company") provides a number of analytical, measurement and life science related products and services to clients worldwide. The Company is a member of a wider international life sciences group, with the main holding company of that wider group being LGC Science Group Holdings Limited ("the Group" or "LGC"), a company incorporated in England.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of preparation

The Company's financial statements,

- have been prepared under the historical cost convention and in accordance with FRS 101 Reduced Disclosure Framework and the Companies Act 2006,
- do not comply with all of the disclosure requirements of UK-adopted IFRS and therefore do not contain the unreserved statement of compliance set out in paragraph 16 of IAS 1 Presentation of Financial Statements,
- are presented in pounds sterling and all values are rounded to the nearest thousand pounds (£000), except where indicated otherwise,

The Company has taken advantage of the following disclosure exemptions under FRS 101

- the requirements of IFRS 7 Financial Instruments Disclosures,
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurements,
- the requirements of paragraphs 45(b) and 45-52 of IFRS 2 Share-based Payment where the share-based payment arrangement concerns equity instruments of another group entity,
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of
 - (i) paragraph 79(a)(iv) of IAS 1,
 - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment,
- the requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 Presentation of Financial Statements,
- the requirements of IAS 7 Statement of Cash Flows,
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors,
- the requirements of 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets as equivalent disclosures are included in the consolidated financial statements of LGC Science Group Holdings Limited,
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures, and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

The company has taken advantage of these exemptions on the basis that it meets the definition of a qualifying entity and its intermediate parent company, LGC Science Corporation Limited, includes the necessary disclosures in its consolidated financial statements.

LGC Limited

Notes to the financial statements (continued)

2. Significant accounting policies (continued)

Exemption from preparing group accounts

The financial statements contain information about LGC Limited as an individual Company and do not contain consolidated financial information as the parent of a group

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of LGC Science Group Holdings Limited, a company incorporated in England and Wales (note 26)

Going concern

The Directors have completed an extensive review of the principal activities, risks, future liquidity and financial requirements of the Company to determine whether the business will be able to meet its obligations as they become due for a period at least twelve months from the approval of these financial statements

The Directors have obtained a letter of support from a parent undertaking, LGC Science Group Holdings Limited, which confirms their ability and commitment to provide financial support to enable the company to meet its obligations as they fall due for a period for at least twelve months from the date of approval of these financial statements

The Directors have prepared a going concern assessment covering a period for at least twelve months from the date of approval of these financial statements. In doing so they have considered cash flow forecasts prepared for the period up to 31 March 2027. The Directors note that the Group has access to a Revolving Credit Facility ("RCF") of £265 million, which was undrawn at the reporting date. No covenant tests apply to any of the Group's debt except if the RCF is more than 40% drawn. The Group loan facilities provide adequate financing to support the Group's operations and have a remaining term in excess of four years from the reporting date.

The base case assessment reflects the approved budget for the year ended 31 March 2026 and an approved forecast to 31 March 2027. In addition to a base case, a severe but plausible downside scenario was also considered with a 10% reduction in EBITDA across the two year forecasted period. Additional drawings on the RCF are forecast to be required in both the base case and downside scenario. The RCF would be more than 40% drawn in the downside scenario and the forecast indicates that the Group will comply with the leverage ratio financial covenant.

LGC Science Group Holdings Limited therefore has the ability to provide sufficient financial support to cover the liabilities of LGC Limited as they fall due.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore prepared the financial statements on a going concern basis.

Revenue recognition

The Company is in the business of generating revenue through the sale of reference materials, analytical standards and product sales in relation to supply chain assurance. In addition, the Company also provides national laboratories and science services, and services in relation to supply chain assurance. Contracts are entered into with customers for the provision of these products and services. Due to the nature of these product sales and service contracts, the majority of the contracts entered into with customers have an expected duration of one year or less, however, in certain limited circumstances, contracts have an expected duration of less than five years. Contracts generally include payment terms of 30 to 90 days from the date of invoice.

Contracts entered into with customers for product sales typically do not include a right of return. In limited circumstances where contracts include a right of return, refunds are limited and typically made only for faulty goods.

LGC Limited

Notes to the financial statements (continued)

2 Significant accounting policies (continued)

Revenue recognition (continued)

Revenue is measured at the fair value of the consideration received or receivable net of discounts, rebates, value added tax and other sales taxes. Revenue is recognised when control of the products or services are transferred to the customer at an amount that reflects the consideration which is expected in exchange for those products or services.

The majority of contracts with customers contain a single performance obligation, whether from the sale of goods or providing services, but when a contract contains promises that are separate performance obligations, the transaction price is allocated to the performance obligations in proportion to their standalone selling price. Typically, stand-alone selling prices are directly observable.

When the performance obligation is satisfied at a point in time, such as where the contract relates to goods or the provision of a report, revenue is recognised respectively when the customer takes control of the goods, typically upon delivery, or when the completed report is issued to the customer.

Where the performance obligation is satisfied over time, revenue is recognised either based on inputs, outputs or, where performance completed corresponds with the right to invoice, the practical expedient is applied. The input method used is dependent on the nature of the contract, and is either based on the labour hours expended, cost incurred, or time elapsed. The output method used is dependent on the nature of the contract, and is either based on contract milestones reached, time elapsed, and units produced or delivered. These respective methods are used to measure progress because there is a direct relationship between the labour hours expended, cost incurred, time elapsed, or contract milestones reached, or units produced or delivered, as applicable, and the transfer of the product or service to the customer.

If the consideration in a contract includes a variable amount, the amount of variable consideration is estimated, based on past experience and forecasts, at the amount entitled in exchange for transferring the products or services to the customer using the expected value method or the most likely amount. The variable consideration is constrained until it is highly probable that a significant reversal in the amount recognised will not occur.

