UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

BRENDA HAWKINS, 8 Quail Crossing, Rochester, Illinois 62563, and DEREK EINERSEN, 21331 Hannover Forest, Spring, Texas 77388, individually and on behalf of all others similarly situated, Plaintiffs, v. DANAHER CORPORATION, 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037, RAINER M. BLAIR, 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037, MATT MCGREW, 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037, and EMMANUEL LIGNER, 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037, Defendants.	Case No. 1:23-cv-02055 (ABJ) JURY TRIAL DEMANDED

FIRST AMENDED CLASS ACTION COMPLAINT
FOR VIOLATIONS OF THE FEDERAL SECURITIES LAWS

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Court-appointed lead plaintiff Brenda Hawkins ("Lead Plaintiff") and additional plaintiff Derek Einersen (collectively, with Lead Plaintiff, "Plaintiffs"), individually and on behalf of all others similarly situated, by and through their undersigned counsel, as for their First Amended Class Action Complaint against defendants Danaher Corporation ("Danaher" or the "Company"), and Rainer M. Blair, Matt McGrew, and Emmanuel Ligner (collectively, with Danaher, "Defendants"), allege the following on personal knowledge as to their own acts and on information and belief as to all else based upon the investigation by counsel, which has included, among other things, a review and analysis of regulatory filings made with the U.S. Securities and Exchange Commission ("SEC"), securities analyst research reports, press releases, news reports, and other publicly available information issued by, or about, Danaher or the industry in which it operates, interviews with former employees of Danaher, and expert consultation. Plaintiffs believe that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal securities class action that asserts claims against the Company and certain of its top officials for violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and SEC Rule 10b-5 promulgated thereunder on behalf of a class consisting of all persons and entities other than Defendants that purchased or otherwise acquired Danaher securities between January 27, 2022, and October 23, 2023, both dates inclusive (the "Class Period"), and were damaged thereby (the "Class").

2. Danaher is a conglomerate which owns various operating companies that design, manufacture, and market professional, medical, industrial, and commercial products and services worldwide. The Company is comprised of more than 17 operating companies organized under three reporting segments: Biotechnology; Life Sciences; and Diagnostics.

3. In 2020 and 2021, Danaher's diagnostic tests and life sciences equipment were widely used in the effort to combat COVID-19. Specifically, Danaher's diagnostics segment included Cepheid**,** a leader in molecular testing, and its life sciences segment included several companies that provided products and services, including sophisticated lab-grade equipment, used by customers to develop COVID-19 vaccines and therapeutics. As a result, Danaher experienced explosive revenue growth during this period, and its stock price nearly tripled, reaching an all-time high of $332.43 per share on September 3, 2021.

4. By the beginning of 2022 it was apparent to Danaher as well as the broader financial community that COVID-19, which helped propel the Company to new heights, would soon turn endemic and demand for COVID-related products would dissipate. Investors, like Plaintiffs, were keen to understand the health of Danaher's business without the amplification provided by the COVID-19 pandemic, including, in particular, the arm responsible for manufactured equipment and components used by biopharmaceutical companies to develop vaccines and other therapeutics, known as the "bioprocessing" branch of Danaher's Life Sciences reporting segment. By the start of 2022, this single business division had grown to become a $7.5 billion franchise.

5. Throughout the Class Period, Defendants declared that there would be enduring demand for products supporting the development of treatments for COVID-19, and the bioprocessing business' far larger non-COVID product offerings provided a robust runway for long-term growth. They reasoned that the business was healthy by citing increasing sales, dismissed concerns expressed by analysts about shifting market dynamics, and issued ambitious forecasts for the business, which projected the image of sustained growth in both 2022 and 2023.

6. Behind the scenes, the bioprocessing business was unraveling and Defendants knew it. Among other things, customers in the biopharmaceutical industry began to temper their

pursuit of COVID-related projects as the population at large began to accept COVID-19 as an endemic disease. In addition, large pharmaceutical customers continued to receive equipment in response to orders placed months earlier during the peak of the pandemic due to the extensive lead times caused by the global supply chain disruption. But having just emerged from a supply crisis, these customers decided to stockpile this inventory rather than cancel the orders in order to put the equipment toward other projects and, effectively, prevent the need to place orders in the future. In addition, smaller startups in early-stage development which traditionally relied on external sources to fund their projects no longer had the same access to funding that they did during the pandemic as interest rates rose, and began to prioritize projects in order to conserve cash. Together, these developments had a catastrophic impact on the bioprocessing business, particularly as they sustained through 2022 and 2023.

7. Unfortunately, investors like Plaintiffs, did not find out until it was too late. Rather than admit that there was a sales cliff looming for the bioprocessing business, Defendants made piecemeal revisions to their public forecasts over the Class Period, ultimately reducing the projections from impressive year-on-year growth to year-over-year declines across the board. Each of these announcements was followed by a significant stock drop as the truth leaked out.

8. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiffs and other Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

9. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331 and Section 27(a) of the Exchange Act, codified at 15 U.S.C. § 78aa(a). The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act, codified

at 15 U.S.C. §§ 78j(b), 78t(a), and the rules and regulations duly promulgated thereunder, including SEC Rule 10b-5, codified at 17 C.F.R. § 240.10b-5.

10. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and Section 27(a) of the Exchange Act, codified at 15 U.S.C. § 78aa(a). At all relevant times, Danaher maintained its principal executive offices at 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C., located in this judicial district. Defendants therefore transact business in this judicial district and a substantial part of the events or omissions giving rise to the claims asserted herein, including the dissemination of materially false and misleading statements to the investing public, occurred in this judicial district.

11. In connection with the acts and omissions alleged herein, Defendants directly or indirectly used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, the facilities of a national securities market, and interstate telephonic and digital communications systems.

PARTIES

12. Plaintiffs acquired Danaher securities at artificially inflated prices during the Class Period, as set forth in the Certifications previously filed with the Court (ECF Nos. 1-1, 17-3), and were damaged thereby, as set forth herein.

13. Defendant Danaher is a Delaware corporation with its principal executive offices located at 2200 Pennsylvania Avenue, N.W. Suite 800W in Washington, D.C. Danaher's securities trade on the New York Stock Exchange ("NYSE") under various ticker symbols beginning with the prefix DHR, including the standalone ticker symbol DHR for its common stock.

14. Defendant Rainer M. Blair ("Blair") has served as Danaher's President and CEO and as a member of Danaher's Board of Directors (the "Board") since September 2020. Prior to

that, he held a series of leadership roles, including as Executive Vice President of Danaher's Life Sciences segment from January 2017 to September 2020.

15. Defendant Matthew R. McGrew ("McGrew") has served as Danaher's CFO since January 2019. Prior to that, he served in a series of roles of increasing responsibility in several departments, including investor relations. In his capacity as CFO, McGrew was and is responsible for financial strategy, planning, and management across all of Danaher's portfolio companies.

16. Defendant Emmanuel Ligner ("Ligner") has served as Vice President and Group Executive of the Biotechnology reporting segment since it was established in September 2022, and as President and CEO of Cytiva since it was acquired by Danaher in March 2020. Prior to that, he held a series of roles with increasing responsibility at the predecessor to Cytiva, GE Life Sciences, including President and CEO from January 2016 to March 2020, and Group Executive of the bioprocessing division in Life Sciences from March 2020 until the formation of the Biotechnology reporting segment in September 2022.

17. For ease of reference, Defendants Blair, McGrew, and Ligner and are referred to herein as the "Individual Defendants."

THE CONFIDENTIAL WITNESSES

18. Confidential Witness #1 ("CW1") worked at Danaher as Manager, Internal Communications from March 2021 to August 2022 and as Global Senior Manager, Internal Communications from August 2022 to July 2023. In these roles, CW1 supported internal communications for various groups within Danaher, including senior executives. CW1 reported to CW4, Senior Director, Internal Communications. Among other responsibilities, CW1 had direct contact with Defendant Blair, helping him prepare for town halls each quarter for corporate staff via Microsoft Teams. In connection with this activity, CW1 reviewed operating results and financial metrics with Blair in advance of the town hall.

19. Confidential Witness #2 ("CW2") was a Global Financial Analyst at the water quality division in the EAS segment from September 2014 to February 2022. In this position, CW2 was responsible for the month-end financial close as well as monthly forecasting and budgeting at the water quality division of the EAS segment. During the Class Period, CW2 reported to Vice President and CFO for Water Platform High Growth Markets, Andrew Pope, and then North American Controller for the water quality division, Patrick Miller, both of whom reported to Christophe Pattyn.

20. Confidential Witness #2 ("CW3") served as Head of Financial Planning & Analysis and Controller of Sea-Bird Scientific, a Danaher operating company in the water quality division of the EAS segment, from 2019 to November 2022. In this position CW3 had overall responsibility for preparing financial statements and financial forecasts at Sea-Bird Scientific, and reported to Christophe Pattyn, Vice President and CFO of the water quality division in EAS, who, in turn, reported directly to senior executives in Danaher corporate.