The Company has not disclosed information about the aggregate amount of transaction price allocated to unsatisfied performance obligations because the contracts have original expected durations of one year or less, or revenue is recognised in the amount to which the Company has a right to invoice. There is no consideration not included in the transaction price.

Interest receivable and interest payable

Interest payable and similar expenses include interest payable, and finance expense on lease liabilities recognised in profit or loss using the effective interest method.

Other interest receivable and similar income includes interest receivable, and interest income on cash and cash equivalents.

Interest receivable and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established.

Foreign currencies

Transactions in foreign currencies are recorded in the functional currency of the Company at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Exchange differences are recognised in the statement of profit or loss.

LGC Limited

Notes to the financial statements (continued)

2. Significant accounting policies (continued)

Current and deferred income tax

Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised directly in other comprehensive income or equity

Current tax 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 taxable income

Current tax includes amounts provided in respect of uncertain tax positions where the Company expects that, upon examination of the uncertainty by a tax authority, it is more likely than not that an economic inflow or outflow will occur. Changes in facts and circumstances underlying these positions are reassessed at the date of each statement of financial position, and the uncertain tax positions are remeasured as required to reflect current information

Deferred tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes the original purchase price of the asset and attributable costs incurred in its acquisition and installation, less any government grants given in respect of the asset. The gain or loss on disposal of an asset is determined by comparing the sales proceeds with the carrying amount and is recognised in the statement of profit or loss

Depreciation is charged to write off the cost, less residual value, of each asset over its expected useful life using the straight-line method, over the following periods

Leasehold improvements	up to 20 years
Building plant	5-12 years
Scientific equipment	3-15 years
Other equipment	2-5 years

Residual values and useful lives are reviewed on an ongoing basis and adjusted, if appropriate, at each financial year end. Freehold land, and assets under construction are not depreciated

Enhancements and replacements are capitalised as additions to property, plant and equipment only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the item can be measured reliably. Ongoing regular maintenance costs related to property, plant and equipment are recognised as incurred

Goodwill

Goodwill arises on business combinations and is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Goodwill is tested annually at 31 March for impairment (or more frequently if events or changes in circumstances indicate a potential impairment). For the purposes of impairment testing, goodwill is allocated to the cash generating units (CGUs) that are expected to benefit from the business combination

All goodwill recognised at 31 March 2025 relates to the Assurance CGU. The carrying amount of goodwill allocated to this CGU has been tested for impairment in the consolidated financial statements of LGC Science Group Holdings Limited, which are available to the public and may be obtained from Companies House. No impairments were recognised in the current or prior year

LGC Limited

Notes to the financial statements (continued)

2 Significant accounting policies (continued)

Intangible assets

Intangible assets mainly comprise capitalised IT costs and technologies

Internally developed technologies are capitalised if and only if the Company can demonstrate that

- the project is technically feasible,
- the future economic benefits exceed the costs, and
- there is an intention to complete the project, there are resources available to do so, and there is an intention to use or sell the asset

Other development expenditure is recognised in the profit and loss account as an expense as incurred. The expenditure capitalised includes the cost of materials and labour. Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

All intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Amortisation is charged to write off the cost of each asset over its expected useful life using the straight-line method, over the following periods:

Computer software	3-5 years
Capitalised IT costs	3-5 years
Technologies	5-10 years

Impairment of non-financial assets

The carrying values of non-financial assets are reviewed for impairment at each reporting date or when events or changes in circumstances indicate the carrying value may not be recoverable. An asset's recoverable amount is the higher of fair value less costs to sell and value in use.

Government grants

Government grants are included within deferred income and payments on account in the balance sheet and credited to the profit and loss account on a systematic basis over the estimated useful economic lives of the assets to which they relate or over the periods in which the related costs for which the grants are intended to compensate are recognised as expenses. Amounts recognised in the profit and loss are presented under the heading cost of sales.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises raw materials, direct labour and attributable overheads, including depreciation of property, plant and equipment where appropriate. Cost is generally determined using the first-in, first-out method. Provision is made for slow-moving and obsolete inventories where appropriate.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

LGC Limited

Notes to the financial statements (continued)

2 Significant accounting policies (continued)

Leases – Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the commencement of a lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and are adjusted for remeasurement of lease liabilities resulting from a change in future lease payments arising from a change in an index or a rate, or a change in the assessment of whether the purchase, extension or termination options will be exercised. Depreciation is charged to write off the cost of each asset evenly over the shorter of the lease term and the assets expected useful life. The initial measurement of the lease liability is the present value of minimum lease payments over the lease term with the incremental borrowing rate used where the implicit rate in the lease is not available. Administrative fees and costs of services such as maintenance are recognised in the income statement.

The Company applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and which do not contain a purchase option. The Company also applies the low-value asset recognition exemption to leases of assets with a value below £5,000. Lease payments on short-term leases and low-value asset leases are recognised as expense on a straight-line basis over the lease term.

After the commencement date, lease liabilities increase reflecting interest on the lease liability and reduce as lease payments are made.

Investments

Investments are stated at their cost less impairment losses. Investments are reviewed for impairment at each reporting date and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Financial assets

Financial assets include cash and cash equivalents, trade and other receivables, and derivative financial instruments.

Debtors

Trade and other receivables are recorded at cost and held to collect contractual cash flows. Trade and other receivables are carried at original invoice amount, less allowances for bad debts. They are measured at amortised cost.