21. Confidential Witness #4 ("CW4") worked at Danaher from December 2018 to March 2023, including as Senior Director of Internal Communications from January 2021 to March 2023. As Senior Director of Internal Communications, CW4 led the internal communications team that supported enterprise-wide employee communications. Among other responsibilities, CW4 supported C-suite executives on internal messaging and communications. In this position, CW4 reported to then-Vice President of Communications, Meghan Britt, who reported to Chief Human Resources Officer, Georgann Couchara, who, in turn, reported directly to Defendant Blair.

SUBSTANTIVE ALLEGATIONS

A. Relevant Background

1. Overview of the Company and Its Business

22. Headquartered in Washington, D.C., Danaher is a diversified global conglomerate organized around several strategic platforms. At present, the Company is comprised of at least seventeen largely independent operating companies in the areas of Biotechnology, Life Sciences, and Diagnostics. As such, it claims to be a leading science and technology company.

23. Danaher was founded in 1984 by brothers Steven and Mitchell Rales when they took over a real estate investment trust (REIT) left behind by their father, Norman Rales, as a vehicle for corporate takeovers. It quietly grew into an industrial giant through steady acquisitions and divestitures in different fields of business. It entered the life sciences sector with the acquisition of Leica Microsystems in 2005. By 2015, the Company's portfolio included approximately 40 companies across a range of reporting segments, including Life Sciences, Diagnostics, Dental, Test and Measurement, Environmental, and Industrial Technologies. At that time, Danaher generated approximately $19.9 billion in annual revenue, approximately 36% of which was collectively attributable to its Life Sciences and Diagnostics portfolios.

2. Danaher's Transformation Into a Science and Technology Company

24. Beginning in 2015, the Company completed a series of blockbuster transactions to grow its Life Sciences segment. For example, in August 2015, it acquired Pall Corporation ("Pall"), a manufacturer of filtration, separation, and purification tools, for almost $14 billion. In March 2020, it also acquired General Electric Company's biopharmaceutical support business, known as GE Life Sciences, for over $21 billion and renamed it "Cytiva." Together, Pall and Cytiva broadened Danaher's Life Sciences portfolio to include a full suite of systems and products used to manufacture drugs derived from living materials, known as "biologics," at all phases of

the production process from cell culture through packaging, including "downstream" filtration in which the active pharmaceutical ingredient is separated from extraneous byproducts. In addition, in April 2019, the Company also acquired nucleic acid and genomic product pioneer, Integrated DNA Technologies, Inc. ("IDT"), for approximately $2 billion.

25. During this period, Danaher also took steps to expand its Diagnostics platform. Most notably, in November 2016, it acquired publicly-traded molecular testing company, Cepheid, for approximately $4 billion. Cepheid already had an established presence at healthcare institutions throughout the world as a result of its proprietary testing system, GeneXpert, which tests for pathogens and genetic disorders by placing a sample into a single use cartridge and loading it into a desktop machine that runs a fully-automated polymerase chain reaction ("PCR") test.

26. Throughout this time, Danaher also exited several business areas to streamline the composition of its asset portfolio. For example, in connection with the Pall acquisition, Danaher spun off the businesses in its Test & Measurements and Industrial Technologies segments into a standalone, publicly-traded company named Fortive Corporation ("Fortive"). In addition, in late 2019, the Company also completed the spinoff of its Dental segment into an independent, publicly-traded company named Envista Holdings Corporation ("Envista").

27. By the start of 2020, Danaher transformed into a business with just three reporting segments: Life Sciences, Diagnostics, and Environmental and Applied Solutions ("EAS"). At that time, the Company generated approximately $18 billion in annual revenue, approximately 39% of which was attributable to its Life Sciences segment and approximately 37% of which was attributable to its Diagnostics segment. In other words, the Life Sciences and Diagnostics branches accounted for ***76% of Danaher's annual revenues***, up from 36% at the start of 2015.

28. On May 6, 2020, Danaher announced that it selected Defendant Rainer M. Blair, head of the Company's Life Sciences platform, to succeed Thomas P. Joyce Jr. as CEO of Danaher. In his role as head of the Life Sciences portfolio, Blair led a number of key acquisitions, including Pall, IDT, and Cytiva, and oversaw the growth of the Life Sciences platform from a business generating approximately $2.4 billion in annual revenue in 2015 to approximately $10 billion in annual revenue by the end of 2019. According to CW1, and based on CW1's role as leader in internal communications at Danaher, Defendant Blair wanted to develop Danaher into a brand leader in the life science and genomics space and set on a course to do so.

3. Impact of the COVID-19 Pandemic on the Company's Business

29. In contrast to many other businesses that suffered from the sea change in consumer spending patterns, Danaher's Diagnostic and Life Sciences segments were uniquely positioned to profit from the COVID-19 pandemic.

30. Generally, *in vitro* diagnostic tests, *i.e.*, diagnostic tests that use samples taken from the human body, must be approved by the United States Food and Drug Administration ("FDA") before they can be introduced into interstate commerce for commercial purposes. The FDA is a federal agency within the United States Department of Health and Human Services ("HHS").

31. On February 4, 2020, the Secretary of the HHS, Alex M. Azar II, determined that there was a public health emergency with the significant potential to affect national security or the health and security of United States citizens living abroad related to the novel COVID-19 virus and, on that basis, decided that circumstances exist justifying emergency use of *in vitro* diagnostic tests for COVID-19. *See* 85 Fed. Reg. 7316 (Feb. 4, 2020). Under applicable law, this provided the FDA with the power to issue emergency use authorization (each an "EUA") permitting the sale and use of ***unapproved*** tests for the diagnosis or detection of the virus causing COVID-19 under certain circumstances. Thus, the HHS Secretary's February 4, 2020 EUA authorization provided

a significant business opportunity for companies involved in the creation of such devices by providing a pathway to go directly to market with a product in very high demand without the need to engage in the costly steps of clinical development or traditional premarket regulatory approval.

32. At the time of the HHS Secretary's EUA authorization for COVID-19, IDT offered a selection of bespoke genomic products, including custom primers and probes used in PCR tests. In a PCR test, a "master mix" containing microscopic primers and probes with short sequences of DNA are introduced to a sample in a test vial (for example, material collected using a nose swab). If the sample contains DNA matching the sequences in the primers, the primers will drive a polymerase chain reaction, or PCR, in which they make billions of copies of the sequences, and the DNA probes will make those sequences glow when used in specialized lab machines which can then detect and quantify the antigen in its amplified form.

33. On approximately February 10, 2020, IDT released a COVID-19 primer and probe kit using DNA sequence specifications previously published by the Centers for Disease Control and Prevention ("CDC") for use in primers and probes as a product for companies interested in commercializing PCR tests pursuant to a potential FDA EUA. In addition, on March 2, 2020, primer and probe kits manufactured by IDT became the first to be approved for use by CDC-approved laboratories to assemble their own diagnostic tests pursuant to a protocol for doing so developed by the CDC which previously received EUA by the FDA.

34. By March 23, 2020, IDT shipped COVID-19 primer and probe kits with capacity to perform more than 10 million tests. As of May 2020, that number snowballed to 30 million tests. Later that month, IDT opened a manufacturing facility in North Carolina to keep up with demand for its COVID-19 products and reduce lead times for customers on the east coast of the United States. By the time the CDC discontinued its test kit design protocol on December 31,

2021 due to the increased availability of higher-throughput alternatives by private enterprises, IDT was one of just two companies with primer and probe kits qualified under the CDC's EUA. Furthermore, the DNA sequences published by the CDC proved to be so effective that they became the gold standard for primers and probes and continued to be widely used in diagnostic tests.

35. Cepheid was also uniquely positioned to capitalize on the EUA authorization for COVID-19 diagnostic tests. New forms of disease can be detected with its existing GeneXpert systems by simply outfitting the single-use cartridges used therein with probes that contain genetic sequences specific to that disease. In addition, its desktop machines were already in use at point-of-care centers throughout the world, including hospitals.

36. On February 10, 2020, Cepheid announced that it was developing a new molecular test for the detection of COVID-19 designed for use on its existing GeneXpert systems. Cepheid expressly stated that it "intends to access the FDA's Emergency Use Authorization pathway for regulatory approval and make the test available globally." On March 20, 2020, the FDA granted EUA for a new molecular test developed by Cepheid to detect severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), the virus responsible for COVID-19, designed for use on its existing GeneXpert systems branded as Xpert Xpress SARS-CoV-2. This EUA was the first for a rapid, point-of-care molecular test in connection with the COVID-19 pandemic, prompting a press release by the FDA with statements by the HHS Secretary and the Commissioner of the FDA. Xpert Xpress SARS-CoV-2 tests began shipping the following week.

37. Cepheid received subsequent EUAs for related products. For example, on June 9, 2020, Cepheid announced that it was developing a similar four-in-one rapid diagnostic test for the detection SAORS-CoV-2, influenza A virus, influenza B virus, and respiratory syncytial virus (RSV) ahead of the upcoming flu season. On September 24, 2020, the FDA granted EUA for

Cepheid's proposed four-in-one test under the name Xpert Xpress SARS-CoV-2/Flu/RSV. As with Cepheid's first EUA, this EUA was the first for a four-in-one test including COVID-19.