The allowance for bad debts is based on the Company's expected credit losses. The Company applies the IFRS 9 'Financial Instruments' simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade and other receivables. To measure expected credit losses, trade and other receivables have been reviewed based on past-due aging profile and historical collection experience adjusted for forward looking factors such as macroeconomic and sector specific conditions. Allowances are also made at customer level based on past trading experience with that customer, its financial strength and any historical defaults.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, which are measured at amortised cost, and other short-term highly liquid investments with maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, which are measured at fair value through profit or loss.

Financial liabilities

Financial liabilities include trade and other payables, loans and borrowings, lease liabilities and derivative financial instruments.

Trade and other payables

Trade and other payables are recorded at cost which equates to their fair value.

Loans and borrowings

After initial recognition, loans and borrowings are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium and transaction costs with the difference to initial recognised in the income statement.

LGC Limited

Notes to the financial statements (continued)

2. Significant accounting policies (continued)

Derivative financial instruments

The Company uses derivative financial instruments, such as interest rate swaps, interest rate caps and forward contracts to hedge its interest rate risks and foreign exchange risks

Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at fair value at each balance sheet date. For derivatives not designated as a hedging instrument, the change in fair value is recognised as a gain or loss, as appropriate, in the income statement

Employee benefits

The Company participates in various Group post-employment schemes, including both defined benefit and defined contribution pension plans

Defined benefit pension scheme

The Company participates in a defined benefit pension plan which requires contributions to be made to separately administered funds. This was closed to new members during 2002 and closed to future accrual of benefits from 1 April 2014. The cost of providing benefits under the scheme is determined using the projected unit method. The scheme's obligation is determined by discounting estimated future cash flows using interest rates of high-quality corporate bonds, which management consider to be those with a least an 'AA' rating or above, that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation. The scheme's assets are recorded at fair value at the balance sheet date. Actuarial gains and losses and changes in actuarial assumptions are recognised in other comprehensive income in the year to which they relate

A surplus is only recognised at the balance sheet date where the Company has an unconditional right to any surplus when all members have left the scheme or the full scheme liabilities have been settled

Defined contribution schemes

Contributions to defined contribution schemes are recognised as expenses when they are due. The Company has no further payment obligations once the contributions have been paid

Share based payments

The Company participates in two Group share-based payment plans under which eligible employees receive remuneration for services in the form of share-based payments. Under one of the plans eligible employees subscribe for shares (equity-settled transactions) and under the other employees are granted share appreciation rights, which are settled in cash (cash-settled transactions)

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the subscription date using an appropriate valuation model. The cost is recognised as operating profit, together with a corresponding increase in equity over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimates of the number of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the subscription date fair value, but the likelihood of the conditions being met is assessed as part of the Company's best estimates of the number of equity instruments that will ultimately vest. There are no market performance conditions. No expense is recognised for shares that do not ultimately vest because non-market performance and/or service conditions have not been met

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised within operating profit. The fair value is recognised over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using an appropriate valuation model. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions

LGC Limited

Notes to the financial statements (continued)

3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the end of the reporting period and the amounts reported for revenues and expenses during the year. The key sources of judgment and estimation uncertainty that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in future periods are discussed below.

Judgements

In the process of applying accounting policies of the Company, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. Judgement is applied in evaluating whether it is reasonably certain whether or not these options will be exercised, having considered all relevant facts and circumstances which create an economic incentive to exercise.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Deferred tax assets

The Company has accumulated significant unutilised tax losses. A deferred tax asset in respect of these losses can only be recognised when it is probable that future taxable profits and gains will arise to utilise the losses, and judgement is required in making those assessments. Future taxable profits and gains are based on the Company's latest forecasts, and any changes in these could have a significant impact on the Company's profit or loss for the year. Further details regarding taxes are provided in note 11.

Retirement benefits – defined benefit pension schemes

The cost of defined benefit pension schemes and the present value of the pension obligation are determined using actuarial valuations. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Significant differences in actual experience or significant changes in key assumptions could affect the retirement benefit asset/obligations and the net interest expense.

In determining the discount rate, management considers the interest rates of corporate bonds with at least an 'AA' rating or above and having terms to maturity approximating to the terms of the related pension obligation to be appropriate. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details regarding pension obligations are provided in note 21.

LGC Limited

Notes to the financial statements (continued)

3 Significant accounting judgements, estimates and assumptions (continued)

Estimates and assumptions (continued)

Leases

Estimation is required in assessing the interest rate at which the lease liability is discounted, in particular where the incremental borrowing rate is used. A treasury approach is taken to calculate the incremental borrowing rate. The present value of the lease payment is determined using the discount rate representing the risk free rate applicable for the currency of the lease contract and for similar term, adjusted by the average credit spread of entities with similar credit rating to that of the Company, as observed in the period in which the lease contract commences or is modified. Differences to those estimates could have a significant impact on the Company's profit or loss for the year. Further details are provided in note 15.

Investments

Investments are reviewed for impairment at each reporting date and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less costs to sell and value in use) if that is less than the asset's carrying amount. Impairment indicators include both internal and external factors. Examples of internal factors include analysing performance against budgets and assessing absolute financial measures for indicators of impairment.

During the period, there was no impairment recognised against the investments held by the Company. The Company performed a value in use calculation and had determined that the recoverable amount of the investments was greater than its carrying value. The value in use calculation was based on a cash flow forecast discounted to present values.

4 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced and accrued in respect of the principal continuing activities of the Company as described in the Directors' report. All turnover in the year was generated in the UK and Germany, and relates to the Assurance business unit of the wider LGC Group.