38. The COVID-19 pandemic not only increased demand for diagnostic tests but also for vaccines and therapeutics to treat the disease itself. By the end of March 2020, there were over 100,000 confirmed cases of COVID-19 in the United States. On March 27, 2020, HHS Secretary, Alex M. Azar II, decided that the public health emergency presented by COVID-19, previously announced on February 4, 2020, justified the emergency use of drugs and biological products during the COVID-19 pandemic. *See* 85 Fed. Reg. 18250 (Mar. 27, 2020). As with the EUA authorization for *in vitro* diagnostic tests, this provided the FDA with the power to issue EUAs permitting the sale and use of ***unapproved*** drugs and biologics to treat COVID-19 under certain circumstances, thus providing another significant business opportunity for life sciences companies in the business of developing such product candidates.

39. Within Danaher's Life Sciences portfolio, Cytiva and Pall provided equipment and services used by customers to develop and produce new biotherapeutic candidates, including vaccines, a business that Danaher referred to as its "bioprocessing" division. The vast majority of this division's business came from large pharmaceutical companies with drugs in late-stage development or in full-scale commercial production, with the remaining portion coming from smaller biotechnology startup companies researching new product candidates in early-stage development. Throughout 2020 and 2021, many of these bioprocessing customers were racing to develop and produce vaccines and other therapeutics to treat COVID-19 throughout the world, and both Cytiva and Pall experienced a surge in demand for machinery, consumables, and services related thereto.

40. By the end of 2021, Danaher was generating $29 billion in annual revenue across its three business segments, up from approximately $18 billion before the start of the COVID-19 pandemic. Annual sales in the Life Sciences segment grew from $6.95 billion in 2019 to $14.96 billion in 2021, and annual sales in the Diagnostics segment grew from $6.56 billion in 2019 to $9.84 billion in 2021. In other words, the sales growth in the Company's Life Sciences and Diagnostic segments accounted for practically ***all*** of $11 billion in annual sales growth from 2019, before the start of the COVID-19 pandemic, to 2021.

41. Investors responded positively to the steady growth across Danaher's portfolio during this tumultuous time. Danaher's stock price skyrocketed from $121.39 per share on March 23, 2020, at the start of the pandemic, to close at a near all-time high of $329.01 per share on December 31, 2021. It closed at an all-time high of $332.43 per share on September 3, 2021.

4. Shift Away from COVID-19 Growth and Focus on Bioprocessing

42. Defendants were fully aware that the COVID-19 pandemic propelled the Company's explosive growth in 2020 and 2021. For example, on a call with analysts on September 9, 2021, Defendant Blair candidly recognized that the COVID-19 pandemic provided "momentum" and "tailwinds" for Danaher over the past 18 months and acknowledged that "[t]he pandemic tailwinds have allowed us to really accelerate organic growth investments across the portfolio," particularly in businesses within its Diagnostics and Life Sciences segments, including, specifically, Cepheid and Cytiva. This was no secret. As Tycho Peterson, senior analyst for J.P. Morgan Chase & Co., bluntly stated during a Danaher symposium for investors and analysts in September 2021, "[o]bviously, bioprocess has been a big COVID beneficiary."

43. Nevertheless, by the end of 2021, Defendants recognized that the COVID-19 pandemic would soon begin to taper off but formed the view that COVID-19 would evolve into an endemic disease rather than disappear altogether. For example, on December 1, 2020,

Defendant Blair proclaimed: "Today, we've actually modified our hypothesis to say, we believe a post-pandemic world has COVID be[ing] endemic. In other words, COVID does not go away . . . but continues on." According to the CDC, a disease is "endemic" when there is a "constant presence of a disease or infectious agent within a geographic area or population group." For example, seasonal influenza is commonly referred to as an endemic disease.

44. As such, Defendants began previewing that their expectations for Danaher in future reporting periods required them model business expectations without the benefit it received due to COVID-19 during the pandemic. For instance, on September 9, 2021, Defendant Blair told analysts that for purposes of modeling a "post-pandemic world . . . we're taking all the momentum and the tailwinds that we see here in the shorter term out of that and really talking about what we think we can sustain" without those drivers.

45. At this time, one of the largest components, if not the single largest component, of Danaher's annual revenue was the bioprocessing business within its Life Sciences segment, a business that experienced a surge in business as a result of the COVID-19 pandemic. By the end of 2021, the bioprocessing business maintained by Cytiva and Pall was expected to generate $7.5 billion in annual revenue, or over ***one quarter*** of Danaher's total annual revenue in 2021.

46. Consequently, investors and the broader financial community remained intensely focused on the continued performance of the bioprocessing business. For example, as Evercore ISI senior analyst, Vijay Kumar, explained during an interview with Defendants Blair and McGrew on December 1, 2021, "I think biopharma, clearly, it's front and center for investors." Kumar justified asking several more questions on bioprocessing thereafter "just given it's been such a key part of the business for you guys." Similarly, on a January 27, 2021 call hosted by Danaher,

Citigroup Inc. senior analyst, Patrick Bernard, advised that "the question, I think, we get the most from investors" was about "what the cadence could look like going forward" for bioprocessing.

47. Analysts continued to pepper the Company with questions about the bioprocessing business on ***every single call*** hosted by Danaher throughout the Class Period and emphasized its importance to investors. For example, on March 8, 2022, Cowen and Company analyst Dan Brennan stated that "bioproduction" was the one area of the business "where I've got a number of questions" from investors. Likewise, on April 21, 2022, Evercore analyst Vijay Kumar commented that "there's been a lot of questions on the vaccine side and base bioprocessing." Indeed, later on that same call, Dan Brennan reiterated that there was great "interest in kind of dissecting COVID at this point from investors" with respect to bioprocessing. Even as late as January 11, 2023, J.P. Morgan analyst Rachel Vatnsdal stated that "[b]ioprocessing is obviously an area of interest for most of us in the room." Indeed, on October 24, 2023, immediately after the end of the Class Period, Dan Brennan commented again that there "remains, obviously, as you know, a tremendous amount of focus" on the bioprocessing business.

B. Important Metrics Used by the Company In Its Financial Disclosures

1. Reported Revenue and Core Revenue

48. Danaher has, historically, measured its progress against its strategic priorities based on several financial metrics, including its revenue growth. The Company receives revenue primarily from the sale of the products and services offered by the various businesses within its operating segments. Like most other public companies, Danaher purports to calculate its total revenues in accordance with generally accepted accounting principles ("GAAP"). Importantly, revenue is not recognized until control of the promised products or services is transferred to the customer. This is notable because lead times for products extended to well over a year during the height of the COVID-19 pandemic as the global supply chain experienced myriad disruptions.

49. As a business with global operations regularly involved in M&A activity, Danaher also used several non-GAAP metrics to track its performance, including a measure it referred to as "core revenues," also known as "core sales." Unlike revenues calculated in accordance with GAAP, this non-GAAP metric excludes (i) sales from newly-acquired businesses, and (ii) the impact of foreign exchange rates. Danaher claimed to use this metric because these two items can vary significantly from period-to-period, and, thus, obscure underlying business trends and period-to-period comparisons.

2. Base Business Core Revenue

50. From the start of the COVID-19 pandemic in early 2020 until the start of the Class Period in January 2022, Danaher reported its sales on a fully consolidated basis without separating out the sales directly or indirectly attributable to COVID-19. Rather, Danaher continued to report its total sales in accordance with GAAP along with "core sales," and, thus, presented its financial condition in a manner that ***included*** the favorable impact of the COVID-19 pandemic as its various businesses benefited from the public health emergency.

51. By the start of 2022, Defendants knew that sales attributable to COVID-19 testing would wane over the course of 2022 relative to the sales peak during the pandemic as the disease transitioned into an endemic state, and thereby yield declining year-over-year comparisons. Accordingly, Defendants decided to alter the manner in which the Company presented its financial information to the investing public to show that its underlying business was continuing to grow. On January 27, 2022, Danaher announced that, in addition to core revenue, it would also report a modified non-GAAP metric called "base business core revenue," which took core revenue and excluded sales attributable to COVID-19 testing from its Diagnostics segment but still ***included*** sales attributable to products used to support COVID-19-related vaccines and therapeutics from its Life Sciences segment. As provided more fully in the press release attached as Exhibit 99.1 to

the Form 8-K signed by Defendant McGrew and filed by Danaher with the SEC on January 27, 2022:

> While we expect overall demand for the Company's COVID-19 related products to moderate as and to the extent the pandemic subsides, as the pandemic evolves toward endemic status we believe a level of demand for the Company's products that support COVID-19 related vaccines and therapeutics (including initiatives that seek to prevent or mitigate similar, future pandemics) and COVID-19 testing will continue. However, on a relative basis, we expect the level of ongoing demand for products supporting COVID-19 testing will be subject to more fluctuations in demand than the level of demand for products supporting COVID-19 related vaccines and therapeutics. Therefore, beginning with the first quarter of 2022, in addition to disclosing core revenue growth (as defined below), we will also disclose "base business core revenue growth" on a basis that excludes revenues related to COVID-19 testing and includes revenues from products that support COVID-19 related vaccines and therapeutics.

Danaher claimed that it was providing this non-GAAP measure in order to provide "useful information to investors by facilitating period-to-period comparisons of our financial performance and identifying underlying growth trends in the Company's business that otherwise may be obscured by fluctuations in demand for COVID-19 testing as a result of the pandemic."

52. From this point forward, Danaher provided three line-items in its financial disclosures each quarter, expressed as a percent change from the prior year period: Core sales growth (non-GAAP), Impact of COVID-19 related testing, and Base business core sales growth (non-GAAP). Impact of COVID-19 related testing refers to the decrease in growth introduced by slowing COVID-19 testing revenues. Effectively, base business core sales growth is the product of core sales growth without factoring in the negative impact of slowing COVID-19 testing revenues. Stated differently, core sales growth is the product of base business core sales growth after adjusting for the negative impact of slowing COVID-19 testing revenue.

53. From the time it was introduced on January 27, 2022, the non-GAAP concept of "base business core revenue" continued to present the financial condition of Danaher's "base

business" in a matter that ***included*** the impact of sales attributable to products and services used to support the development of COVID-19 vaccines and therapeutics in its bioprocessing business.

54. As explained in more detail in the sections that follow, over the course of 2022, it became apparent to Defendants that COVID-related sales in the bioprocessing business would also dramatically decline in 2023, and thereby yield decreased year-over-year comparisons. Because keeping such sales in the definition of base business core revenue would result in a drag on any growth attributable to sales unrelated to COVID-19, Defendants decided to alter the definition of base business in order to present the "base business" more favorably. On January 24, 2023, Danaher announced that it revised the definition of base business core growth to exclude ***all*** sales attributable to COVID-19, including COVID-related sales in its bioprocessing business. As provided more fully in the press release attached as Exhibit 99.1 to the Form 8-K that Danaher filed with the SEC on January 27, 2022:

> We expect overall demand for the Company's COVID-19 related products to continue moderating as the pandemic subsides and evolves toward endemic status. We believe certain demand for the Company's products that support COVID-19 related vaccines and therapeutics (including initiatives that seek to prevent or mitigate similar, future pandemics) and COVID-19 testing will continue, though that demand will likely be uncertain and will vary from period to period. At the beginning of 2022, the Company believed that on a relative basis, the level of ongoing demand for products supporting COVID-19 testing would be subject to more fluctuations in demand than the level of demand for products supporting COVID-19 related vaccines and therapeutics, due in part to expected COVID-19 case levels, vaccination rates and use of therapies. However, as a result of lower vaccination rates and the spread of less severe variants of the virus, 2022 demand for the Company's products supporting COVID-19 related vaccines and therapeutics fluctuated and declined more than anticipated at the beginning of the year. Therefore, beginning with the first quarter of 2023, we have revised the definition of "base business core sales growth" on a basis that not only excludes revenues related to COVID-19 testing but also excludes revenues from products that support COVID-19 related vaccines and therapeutics.

Danaher claimed that it was providing this non-GAAP measure in order to provide "useful information to investors by facilitating period-to-period comparisons of our financial performance and identifying underlying growth trends in the Company's business that otherwise may be obscured by fluctuations in demand for COVID-19 related products."

55. From this point forward, the table included in Danaher's financial disclosures each quarter which provided the walk from core sales to base business core sales growth continued to include three line-items, but the second line item was revised to read "Impact of COVID-19 testing***, vaccines and therapeutics***." As before, core sales growth is the product of base business core sales growth after adjusting for the negative impact of the aforementioned line-item but, importantly, base business sales growth continued to reflect sales of products and services offered by the bioprocessing business ***unrelated*** to the treatment of COVID-19.

C. Defendants Issue a Series of Forecasts for the Bioprocessing Division to Portray It As a Growth Story and Hide That Its Business Is Unraveling

1. Behind the Scenes the Bioprocessing Business Is Subject to Series of Mounting Pressures As Customers Emerge from the Pandemic

56. Danaher's bioprocessing business faced a series of challenges beginning in early 2022 as biotechnology industry began to emerge from the COVID-19 pandemic, which Defendants chose to either ignore or dismiss as a period-specific phenomena.

57. By no later than early 2022, customers in the biopharmaceutical industry began to temper their demand for COVID-related equipment, components, and related services. Indeed, on March 3, 2022, Merck KGaA, which goes by the name EMD Group in the United States, and is one of the bioprocessing business' main competitors, reduced its guidance for COVID-related revenues for the upcoming year based on feedback it received from customers.

58. In addition, as attention shifted away from vaccines and therapeutics to treat COVID-19 with the biopharmaceutical industry, large pharmaceutical accounts which comprise approximately 75% of the business in Danaher's bioprocessing division continued to receive equipment and products on orders originally placed for COVID-related projects months earlier

during the peak of the pandemic, when the global supply chain was unsteady and lead times were much longer. Having just emerged from a period of such supply constraint, these customers elected not to cancel these orders but, rather, stockpile the inventory and repurpose it for other projects as needed. However, as a practical matter, these customers no longer needed to place as many orders for new equipment as they did in the past because they could rely on their own inventory of items, where possible, to satisfy their production needs. Indeed, analysts began asking questions about stockpiling as far back as April 21, 2022, meaning they were aware of this trend prior thereto. Notably, Defendants were not unfamiliar with this phenomenon. As Defendant Blair volunteered on April 25, 2023, "we saw some of that also back in 2016."

59. Equally if not more important, the smaller biotech startups that comprise the balance of the bioprocessing division's business began to experience funding difficulties with the external sources they relied on to finance their early-stage clinical programs. Accordingly, these customers began to conserve remaining cash on hand by prioritizing certain projects over others. As Defendant Blair belatedly admitted on April 25, 2023, "we have been observing funding headwinds for, call it, since the second half of the prior year [2022]." Indeed, Blair later confessed during a conference call on May 10, 2023, that this tension continued through the Class Period: "We saw some of that in the fourth quarter [of 2022], we've seen more of that in the first quarter [of 2023]."

60. As explained more fully below, in the aggregate, these factors resulted in a sustained deterioration in orders for non-COVID products at Danaher's bioprocessing business, which manifested in poor performance in late 2022 and continued through 2023.

2. Defendants Prepare 2022 Guidance for the Market That Is Untethered to Ongoing Customer Activity and Market Conditions

61. Like most public companies, Danaher had a standard process for preparing financial statements and financial forecasts. According to CW1, financial results and projections were prepared at the subsidiary level. CW1 further explained that the practice at Danaher was for each subsidiary to send this financial information to the division head, who would compile the data of all operating companies in the division and pass it along on a consolidated basis to senior executives in Danaher corporate to be rolled up into Danaher's overall financials. CW1 added that Defendant Blair would learn about the status of sales and revenue projections from each division from Defendant McGrew. However, CW1 emphasized that Danaher corporate "had the final say" in the rollup, which often upset executives at the operating companies when the figures changed.

62. Consistent with the above, CW2 also stated that financial forecasts were prepared by each operating company, consolidated at the division level, then sent to corporate to roll up for Danaher as a whole. CW2 further explained that each operating company at Danaher was required to prepare such projections, referred to by Danaher as the "Forecast," once every month. According to CW2, each iteration of the Forecast during a fiscal year was assigned a sequential number, *e.g.*, "FC1, FC2, etc." These Forecasts included projections for items such as "sales" and "gross margins," said CW2. As CW2 advised, all operating companies at Danaher were required to use a tool called OneStream to consolidate financial forecasts, and the President and CFO of each division would review each Forecast before submitting them to Danaher corporate. CW2 also confirmed that senior executives in Danaher corporate convened a meeting each month to review the Forecasts they received. Like CW1, CW2 observed that these senior leaders made any final changes.

63. Similarly, CW3 explained that there were regular, monthly meetings at Danaher operating company Sea-Bird Scientific to go over period-to-date financial results attended by representatives from Danaher corporate. CW3 added that Sea-Bird Scientific had its own set of financial statements but those were combined with the other operating companies in the water quality division in EAS and presented to Danaher corporate on a consolidated basis for the entire water quality division.

64. With the amount of money spent building Danaher's life sciences portfolio, Defendant Blair was under intense pressure to produce results. This led Blair to ignore the forecasts received from Danaher's operating companies and contrive new figures that looked better to the investment community. For example, CW4 was asked to sit in on a regularly scheduled "president's call" immediately after Danaher's Q1 2022 earnings call on April 21, 2022 with approximately 60 Presidents of Danaher subsidiaries and Defendant Blair because CW4's boss, Meghan Britt, was on leave. During this call, CW4 specifically recalled that "Blair was yelling and saying he didn't like the projections the presidents of the subsidiaries had given him, so he and the investor relations team made up ones that looked better" for the Q2 2022 earnings call. CW4 was "shocked" by the admission and added that Defendant Blair likely "had no idea someone like me was on the line." CW4 noted that "[a] lot of people" at Danaher said Defendant Blair "was feeling at risk for his job if the stock price wasn't moving."

65. Thus, on April 21, 2022, Defendants Blair and McGrew reiterated the bullish outlook, first made on January 27, 2022, that the bioprocessing division was expected to generate $2 billion in core revenue from COVID-related sales, flat with the previous year, and increased the outlook for the division as a whole (including non-COVID sales) to high single digit to low double digit year-over-year growth. Even as analysts asked whether customer stockpiling based

on the feedback they were receiving elsewhere, the Individual Defendants denied such claims and assured that "we are very, very sensitive to this particular topic and stay extremely close with our customers" to "ensure that we don't have inventory buildup in the system."