	2025	2024
	£000	£000
Products	98,870	78,037
Services	66,273	73,928
	165,143	151,965

The timing of revenue recognition, invoicing and cash collections results in trade receivables, accrued income (contract assets) and payments received on account (contract liabilities) on the Balance sheet. The Company typically invoices and recognises revenue when goods are dispatched, or under the right to invoice practical expedient. Where the Company has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, the Company recognises revenue in the amount to which the entity has a right to invoice. Where the terms of shipping differ from this the revenue is deferred to later periods when the performance obligation is satisfied, and where payments are received in advance of invoicing these are held as contract liabilities on the balance sheet until the revenue is invoiced. Where performance obligations have been fulfilled, but the work has not been invoiced revenue will be accrued and recognised on the balance sheet as accrued income.

5 Operating result

This is stated after charging/(crediting)	2025	2024
	£000	£000
Auditors' remuneration	269	263
Depreciation charge on property, plant and equipment	2,828	5,293
Amortisation charge on intangible assets	8,969	5,086
Foreign exchange net (gain)/loss	(148)	71
Cost of inventories sold	64,187	50,411
Research and development expense	10,335	10,216

LGC Limited

Notes to the financial statements (continued)

6. Adjusted EBITDA - alternative performance measure

Adjusted EBITDA is one of the Company's key performance indicators and is monitored by management and other stakeholders as a measure of recurring, comparable, underlying performance. Adjusted EBITDA provides a meaningful comparison of how the Company's performance is managed and measured on a day-to-day basis by key stakeholders.

Adjusted EBITDA is defined as operating profit/loss before depreciation, amortisation, material, unusual and non-recurring items and unrealised foreign exchange gains or losses.

Adjusted EBITDA is not a measure of performance under IFRS and should not be considered as an alternative to operating profit/loss for the period or other financial measures determined in accordance with IFRS. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation.

The following table provides a reconciliation of Adjusted EBITDA to operating loss for the year:

	2025	2024
	£000	£000
Adjusted EBITDA	24,594	15,336
Depreciation and amortisation	(17,100)	(15,441)
Material, unusual and non-recurring items		
- transaction related costs ¹	(124)	(365)
- share-based payments credit/(expense) ²	29	(421)
- restructuring costs ³	(5,058)	(8,649)
Unrealised foreign exchange net gains/(losses) ⁴	148	(71)
Operating profit/(loss)	2,489	(9,611)

¹ Transaction-related costs include transaction and integration costs in relation to business acquisitions, business disposals, transactions and financing activities. Transaction costs are those directly attributable to the transaction including advisory services, such as legal, finance and tax, and fees. Integration costs are those incurred following the acquisition, covering activities such as bringing the acquired business onto our systems and relocating or consolidating sites. These costs are recorded within administrative expenses.

² Share-based payments credit and expenses are recorded within employee benefits expense.

³ Restructuring costs relate to material and/or fundamental reorganizations of the Group or its segments. These costs, which would typically and predominantly include employee severance costs and advisory fees, are predominantly recorded within selling, general and administrative expenses.

⁴ Foreign exchange gains and losses arise on foreign currency transaction exposures on businesses' operations in currencies other than their own functional currency. These costs are predominantly recorded within selling, general and administrative expenses and those gains and losses which are unrealized are non-cash.

7. Interest receivable and similar income

	2025	2024
	£000	£000
Interest receivable from Group undertakings	3,232	2,346
Bank interest receivable	224	581
	3,456	2,927

LGC Limited

Notes to the financial statements (continued)

8. Interest payable and similar charges

	2025	2024
	£000	£000
Interest payable to Group undertakings	2,530	2,054
Interest on lease liabilities	1,035	1,173
Net interest cost from defined benefit pension scheme	260	40
Other finance charges	6	9
	3,831	3,276

9. Directors' remuneration and staff costs

(a) Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows

	2025	2024
	£000	£000
Wages and salaries	57,173	50,665
Social security costs	4,849	5,291
Other pension costs	3,479	3,199
Share based payments (note 10)	(29)	421
	65,472	59,576

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

	2025	2024
	Number	number
Scientific	267	276
Administration and management	679	625
	946	901

(b) Directors' remuneration

Euan O'Sullivan, Joydeep Goswami, Vivid Sehgal and Marcus Kaeller were also Directors of the parent undertaking and certain other fellow subsidiary undertakings during the year. These Directors received remuneration in respect of their services to the Group as shown in the financial statements of LGC Science Group Holdings Limited. Their remuneration is borne by another Group company and the amount related to services to LGC Limited is re-charged to the Company at a mark-up. Their remuneration is presented as part of operating expenses in the income statement. Helen Watson and Julian Braybrook received remuneration directly from the Company.

The following represents the amount recharged from LGC (Holdings) Limited, net of the mark-up, and the amount directly incurred

	2025	2024
	£000	£000
Directors' remuneration	296	435

The amount relating to the highest paid director was £175,000 (2024: £154,000)

LGC Limited

Notes to the financial statements (continued)

10 Share-based payments

Long-Term Incentive Plans ("LTIP")

During 2020, LTIP Plan A was established whereby eligible employees were granted LTIP Plan A units tied to the value of a number of Class O-SW shares in the ultimate parent, LGC Science Corporation S à r l (note 26) which are held by an employee benefits trust. LTIP Plan A vests fully on the earlier of (i) an initial public offering, or (ii) a change of control, or (iii) a winding up event. There are no other performance conditions. In addition, to the performance condition, the eligible employee must maintain employment through the date of the execution of any of the performance conditions.

During the fiscal year 2022, LTIP Plan B was established whereby eligible employees would be granted LTIP Plan B units. Each LTIP B unit is tied to the value of one Class O-SW share in the ultimate parent, LGC Science Corporation S à r l (note 26) which are held by an employee benefits trust. LTIP Plan B vests fully on the earlier of (i) an initial public offering, or (ii) a change of control, or (iii) a winding up event. There are no other performance conditions. In addition to these performance conditions, the eligible employee must maintain employment through the date of the execution of any of the performance conditions.