66. This pattern of behavior continued through the remainder of the fiscal year. Through the next quarter, sales of non-COVID products continued to grow as orders placed months earlier during the height of the pandemic were fulfilled while COVID-related sales began to subside. But rather than warn investors about the shift in consumer spending patterns for non-COVID products, and the inevitable impact they would have on future sales, Defendants continued to tout the steady growth in non-COVID sales as a sign of the bioprocessing business' health and reaffirmed the $2 billion outlook for the bioprocessing division as a whole even as they took down the guidance for COVID-related sales. Thus, on July 21, 2022, Defendant Blair broke the news that the Company now expected the COVID-related revenue for the bioprocessing division to be $1 billion, down from $2 billion, but emphasized that "there's no change to our high single to low double-digit core revenue growth outlook in our bioprocessing business for the year as customers are accelerating their investments across all other major therapeutic modalities."

67. By no later than August 7, 2022, Danaher announced that it planned to hold its annual investor and analyst day at Cytiva's North American headquarters in Marlborough, Massachusetts on September 15, 2022, during which it would provide a comprehensive overview of the Company's bioprocessing business.

68. After market close on September 14, 2022, Danaher announced that it planned to separate its EAS segment into a standalone, publicly-traded company by the fourth quarter of 2023. As explained by CW1, the decision to spin off the EAS segment was part of Blair's broader effort to shift the focus of Danaher toward science and genomics.

69. During Danaher's prescheduled investor and analyst conference on September 15, 2022, the Company revealed that it decided to separate Cytiva and Pall from the Life Sciences group to form a new Biotechnology reporting segment. Nevertheless, to sell investors on the new Biotechnology reporting segment, Defendants continued to falsely tout the Company's ability to achieve the projections that they issued to the investment community the previous quarter.

70. By the end of the third quarter of 2022, Defendants could no longer escape the fact that the forecasts they invented were no longer attainable by year end. During the quarter, non-COVID orders declined by 20% compared to the same period the year before and COVID-related sales continued to deteriorate. On October 20, 2022, Defendants admitted that the bioprocessing business would only generate $800 million in COVID sales and attain high single digit growth for the division as a whole, down from low-double digit growth.

71. In total, Defendants primed the markets with faulty and improper guidance for the full year results of the bioprocessing division in 2022 on six separate dates during the Class Period before providing investors with figures that accurately reflected ongoing customer activity. For ease of reference, the chart below details the chronology of each such disclosure:

Date	COVID Sales	Core Revenue Growth
1/27/2022	$2 billion	high single digits
3/8/2022	$2 billion	high single digits
4/21/2022	--	high single digits to low double digits
5/11/2022	$1.4 – $1.5 billion	high single digits to low double digits
7/21/2022	$1 billion	high single digits to low double digits
9/15/2022	$1 billion	--
10/20/2022	$800 million	high single digits

3. Defendants Concoct Equally Baseless Forecasts for 2023

72. As referenced in ¶ 60, the systemic pressures that emerged in early 2022 would manifest to a far greater degree in 2023 due to the lead times for order fulfilment, especially as and to the extent those conditions continued to persist.

73. As far back as July 2022, Defendants used the same tactics to project healthy future results for the bioprocessing business in 2023. On July 21, 2022, Defendants advised that there would be a modest step down in COVID-related revenues for the bioprocessing business as the disease transitioned into an endemic state from $1 billion to $500 million, but that the business as a whole would continue to generate high single digit growth, as it did 2022, thanks to strong mid-double digit growth in the far larger non-COVID part of the business.

74. During the third quarter of 2022, conditions not only persisted but worsened. External funding became harder to access for the bioprocessing division's smaller biotech accounts, forcing them to choose between competing projects, and larger customers slowed their order frequency as they selectively chose to complete projects with stockpiled inventory rather than new equipment, collectively leading to a 20% decline in orders.

75. Nevertheless, Defendants reaffirmed their previous outlook for the bioprocessing business in 2023. On September 15, 2022, Defendant Blair reiterated that the Company expected the bioprocessing division to generate "$500 million or so in 2023" with respect to products and services used to support the treatment of COVID-19. On October 20, 2022, Defendant Blair stated that there have been no changes to the forecasts for bioprocessing in 2023, including the $500 million in COVID-related sales. This is notable because, that same day, the Company took down its outlook for COVID-related sales in 2022 from $1 billion to $800 million. Worse still, Blair downplayed the sharp decline in orders as a change in cadence brought about by shorter lead times and denied that there was any widespread inventory stocking.

76. These trends continued into the fourth quarter. In particular, the funding environment for small biotech customers became increasingly more constrained. On January 24, 2023, Danaher reduced its 2023 outlook for COVID-related revenue to $150 million but, remarkably, continued to project high single digit growth for the bioprocessing unit as a whole based on the strength of the non-COVID segment of the business. Defendant Blair also insisted that the first quarter of 2023 would be an "inflection point" for any pockets of inventory stocking.

77. By the end of the first quarter of 2023, the inventory stocking continued to deter new orders and, even more significantly, the contraction in the funding environment led to a mid-teen decline in orders by emerging biotech customers relative to the same period in the prior year. Accordingly, on April 25, 2023, Defendants revised the Company's outlook for bioprocessing to reflect a sustained continuance in these activity levels through the end of the year.

78. Despite these headwinds, China remained a strong market for the bioprocessing division throughout 2022. Indeed, as late as the fourth quarter call on January 24, 2023, China was referred to by Defendant Blair as a "high-growth market." It generated over $1.3 billion in sales in 2022. But in the first quarter of 2023, orders in China declined by 20%, much like other geographies over the two previous quarters, signaling that it too was beginning to suffer from the same, persistent industry-wide challenges. Further, between the end of the first quarter on March 31, 2023, and Danaher's earnings call on April 25, 2023, orders by customers in China declined even further. Nevertheless, Defendants failed to account for the looming downturn in China in the revised forecast issued on that date.

79. The downturn in China observed during the first few weeks of the second quarter of 2023 became worse as the quarter progressed. By the end of the second quarter, orders declined

by 40%, even reaching 50% down in June alone. On July 25, 2023, Defendants revised the forecast for the bioprocessing business once more to finally reflect this reality.

80. In total, Defendants primed the markets with faulty and improper guidance for the full year results of the bioprocessing division in 2023 on seven separate dates during the Class Period before providing investors with figures that accurately reflected ongoing customer activity. For ease of reference, the chart below details the chronology of each such disclosure:

Date	COVID Sales	Base Revenue Growth (Decline)	Core Revenue Growth (Decline)
7/21/2022	$500 million	mid-double digits	high single digits
9/15/2022	$500 million	--	--
10/20/2022	$500 million	mid-double digits	high single digits
11/30/2022	$500 million	high single to mid-double digits	--
1/24/2023	$150 million	high single digits	high single digits
4/25/2023	--	low single digits	(low double digits)
5/10/2023	--	flat	(low double digits)
7/25/2023	--	(low double digits)	--

81. In addition, because non-COVID sales comprised such a larger portion of the bioprocessing business, the dramatic shortfalls above had meaningful flow through impact on the forecasts for Danaher's overall base business core revenue guidance and, in turn, its core revenue.

82. In total, Defendants primed the markets with faulty and improper guidance for the full year results of the bioprocessing division in 2023 on seven separate dates during the Class Period before providing investors with figures that accurately reflected ongoing customer activity. For ease of reference, the chart below details the chronology of each such disclosure:

Date	DHR Base Revenue	DHR Core Revenue
7/21/2022	mid-single digits	low single digit
1/24/2023	high single digits	(mid-single digits)
4/25/2023	mid-single digits	(high single digits)
7/25/2023	low single digits	(high single to low double digits)
10/24/2023	(low single digits)	(low double digits)

MATERIALLY FALSE AND MISLEADING STATEMENTS

83. As provided below, Defendants caused Danaher to issue a series of materially false or misleading statements during the Class Period. Plaintiffs assert that all statements set forth below in bold and italicized text are materially false and misleading for the reasons provided therein. Statements that are not bolded and italicized are included for context.

A. January 27, 2022 – 4Q 2021 Earnings Disclosures

84. The Class Period begins on January 27, 2022, when Danaher issued a press release before market open announcing its financial results for the quarter and year ended December 31, 2021 (the "4Q 2021 Press Release"), a copy of which was attached as Exhibit 99.1 to a Form 8-K signed by Defendant McGrew filed by the Company with the SEC later that day. The 4Q 2021 Press Release included the following statement from Defendant Blair: "Over the last several years, our portfolio has undergone a significant, purpose-driven transformation. We're a better, stronger company today, comprised of high-quality, market-leading franchises in attractive end-markets. ***We believe the combination of our exceptional portfolio, talented team and the Danaher Business System provides a strong foundation for 2022 and beyond***."

85. Later that morning, the Company held a conference call with analysts to discuss its financial results for the quarter and full year ended December 31, 2021, and its expectations for future periods. With respect to the bioprocessing business in the Company's Life Sciences portfolio, Defendant Blair explained that senior management expected significant long-term demand for products used to support the production of COVID-19 vaccines:

> Biopharma continues to be our strongest-performing end market within the Life Sciences. The shifts in treatment towards biologics as the standard of care and the accelerating focus on genomic therapies are driving significant investments in research, development and production capacity across the sector. . . . Now, in addition, ***we continue see significant demand related to development and production of COVID-19 vaccines and therapeutics. And we expect this activity to persist longer term. Our customers are planning for ongoing production with***

> ***the assumption that there will be an enduring need for effective treatment and prevention as the world transitions to approaching COVID-19 as an endemic virus***.

Later on the call, Blair clarified that "the end of 2023, perhaps the beginning of '24, being that time frame when we call it [COVID-19] endemic with greater confidence."

86. During the call, Defendant Blair confirmed that products and services supporting the production of COVID-19 vaccines and therapeutics generated $2 billion of revenue in 2021. As soon as the call opened to questions from analysts, J.P. Morgan analyst Tycho Peterson asked Defendant Blair if "any of the assumptions around vaccines and therapies changed" for the bioprocessing business, noting that "you previously talked about this $2 billion backlog [of orders] heading into the year [2022]." Defendant Blair responded "***no, our assumptions as it relates to the vaccine and therapeutics business have not changed***," and added "***we're looking forward to roughly flat sales for—in the bioprocessing business for vaccine and therapeutic revenues in 2022***," meaning that revenues from COVID-19 vaccines and therapeutics for 2022 were expected to be in line with the $2 billion generated by those products in 2021.

87. Later on the call, Evercore analyst Vijay Muniyappa asked for "clarification" on the guidance for 2022, noting that "vaccines, if I just understood you correctly, it's flattish year-on-year, which means your base Danaher ex vaccine, that's really growing at the very high end of high single." In response, Defendant Blair assured that the lack of growth in COVID-19 vaccine and therapeutic revenues in 2022 would be made up for by growth across Danaher's non-COVID business lines, including, in particular, non-COVID bioprocessing revenues:

> *So once again, just to level-set, the base business includes bioprocessing for COVID vaccines and therapeutics. It's important to note that. And,* ***in fact, we see the entire base business growing both for the quarter and the full year at high single digits. And that's driven by a number of factors. One, as you just suggested, of course, the non-COVID bioprocessing business is still growing at the low double digits that we have seen here, and that continues to be strong***. We also see our non-bioprocessing business, so as you think about our diagnostic

> businesses, as you think about our life science instruments and so forth, we see them growing very strongly on the back of the investments that we've made around innovation, additional feet on the street and really driving the growth here.

88. Following up on these representations, Cowen analyst Dan Brennan asked if there was any potential "upside" to the low double-digit growth in the non-COVID bioprocessing business over the next couple of years. Defendant Blair stated:

> ***So we do continue to talk about the low double-digit growth rate for the non-COVID bioprocessing business***. That's what we've seen for many quarters. But we also talked about the fact that our backlog continues to build there. . . . ***And so could there be upside? Sure, there could be. . . . But for now, low double digits in the non-COVID bioprocessing business is a good planning number***.

89. Senior Citibank analyst Patrick Bernard also asked for further clarification on the "cadence" in bioprocessing going forward, stating "[i]t sounded like '22 is a decent proxy where maybe COVID comes down and you shake out somewhere in the mid-high single digits as a whole for that kind of $7.5 billion business." Defendant Blair responded as follows:

> No***, I think that's right. As we look at 2022, I mentioned the COVID-related vaccine and therapeutic bioprocessing business, they'll probably be roughly flat here in 2022.*** Again, the assumption being that we're starting to see the pandemic going endemic on the one hand. On the other hand, what you start seeing to happen is, if you will, we're going from 1.0 compounds to 2.0. . . . So we think that that's a good baseline to move forward with and how to think about it. ***And we've continued to view, as we've said in our long-term guide around the bioprocessing business, that that's a high single-digit grower. And I think that's the way to think about it in '22. And, as we said, we think '23 will look a lot like '22 as well.***

90. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2022, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as

customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses were insufficient to compensate for the foregoing downturn in business because they too were subsiding for several reasons; and (iii) accordingly, Danaher would be unable to sustain its growth in 2022.

B. March 8, 2022 Cowen Healthcare Conference

91. On March 8, 2022, Defendants Blair and McGrew presented at the 42nd Annual Cowen Healthcare Conference, hosted by Cowen analyst Dan Brennan. Asked to provide color on Danaher's long term growth profile, Defendant Blair emphasized that the Company's future growth would be fueled by the non-COVID business in bioprocessing:

> Well, first of all, let's level set on '22 and how we think about that. First of all, there, we're talking about our base business, so non-COVID testing—or, let me say it this way, COVID testing not included—growing high single digits. And that the COVID headwind represents about 200 to 300 basis points. So we're stepping down from the 60 million tests in 2021 to 50 million tests here in 2022. And that gives you a mid-single-digit [core sales] growth. And, quite frankly, we think that, that mid-single-digit growth in 2022 shows pretty well versus our peers and shows the strength of our business models and the strength of our base business. ***Now, as you unpack that, then, we see bioprocessing as a part of that base business in the high single-digit, low-double digit with strong activity levels. Yes, there's therapeutics and vaccines related to COVID. But as importantly, or if not more so, the size of the monoclonal antibody market, which continues to grow, the number of projects there going through the pipeline is 50% higher than it was just 5 years ago. Cell and gene therapy projects that are making their way through the clinic and ultimately being commercialized, there is a huge amount of leverage in that funnel. And we feel that, that really is the most important aspect here to take away.***

92. Later on the same call, Brennan asked whether it was still appropriate to expect $2 billion in annual revenue for COVID vaccines and therapeutics in bioprocessing. In response, Defendant Blair stated as follows:

> ***I mean, we continue to believe that our backlog and our numbers are solid to be able to reach that and support that expectation that we put out there. And we continue to see orders coming in here for existing programs that have been very***

> ***successful and new programs that are trying to address the complexities of the latest variants, whether that's from a vaccine or a therapeutic perspective. So we feel good about what that represents. But most importantly, we have seen that our non-COVID bioprocessing business is well into the low double digits in terms of growth as it has been in the last quarters. We continue to see that, that business is strong, continues to grow. And we've said that our COVID therapeutic vaccine business will be flattish year-over-year here. And I think that's still the right way to think about it so much so that we put that business into the base now and talk about bioprocessing, all in high single digits, low double digits for the year 2022.***

93. Pressed on whether 2023 could present a further "step-down in terms of COVID" in the bioprocessing business, Defendant Blair emphasized that the non-COVID business would continue to sustain growth in bioprocessing for the long term:

> I don't think anybody knows what COVID does with variants in 2023 and what new vaccines and therapeutics might be in development for them. ***But what we do see is the incredible strength that we see on the monoclonal antibody, cell and gene therapy, bi-specifics and many other types of modalities in the biologic framework, if you will. And we see those, really, as the long-term drivers of the growth. And COVID is going to do what it does, but our team is going to continue to deliver that high single digits kind of growth here for the long term.***

94. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2022 or 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to

prioritize projects in order to conserve their cash; (iv) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses were insufficient to compensate for the foregoing downturn in business in 2022 and would continue to decline in 2023; and (v) accordingly, Danaher would be unable to sustain its growth in 2022 and 2023.

C. April 21, 2022 – 1Q 2022 Earnings Disclosures

95. On April 21, 2022, Danaher issued a press release before market open announcing its financial results for the quarter ended April 1, 2021 (the "1Q 2022 Press Release"), a copy of which was attached as Exhibit 99.1 to a Form 8-K signed by Defendant McGrew and filed by the Company with the SEC later that day.

96. Later that morning, the Company held a conference call with analysts to discuss its financial results for the quarter ended April 1, 2022, and its expectations for future periods. Asked whether there was any "stockpiling" by customers in Diagnostics segment or the bioprocessing business of the Life Sciences segment, Defendant Blair responded as follows:

> Now if we switch gears briefly and go to the topic of stockpiling, ***we are very, very sensitive to this particular topic and stay extremely close with our customers.*** As an example, in the first quarter, Cepheid continued to be sold out. If you think about bioprocessing, this is an area where there continues to be in the industry manufacturing constraints***. So we are very, very close to our customers, working together with them, with their manufacturing schedules to ensure that we're able to not only meet their needs but also to ensure that we don't have inventory buildup in the system.*** So could there be pockets of that? Perhaps on the margin, but ***generally speaking, we don't see a significant buildup in the supply chain.***

97. In response to a question by Evercore analyst Vijay Kumar about whether senior management was still "confident" that Danaher would achieve $2 billion in sales of equipment and services supporting the production of COVID-19 vaccines and therapeutics, Defendant Blair represented as follows:

> Now if you look at our first quarter last year, our sales were up over 70%. And, so, if you look at the 2-year stack for Q1, we're in the 35% to 40% growth area, which we think is very robust and more than representative of what is going on in the market and think that that compares extremely well. In fact, we still think that we're taking share there. So that's sort of one marker that I want you to have. And then the second point is the order activity continues to be very, very strong. Last year, our orders in the first quarter were up over 90%. And, so, we anticipated that our orders in Q1 of this year would be down, but nonetheless, we continue to build backlog here in Q1 as well in the bioprocessing area. ***And this is why we're so confident in our core growth guide here for the year in bioprocessing of high single digit, low double digits between the robust growth that we're seeing and the backlog that we have, that's really important.***