The Company has a constructive obligation to settle these obligations in cash and the LTIPs are accounted for as cash-settled plans. The fair values are measured initially and at each reporting date up to and including the settlement date, with any changes in fair value recognised as employee benefits expense within operating profit. The fair values are determined using Monte Carlo simulation models. The carrying amount of the liability relating to these LTIPs were £1,031,000 (2024: £917,000). None of the LTIP awards had vested at 31 March 2025.

Management Stock Purchase Plan ("MSPP")

Certain employees have subscribed for a number of Class O-SW shares in the ultimate parent, LGC Science Corporation S à r l (note 26). The shares are subject to certain agreed upon leaver provisions and vest on the earlier of (i) an initial public offering, or (ii) a change of control, or (iii) a winding up event. There are no other performance conditions and no other service conditions. There are no cash settlement alternatives and the Company does not have a past practice of cash settlement of these shares. The Company accounts for this as an equity-settled plan. The Company recognises a credit to equity (if the share based payment expense is a debit and vice versa) in relation to this scheme as the shares are in the equity of the ultimate parent company.

Share-based payment (credit)/expense

The (credit)/expense recognised for employee services received during the year was as follows

	2025	2024
	£000	£000
Expense arising from cash-settled share-based payment transactions	145	269
(Credit)/expense arising from equity-settled share-based payment transactions	(174)	152
	<u>(29)</u>	<u>421</u>

LGC Limited

Notes to the financial statements (continued)

11. Taxation

(a) Analysis of tax in year

Tax credit in the income statement comprised

	2025	2024
	£000	£000
Current tax		
Foreign tax	11	-
Adjustment in respect of current UK income tax of previous years	(10,757)	-
Total current tax credit	(10,746)	-
Deferred tax		
Relating to origination and reversal of temporary differences	(1,181)	(1,311)
Adjustments in respect of previous years	14	571
Total deferred tax credit	(1,167)	(740)
Total tax credit for the year	(11,913)	(740)
Statement of other comprehensive income		
Deferred tax charge/credit related to items recognised in other comprehensive income during the year	822	(1,719)

(b) Factors affecting tax credit for the year

The reconciliation of the profit before tax for the year at the standard rate UK corporation tax rate of 25% (2024 25%) is set out below

	2025	2024
	£000	£000
Profit from continuing operations before taxation	1,937	7,165
Expected corporation tax charge at standard rate of 25% (2024 25%)	484	1,791
Effects of		
Adjustments with respect to prior periods	(10,743)	571
Expenses not deductible for tax purposes	286	2,220
Non-taxable income	-	(4,720)
Deferred tax only adjustment	74	-
Movement in unrecognised deferred taxes	-	-
Group relief surrendered to the company for nil payment	(2,014)	(602)
Transfer pricing adjustments	-	-
Total tax credit for the year	(11,913)	(740)

In the current year, the adjustment in respect of prior periods relates mainly to payments made to the Company by other group undertakings for group relief surrendered

LGC Limited

Notes to the financial statements (continued)

11. Taxation (continued)

(c) Deferred tax assets and liabilities

Deferred tax relates to the following

	2025 £000	2024 £000
Depreciation in excess of capital allowances	14,250	10,176
Losses	4,294	4,294
Intangibles	(2,845)	-
Pensions – defined contribution scheme	72	65
Defined benefit pension scheme	1,042	1,909
Accrued bonuses, compensation, sick pay and vacation expense	266	229
Research and development	(88)	-
Other items	-	(27)
Net deferred tax asset	16,991	16,646
Reflected in the balance sheet as follows		
Deferred tax assets	16,991	16,673
Deferred tax liabilities	-	(27)
	16,991	16,646

Reconciliation of net deferred tax asset

	2025 £000	2024 £000
At 1 April	16,646	14,187
Tax credit during the year recognised in the income statement	1,167	740
Tax (charge)/credit during the year recognised in other comprehensive income	(822)	1,719
At 31 March	16,991	16,646

The Company has depreciation in excess of capital allowances of approximately £57,000,000 (2024 £40,702,000). The related deferred tax asset is £14,250,000 (2024 £10,176,000) which has been recognised as the recognition criteria of IAS 12 have been met.

(d) Factors that may affect future tax charges

The deferred tax on temporary differences and tax losses was calculated at the rate applicable to the year in which the temporary differences and tax losses are expected to reverse.

The Company is a member of a multinational group within the scope of the OECD Pillar Two Global Anti-Base Erosion (GloBE) rules. The Company has applied the temporary exemption under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar Two rules, so that the Company neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group has performed an assessment of its potential exposure to Pillar Two income taxes, based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on this assessment, the Pillar Two effective tax rates in most jurisdictions in which the Group operates, including the UK, are above 15%. There are a limited number of jurisdictions where the transitional safe harbour relief does not apply and the Pillar Two effective tax rate is close to 15%. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions, and no material impact is expected on the Company's own tax position.