98. Defendant Blair continued by emphasizing that growth in non-COVID business would make up for any changes in COVID activity levels and continue to allow the Company to meet its annual target for bioprocessing:

> So now let's unpack that a little bit and think about what's going on and why ***COVID is sort of one variable, but*** that ***there are other variables here that are incredibly important and explain why we talk about the bioprocessing business and its growth in aggregate.*** So first of all, if you think about the activity levels outside of COVID in the bioprocessing business, it's important to see what's going on in clinical trials. And I've talked about this, but you know that the project pipeline for monoclonal antibodies is 50% larger today than it was 5 years ago. For cell and gene therapy, it's 10x larger, driving extraordinary activity here in the clinical trial area. And what you see, and as I mentioned in the opening comments, you see customers really starting to focus on these new projects across all modalities and not just allocating the resources to COVID but to these new modalities. So that's really important to note that customer activity level continues to be very, very high, and that plays through in the clinical trials. Now another point to take here is monoclonal antibodies are becoming the standard of care and the predominant class of biologic drugs. So what's going on in monoclonal antibodies is the primary growth driver in the market and also for our business. . . . And then you add to that that emerging markets and high-growth markets such as China and India are starting to have access to these monoclonal antibody treatments. That provides additional and significant volume leverage. At the same time, you have biosimilar growth, Vijay. So these biosimilars are leveraging the fact that some of the biologic drugs, monoclonal antibodies that are higher volume are starting to come off patent, and that's increasing the penetration of those drugs throughout the world where the penetration has been lower. And that's providing another growth impetus. And then lastly, and I'll stop with this now, we've been talking a lot about single-use technology and their adoption for a while, which is an additional leverage growth vector within the bioprocessing business. So all that helps the activity that we talked about provides for volume, but SUT [single use technology] on top of that is substituting more traditional technologies and is

> growing even faster. And we have well over $1 billion of single-use technology. . . . ***So we feel very confident on the basis of what's going on outside of COVID. And that's why we look at it together because it's the aggregate that we look at and that really ultimately count that that will drive that high single-digit, low double-digit growth here for 2022 and also supports our high single-digit perspective beyond that.***

99. Pressed on whether the high single, low double-digit guide that Defendant Blair just laid out "continues to incorporate $2 billion from COVID" by analyst Dan Brennan given the interest from investors on that topic, Blair reiterated that non-COVID sales would make up changes in COVID-related sales within bioprocessing for the remainder of the year:

> ***Really, the way we're thinking about that business is, again, in aggregate, and we do believe that both the underlying strength of the markets, as I just laid out, as well as the strength of our backlog, which continues to grow, support both the high single-digit, low double-digit bioprocessing guide for the year.*** And as you think about COVID within that, COVID's going to do what it does, but there is a larger market that is growing rapidly. And we're going to continue to see fluctuation as it relates to COVID volumes, whether there's a decision on booster shots for different age groups, whether it becomes part of an annualized immunization regimen. All of these are open questions. And ***our belief is that*** COVID is a part of our business, but ***there is another part of this business which is larger, it is growing at a faster rate and we are making investments to ensure that we capture the appropriate shares here. So, Dan, high single-digit, low double-digit bioprocessing growth for 2022.***

100. After receiving even more questions on the topic of long-term growth in bioprocessing as COVID sales roll off from Barclays analyst Luke England, Defendant Blair continued to emphasize the strength of the business lines unrelated to COVID-19:

> So, Luke, the way we're thinking about that is the strength of our underlying business, which I laid out here in some details, some clinical trials, mAbs, biosimilar volumes—keep in mind, it's the commercialized drugs that really drive volume here in this business—and, then, of course, that additional growth accelerator of the single-use technology adoption. Those are really the foundations that are driving the growth of this business. ***And the COVID business, it will do what it does, but that variation is within the realm of what we have been casting as the overall growth rate of the business. And so, you take the backlog, which continues to grow quarter-over-quarter, and you take the growth drivers that I've laid out, that is what supports the high single-digit, low double-digit growth for 2022 and the high single-digit longer-term growth guide that we've talked about.***

101. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2022, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses were insufficient to compensate for the foregoing downturn in business because they too were subsiding for several reasons; and (iii) accordingly, Danaher would be unable to sustain its growth in 2022.

D. May 11, 2022 Bank of America Healthcare Conference

102. On May 11, 2022, Defendant Blair presented at the 2022 Bank of America Healthcare Conference, hosted by Bank of America analyst Derik de Bruin. Noting that there was "confusion" around the commentary from the 1Q 2022 earnings call about "the expectations for COVID and non-COVID business" in bioprocessing, de Bruin asked if Blair could "clarify" the Company's COVID exposure in its outlook. Defendant Blair advised that the COVID business was expected to fall short of previous expectations by approximately $500 million to $600 million but emphasized the shortfall would be made up for by the non-COVID business:

> Well, first of all, let's level set on what ***the guide*** is ***for the bioprocessing business here for the full year of 2022***, which ***is high single, low double-digit growth***. . . . ***But what is included in that guide and what is accounted for in that guide is that the COVID vaccine and therapeutic revenue could be down by $500 million to $600 million. So that's already included in that high single-digit, double-digit total bioprocessing business. And the way we make that happen is that the far larger parts of the non-COVID therapeutic and vaccine business is growing at***

> ***mid-teens plus, and that is really what's driving the overall guide of high single digits, low double digits for 2022.***

103. Pushed by de Bruin on the source of the shortfall, Defendant Blair specifically attributed the updated forecast to recent developments with the Company's customers:

> ***[W]e've seen some cancellations as customers will no longer pursue a COVID project, but in fact, they take the raw materials that they have acquired, and they apply those to the next project that they're working on. We see some delays where people say, "Look, my next project's starting up in 60 days instead of right away." So we see all of that, but we feel that, that would be accounted for in the $500 million to $600 million that we talked about.***

104. Next, de Bruin asked about the upside potential for the Company's long-term outlook of mid-single digit plus core revenue growth. Defendant Blair responded in relevant part:

> Well, the plus really comes from the repositioning that I started off with. If you think about Danaher previously, we were a low to mid-single-digit kind of grower. I mentioned earlier the spins of Fortive, Envista and that we brought on many other companies, which I won't name again. And, then, even there, what we see is that Cytiva is growing faster than we had originally thought. We thought it was more like a 6% to 7% grower. Now we see it more firmly in the high single digits. And then, of course, molecular diagnostics used to be less than 5% of our business. Now it's over 10%. And so, ***what we're saying here, and we see this for the long term,*** we're trying to avoid rebasing our business with a different year or that sort of thing. ***We're just saying, look, this is a really robust portfolio. It is not a cyclical portfolio. It is well entrenched in attractive end markets. And we see the likelihood of being—growing faster than mid-single digits to be high.***

105. Finally, de Bruin stated that investors were interested in knowing whether the Company was worried about the biotech funding environment. Defendant Blair stated as follows:

> ***So I don't worry much about that funding environment.*** And let me, again, piece that apart a little bit. First of all, ***when you do the analysis of the biotech sector and you look at the balance sheet of the great majority of the players***, the average cash with—given ***the average burn rates is between 12 and 18 months.*** Sure, there's some at 6 months, and then there's others at 18 or 24, but let's just say the average is right around 18 months***. And we think that that's quite significant and that will continue these innovators to keep driving towards hopefully lifesaving or certainly life-improving therapeutics.*** But I think when you step back for a second and you put biotech funding in relation to the bioprocess business, the most important thing to remember is that the bioprocess business is volume-driven. It is volume-driven. It's not the number of projects. It's the volume per project that makes a difference. And with that, that means that commercial drugs and drugs that

> are really in the Phase III volumes are the ones that drive this business. ***And the ones that are earlier stage, including those early-stage biotechs, have an impact but only at the margin. It is not a driver of the growth of the business*. . . . *But from our perspective, this is not something that will have an impact here on the business in the short term.***

106. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2022, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses were insufficient to compensate for the foregoing downturn in business because they too were subsiding for several reasons; and (iii) accordingly, Danaher would be unable to sustain its growth in 2022.

E. July 21, 2022 – 2Q 2022 Earnings Disclosures

107. On July 21, 2022, Danaher issued a press release before market open announcing its financial results for the quarter ended July 1, 2022 (the "2Q 2022 Press Release"), a copy of which was attached as Exhibit 99.1 to a Form 8-K signed by Defendant McGrew filed by the Company with the SEC later that day. In the 2Q Press Release, Blair provided the following quote: "***Danaher is comprised of high-quality franchises*** in attractive end markets ***with*** meaningful recurring revenues and ***durable business models. We believe the combination of our strong portfolio and talented team—all powered by the Danaher Business System—provides a strong***

foundation in today's dynamic operating environment and positions us well for the balance of 2022 and beyond."