LGC Limited

Notes to the financial statements (continued)

12 Goodwill

	<u>£000</u>
Cost	
At 1 April and 31 March	<u>17,721</u>
Amortisation	
At 1 April and 31 March	<u>3,177</u>
Net book value	
At 31 March 2025 and 31 March 2024	<u>14,544</u>

13. Intangible assets

	Computer software £000	Capitalised IT costs £000	Techno- logies £000	Total £000
Cost				
At 1 April 2024	30,207	26,999	1,543	58,749
Additions	5,557	7,663	393	13,613
Disposals	(22)	-	-	(22)
At 31 March 2025	<u>35,742</u>	<u>34,662</u>	<u>1,936</u>	<u>72,340</u>
Amortisation				
At 1 April 2024	21,674	15,445	561	37,680
Charge	2,709	6,050	210	8,969
Disposals	(22)	-	-	(22)
At 31 March 2025	<u>24,361</u>	<u>21,495</u>	<u>771</u>	<u>46,627</u>
Net book value				
At 31 March 2025	<u>11,381</u>	<u>13,167</u>	<u>1,165</u>	<u>25,713</u>
At 31 March 2024	<u>8,533</u>	<u>11,554</u>	<u>982</u>	<u>21,069</u>

LGC Limited

Notes to the financial statements (continued)

14. Tangible assets

	Short-term leasehold buildings £000	Building plant £000	Scientific equipment £000	Other equipment £000	Total £000
Cost					
At 1 April 2024	4,795	5,682	25,124	13,890	49,491
Additions	746	1,100	1,592	1,043	4,481
Disposals	(405)	(3,098)	(948)	(220)	(4,671)
At 31 March 2025	5,136	3,684	25,768	14,713	49,301
Depreciation					
At 1 April 2024	1,561	3,567	21,743	10,372	37,243
Charge	429	328	1,081	990	2,828
Disposals	(159)	(1,438)	(948)	(220)	(2,765)
At 31 March 2025	1,831	2,457	21,876	11,142	37,306
Net book value					
At 31 March 2025	3,305	1,227	3,892	3,571	11,995
At 31 March 2024	3,234	2,115	3,381	3,518	12,248

15. Leases

The Company has lease contracts for various offices, warehouses, equipment and data communications services, in which an asset has been identified for 'last-mile' access to the relevant network and which has therefore been recognised as a right-of-use asset, used in the operations. The amounts recognised in the financial statements in relation to the leases are as follows:

(a) Amounts recognised in the statement of financial position

The balance sheet shows the following amounts relating to leases:

	2025 £000	2024 £000
Right-of-use assets		
Rental properties	11,837	14,918
Data communication services	611	1,834
Scientific equipment	-	-
At 31 March	12,448	16,752
Lease liabilities		
Current	4,855	5,374
Non-current	9,671	13,512
At 31 March	14,526	18,886

Additions to right-of-use assets were £1,000,000 (2024 £2,375,000)

LGC Limited

Notes to the financial statements (continued)

15. Leases (continued)

(b) Amounts recognised in the income statement

The income statement shows the following amounts relating to leases

	2025 £000	2024 £000
Depreciation charge right-of-use assets		
Rental properties	4,080	4,246
Data communication services	1,223	785
Scientific equipment	-	31
	5,303	5,062
Interest expense	1,035	1,173
Expenses relating to short term leases	-	-
Expenses relating to leases of low-value assets	-	-

The total cash outflows in relation to leases during 2025 were £6,395,000 (2024 £6,245,000)

16. Investments

	2025 £000	2024 £000
Cost		
At 1 April	4,273	5,870
Disposals	(177)	(1,597)
At 31 March	4,096	4,273

During the year the following disposals occurred. No consideration was received in relation to any of these disposals

- On 7 May 2025, Focus Forensic Telecommunications was dissolved
- On 26 November 2024, Quality Management Limited was dissolved

During fiscal year 2024 the following disposals occurred. No consideration was received in relation to any of these disposals

- On 24 October 2023, the Company reduced its investment in Focus Forensic Telecommunications Limited. In February 2025 an application to dissolve this company was filed. This company was dissolved after the year end on 7 May 2025
- On 7 November 2023, LGC Bio Senate was dissolved
- On 15 November 2023, the Company reduced its investment in LGC Bioresearch Limited. On that same day that company changed its name to LGC (Japan) Limited
- On 12 December 2023, Cardiff Bioanalytical Services Limited was dissolved
- On 5 March 2024, HFL Sport Science Limited and Aquacheck Limited were dissolved

Details of investments in which the Company holds 20% or more of the nominal value of any class of share capital is as follows. All investments are held directly unless otherwise stated

<u>Subsidiary</u>	<u>Country</u>
LGC (Japan) Limited	United Kingdom
LGC Scheme Pension Trustee Limited	United Kingdom
Quality Management Holdings Limited	United Kingdom

The registered office and principal place of business for each of the subsidiaries listed above is The Priestley Centre, 10 Priestley Road, Surrey Research Park, Guildford, England, GU2 7XY

LGC Limited

Notes to the financial statements (continued)

16 Investments (continued)

Dividends received during the year were as follows

	2025	2024
	£000	£000
HFL Sport Science Limited	-	18,388
Cardiff Bioanalytical Services Limited	-	136
Focus Forensic Telecommunications Limited	-	198
	<u>-</u>	<u>18,722</u>

17 Inventories

	2025	2024
	£000	£000
Raw materials and consumables	1,164	1,237
Finished goods	23,491	26,384
	<u>24,655</u>	<u>27,621</u>

The difference between the purchase price and production cost of inventories and their replacement cost is not significant

The write-down in the carrying value of inventories to net realisable value, net of reversals was £nil (2024 £nil)

18 Debtors

	2025	2024
	£000	£000
Trade receivables	11,985	9,383
Provision for impairment of trade receivables	(398)	(269)
Net trade receivables	11,587	9,114
Amounts owed by Group undertakings	115,172	120,582
Deferred tax	16,991	16,673
Prepayments	5,775	4,385
Other receivables	1,087	1,350
Corporation tax receivable	2,086	-
Accrued income	716	1,097
	<u>153,414</u>	<u>153,201</u>

The amounts owed by Group undertakings accrue interest at between 5.5% and 8.0% (2024 at between 5.5% and 8.0%) per annum and are repayable on demand

Amounts falling due after more than one year included above are

	2025	2024
	£000	£000
Deferred tax	16,991	16,673
Other receivables	468	-
	<u>17,459</u>	<u>16,673</u>

LGC Limited

Notes to the financial statements (continued)

19 Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Trade and other payables	13,899	12,547
Amounts due to Group undertakings	70,818	79,314
Social security and other taxes	985	2,936
Deferred income and payments on account	4,329	3,697
Accruals	18,566	17,120
Provisions	50	248
Share based payments liabilities	1,031	917
Lease liabilities	4,855	5,374
	114,533	122,153

The amounts due to Group undertakings bear interest at 8.0% (2024 8.0%) per annum and are repayable on demand

Provisions relate to the Horizon programme, a multi-year programme of activities including a new strategic partnership with Tata Consulting Services across Finance, HR and IT. The timing of cash outflows for the provision is expected within the next twelve months.

20 Creditors: amounts falling due after more than one year

	2025	2024
	£000	£000
Lease liabilities	9,671	13,512
Taxation	-	8,745
Deferred tax	-	27
	9,671	22,284

LGC Limited

Notes to the financial statements (continued)

21 Pension and other schemes

(a) Defined contribution pension scheme

The Company participates in a Group defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in independently administered funds. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £3,479,000 (2024 £3,199,000). At the end of the year contributions of £289,000 (2024 £262,000) were outstanding.

(c) Defined benefit pension scheme

The Company's UK defined benefit scheme is the LGC Staff Pension Scheme, which is a funded final salary defined benefit scheme providing pensions and death benefits to members. The scheme was closed to new members in 2002, and closed to future accrual of benefits from 1 April 2014, which reduces future volatility risk and helps align pension benefits more consistently across all of the Company's employees.

The scheme is governed by a trustee board, which is independent of the Group, which has a large degree of control over the operation, funding and investment strategy of the scheme. The Company works with the trustees to ensure the scheme has an appropriate funding strategy that meets legislative and regulatory requirements. The assets of the scheme are held in a trustee fund which requires contributions to be made to a separately administered fund. Any shortfall of assets relative to funding target is financed over an appropriate period of time taking account of the contribution level that is reasonably affordable to the sponsoring employer. The most recently completed full funding actuarial assessment was as of 30 June 2024, and the benefit structure has not changed since that assessment. During fiscal year 2023, the Company agreed to make deficit funding payments totalling £1,000,000 in equal instalments of £250,000 in fiscal year 2024 and each of the following three years. During fiscal year 2024, the Company agreed to make an additional one-off deficit funding payment of £187,500 in the current year with a further £187,500 payable in fiscal year 2026 should a full funding actuarial assessment not be complete by 30 June 2025. The expected contribution to the plan in the next fiscal year is therefore £437,500. In September 2025, as part of the full funding actuarial assessment as of 30 June 2024, the Company agreed to replace the previous contribution agreement with a new agreement to make deficit funding payments totalling £3,000,000 in equal instalments of £500,000 from fiscal year 2027 and each of the following five years.

In June 2023, the High Court handed down a decision in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. In July 2024, the Court of Appeal dismissed the appeal brought by Virgin Media Limited against aspects of the June 2023 decision. On 5 June 2025, the Department for Work and Pensions (DWP) announced that the Government will introduce legislation to give pension schemes affected by the Virgin Media ruling the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards. The Trustee and the Company have considered the implications of the case for the UK Scheme. The Trustee believes that the Scheme has strong governance procedures in place and has always taken appropriate legal advice and therefore has no reason to believe that the legal and regulatory requirements of the Scheme would not have been met in full in the past. As a result, the Company does not consider there to be any impact on the defined benefit obligation.

A significant proportion of the scheme's assets are invested in equities whereas the scheme's liabilities are dependent on the yield on long-dated corporate bonds. The valuations of these assets can move in opposite directions causing the net pension surplus/obligation on the statement of financial position to improve or deteriorate rapidly. The statement of financial position volatility has been mitigated to an extent by moving investment from equities into multi-asset credit investment and bonds. Since the scheme's liability is adjusted to the consumer price index, the scheme is exposed to the UK's inflation rate and interest rate risks and the liability is further exposed to changes in the life expectancy for pensioners.

LGC Limited

Notes to the financial statements (continued)

21 Pension and other schemes (continued)

Scheme net surplus

The net amount recognised in the balance sheet was as follows

	2025	2024
	£000	£000
Fair value of scheme assets	62,595	69,132
Present value of scheme liabilities	(66,763)	(76,767)
Net deficit	(4,168)	(7,635)
Classified as		
Non-current liabilities - retirement benefit liability	(4,168)	(7,635)

The changes in the defined benefit liabilities and fair value of scheme assets were

£000	Scheme assets	Scheme liabilities	Net surplus
At 1 April 2023	73,078	(74,046)	(968)
Net interest income/(expense)	3,441	(3,481)	(40)
Loss on scheme assets, excluding amounts included in interest income	(4,598)	-	(4,598)
Remeasurement net gains	-	(2,279)	(2,279)
Benefits paid	(3,039)	3,039	-
	250	-	250
At 31 March 2024	69,132	(76,767)	(7,635)
Net interest income/(expense)	3,277	(3,537)	(260)
Loss on scheme assets, excluding amounts included in interest income	(8,107)	-	(8,107)
Remeasurement net losses	-	11,396	11,396
Benefits paid	(2,145)	2,145	-
Contributions paid by the employer	438	-	438
At 31 March 2025	62,595	(66,763)	(4,168)

The major categories of scheme assets were as follows

	2025	2024
	£000	£000
Bonds	24,184	28,420
Investment funds	37,459	39,944
Cash / other	952	768
Total scheme assets	62,595	69,132

Asset valuations are based on quoted market prices in an active market and investment profile of the assets, with the exception of cash and cash equivalents. The pension scheme has not invested in any of the Company's own financial instruments or in properties or other assets used by the Company.

LGC Limited

Notes to the financial statements (continued)

21 Pension and other schemes (continued)

Amounts recognised in the income statement

Net pension expense recognised in the statement of profit or loss was as follows

	2025	2024
	£000	£000
Net interest expense	(260)	(40)

Amounts recognised in the statement of comprehensive income

Remeasurement gains and losses recognised in the statement of comprehensive income were as follows

	2025	2024
	£000	£000
Relating to scheme liabilities		
Actuarial gains/(losses) arising from changes in financial assumptions	8,810	(754)
Actuarial (losses)/gains arising from changes in demographic assumptions	(881)	1,119
Actuarial gains/(losses) arising from experience adjustments	3,467	(2,644)
	11,396	(2,279)
Relating to scheme assets		
Loss on scheme assets, excluding amounts included in interest income	(8,107)	(4,598)
Total amounts recognised in the statement of comprehensive income	3,289	(6,877)

Actuarial gains and losses arise when assumptions made about the future benefits or investment returns are not realised in practice and/or when assumptions are revised at the end of the year. Actuarial gains or losses are recognised immediately within other comprehensive income.

Actuarial assumptions

The principal actuarial assumptions used to determine the present value of the scheme liabilities at the year end were as follows

	2025	2024
	%	%
Discount rate	5.70	4.80
Future inflation - RPI	3.35	3.30
Future inflation - CPI	2.85	2.80
Future pension increases	3.10	3.10
Deferred pension revaluation		2.80
Mortality table pre retirement	91% of S4PMA / S4PFA	99% of S3PMA / S3PFA_M

The projected life expectancy assumed from the age of retirement of 65 years old was as follows

	2025		2024	
	currently aged 45	currently aged 65	currently aged 45	currently aged 65
Male	23.3	22.0	23.2	21.9
Female	26.0	24.5	25.2	23.8

LGC Limited

Notes to the financial statements (continued)

21. Pension and other schemes (continued)

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is as follows, noting that each sensitivity is considered in isolation

	2025	2024
	Increase/(decrease) in scheme liabilities	
	£000	£000
Adjustment to discount rate		
0 50% increase	(4,418)	(6,465)
0 50% decrease	4,929	7,324
Adjustment to rate of inflation		
0 25% increase	1,632	3,040
0 25% decrease	(1,570)	(3,073)
Rate of mortality of life expectancy of pensioners		
1 year decrease	(1,887)	(2,313)
1 year increase	1,853	2,300

The weighted average duration of the defined benefit scheme obligation is around 20 years (2024 around 18 years)

22 Share capital and share premium

Allotted share capital

	2025	2024
	Number	Number
Ordinary shares of £1 each	11,542,004	11,542,004

Ordinary shares issued and fully paid

	Number	£
At 31 March 2024 and 31 March 2025	11,542,004	11,542

Ordinary share premium

	£000
At 31 March 2024 and 31 March 2025	120,000

23 Commitments and guarantees

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £2,514,000 (2024 £1,653,000) for the Company

Guarantees

Along with other fellow subsidiaries, the Company has provided guarantees and granted security to support the syndicated bank borrowing arrangements of the Group

LGC Limited

Notes to the financial statements (continued)

24 Loss on disposal of investments

During fiscal year 2025 the Company disposed of a number of its investments for no consideration. See note 16 for further details.

25 Related party transactions

The Company has taken advantage of the exemption available under FRS 101 not to disclose compensation of key management personnel and not to disclose related party transactions with other members of the LGC Science Group Holdings Limited group.

The Company entered into transactions with other companies owned by Cinven and Astorg. During the prior year, sales and purchases have been made at normal market price on an arm's length basis.

	2025 £000	2024 £000
Sales of goods and services	39	-
Purchase of goods and services	73	-
Trade debtor closing balance	6	-
Trade payables closing balance	-	-

26. Ultimate holding company and controlling party

The Company's immediate parent company is LGC (Holdings) Limited. The smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is LGC Science Group Holdings Limited, which are available to the public and may be obtained from Companies House. The largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is LGC Science Corporation Limited, which are available to the public and may be obtained from Companies House.

At the balance sheet date, the Company's ultimate parent company is LGC Science Corporation S à r l, an entity incorporated under the laws of the Grand Duchy of Luxembourg. LGC Science Corporation S à r l was established through investment funds managed by Astorg Asset Management S à r l, an independent private equity group ("Astorg"), and Cinven (the "Seventh Cinven Fund", together with Astorg, the "Majority Sponsors"). Subsequently, and prior to 31 March 2021, the Majority Sponsors sold 9.7% of their interests in LGC Science Corporation S à r l to Luxinva S A), a wholly owned subsidiary of the Abu Dhabi Investment Authority ("ADIA").

- Astorg is a European private equity group, founded in 1998, with offices in London, Paris, New York, Luxembourg, Frankfurt and Milan. Astorg invests in global B2B companies, with market-leading positions that sell highly differentiated products or services.
- Founded in 1977, Cinven is a leading international private equity firm with offices in London, New York, Frankfurt, Paris, Milan, Madrid, Guernsey and Luxembourg. Cinven funds focus on investments across six core sectors: Business Services, Consumer, Financial Services, Healthcare, Industrials and Technology, Media and Telecommunications.
- ADIA is an independent public investment institution owned by the Emirate of Abu Dhabi, founded in 1976, it manages a diversified global investment portfolio across more than two dozen asset classes and sub-categories, including quoted equities, fixed income, real estate, private equity, alternatives and infrastructure.