108. Later that morning, the Company held a conference call with analysts to discuss its financial results for the quarter ended July 1, 2022, and its expectations for future periods. During the call, Defendant Blair represented that the Company maintained close contact with its bioprocessing customers to quell concerns about overstocking:

> In our bioprocessing business, we continue to see record activity levels from early-stage research to later-stage development and production which drove a combined core revenue growth rate of high single digits at Cytiva and Pall Biotech. Our backlog and our order levels remain very healthy, and ***as always we're working closely with customers to ensure they have the right inventory levels to support their planned activity.***

109. Defendant Blair also told investors that the Company now expected the bioprocessing business to earn only $1 billion in revenues for products and services related to COVID-19, $500 million short of the outlook provided a month earlier at the Bank of America Healthcare Conference, but emphasized that non-COVID revenues would compensate for the miss:

> We are seeing our customers continue the healthy transition away from COVID-19 vaccines and therapies and into previously paused and new programs for other modalities. As a result, ***we now expect COVID-19 vaccine and therapeutic revenue of approximately $1 billion in 2022 down from approximately $2 billion in 2021. Now, that said, there's no change to our high single to low double-digit core revenue growth outlook in our bioprocessing business for the year as customers are accelerating their investments across all other major therapeutic modalities.***

110. In fact, Defendant Blair highlighted that activity levels in the end market for the bioprocessing business provide a runway for very strong growth for years to come:

> The biologics market remains very healthy as evidenced by the increasing number of treatments in development and production. Today, there are over 1,500 monoclonal antibody-based therapies in development globally, which is up more than 50% from just 5 years ago. This is being driven by both novel molecules in development and the proliferation of biosimilars, which are helping to accelerate

> adoption in underserved markets as patents on higher-volume therapies expire. There are also over 2,000 cell and gene therapy candidates in development today, a more than tenfold increase over the last several years. ***And given this backdrop of such a significant and sustained increase in activity, we expect the growth rate in this market to remain very strong for many years to come.***

111. Asked whether the growth rate for the bioprocessing products and services unrelated to COVID-19 were "sustainable" for 2023 and beyond, Defendant Blair responded as follows:

> I think the way we see it is the following way. Let's level set on '22 here where, in the COVID business, we see revenues going from 2021 $2 billion to 2022 $1 billion. The non-COVID business, as you suggested, has accelerated here as customers are moving to non-COVID modalities and all sources of them, very broad-based. And, of course, on the margin, price ends up helping that as well. ***So we would expect certainly for '23 to continue to see elevated levels of non-COVID activity, probably above the low double digits that we have seen historically. Too early to say if it stays up over 20%, but certainly elevated in '23 versus what it's been historically.***

112. In response to a question about the Company's expectations for 2023, Defendant Blair provided the following remarks on the bioprocessing business:

> ***Now, as we think about our 2023 guide—which I think is what a part of your question was trying to tease out—we feel good about our mid-single-digit plus positioning there where for the long term***, which we have talked about in a number of occasions. And when you unpack that a little bit, ***we see bioprocessing to be up high single digits and that's consistent with what we've spoken of. And, as you look at bioprocessing, there, we continue to think that the non-COVID business is going to be growing very strong.*** You saw what we're doing here in the second half of the year with growth rates well over 20% in non-COVID. ***And then we've also derisked the discussion here relating COVID related therapeutics and vaccines. We see $1 billion of revenue in 2022. That's down from $2 billion in '21. And we probably say $500 million for 2023. So*** 2021 $2 billion, ***2022 $1 billion, and 2023 $500 million for COVID-related vaccines. And, having said all that, we still see our biotechnology business growing at high single digits.***

113. Finally, J.P. Morgan analyst Rachel Marie observed that there have been "a number of concerns about the potential slowdown in biotech funding" and asked for insight on whether Danaher has seen a shift in demand from its biotech customer segment within bioprocessing. Defendant Blair responded as follows:

> Rachel, as you just suggested, the majority of these biotechs are either preclinical or in the very early stages of clinical. And it's really important to note that our business is driven by what's happening in Phase III and ultimately commercialized drugs. Over 75% of our business is in that later stage. And so, then, as you go upstream from that, that has less of an impact. ***Now, getting specifically to your point, we really haven't seen much of an impact of the biotech funding crunch here affecting the customer activity levels that we have.*** And, frankly, we do look at these biotechs and the proposals that they are pursuing whether there's proof of concept and data. And our sense is that the good projects and where the data is solid and convincing and proof of concept is given, they are continuing to attract funding. ***So we think that today's cash positions in the biotechs, the quality of the projects that they are pursuing, as well as the funding environment still providing funding to those that are able to provide data continues to be quite positive and is not impacting our business.*** Now, of course, to your longer-term question, we just have to see that the biotech area is a cauldron of innovation. . . . ***So we,*** of course, longer term, will want to see that the funding continues to support that kind of innovation environment but today, ***are not concerned about what we see here for the next, call it, 18, 24 months.***

114. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2022 or 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to prioritize projects in order to conserve their cash; (iv) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses

were insufficient to compensate for the foregoing downturn in business in 2022 and would continue to decline in 2023; and (v) accordingly, Danaher would be unable to sustain its growth in 2022 or 2023.

F. September 15, 2022 Danaher Analyst and Investor Day Conference

115. On September 15, 2022, Danaher hosted a live webcast focused on bioprocessing for its annual investor and analyst meeting from Cytiva's North American headquarters in Marlborough, Massachusetts, attended by Defendants Blair and McGrew and several business leaders from Cytiva and Pall. After introducing the Company's franchises, Defendant Blair began the call by reminding that the bioprocessing business boasted a high single digit long-term outlook:

> So we think that our growth rerates higher for the long term. Then you say, well, why do you think that? Well, let's have a look at the left here, where you see ***Cytiva and Pall together representing a $7.5 billion bioprocessing franchise growing high single digits for the long term. . . .***

116. Defendant Emmanuel Ligner, head of the newly-created Biotechnology group, offered the same long-term outlook for the Biotechnology segment:

> Cytiva was a transformational addition to the life science platform. Pall Life Science is also very similar to Cytiva, a leader in filtration and in single-use technology with extreme talent, expert in material science, and leading around membranes and filtration technology. . . . ***We're taking those 2 outstanding companies and putting them together. We're creating an undisputed leaders in the bioprocessing,*** $8.5 billion of revenue, ***anticipating long-term performance of high single digits.***

117. Later in his presentation, Defendant Ligner reiterated the same outlook for the bioprocessing business of the Biotechnology group:

> Today, our bioprocessing business is $7.5 billion, of which a single-use technology is in excess of $1 billion, and ***we really anticipate a long-term growth rate of high single digit***. Cytiva and Pall together is an incredible offering to the customer and, therefore, in an incredible position. We are so much stronger together, and this is why we are doing it.

118. After a discussion with several customers, Defendant Ligner provided a summary of his presentation and again highlighted the long-term outlook for the Biotechnology group:

> I'm going just to very quickly wrap up and summarize before we move to our Q&A session. We're creating and absolutely leaders in the bioprocessing industry. Pall and Cytiva, together, it is a stronger offering for our customers. . . . So the Biotechnology group is now a leader across all modalities, including monoclonal antibody, cell and gene therapy, and mRNA. ***We have a strong secular driver in biologics, which creates*** significant long-term growth opportunity and ***the long-term projection of high single digit***, uniquely positioned for the most comprehensive offering best-in-class services, support, and scale: scale of manufacturing, scale of talent, scale of commercial, scale of organic, and the ability with the Danaher Business System to continuously improve our service to customers.

119. Asked for more detail on the sustainability of the high single digit growth rate for the bioprocessing business, Defendant Blair responded as follows:

> First of all, it's very clear that we're coming with a tailwind that is based on COVID therapeutics as well as vaccines. And, as those wane, and we have called that out pretty clearly, right: $2 billion in 2021, ***$1 billion here in 2022, and we'd expect $500 million or so in 2023***. At the same time, ***we have the non-COVID applications growing at very fast rates, and we've talked about those being in the mid-teens plus here. And that's what we're currently seeing, and that's what our order book shows here going forward. And when we come to the high single digits, it's once again a perspective that is not tied to any single year in the dynamics of any single year, but to say, this is the kind of very positive scaled market growth that we see.***

120. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2022 or 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease

entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to prioritize projects in order to conserve their cash; (iv) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses were insufficient to compensate for the foregoing downturn in business in 2022 and would continue to decline in 2023; and (v) accordingly, Danaher would be unable to sustain its growth in 2022 and 2023.

G. October 20, 2022 – 3Q 2022 Earnings Disclosures

121. On October 20, 2022, Danaher issued a press release before market open announcing its financial results for the quarter ended September 30, 2022 (the "3Q 2022 Press Release"), a copy of which was attached as Exhibit 99.1 to a Form 8-K signed by Defendant McGrew and filed by the Company with the SEC later that day. In the 3Q Press Release, Blair provided the following quote: "Our growth was broad-based across all three segments, ***a testament to the durability and attractive end-market positioning of the franchises that comprise Danaher. . . . As we look ahead we believe the strength of our portfolio combined with our talented team and the power of the Danaher Business System provides a strong foundation to continue delivering meaningful shareholder value through 2022 and beyond.***"

122. Later that morning, the Company held a conference call with analysts to discuss its financial results for the quarter ended September 30, 2022, and its expectations for future periods. After advising that the Company now expected the bioprocessing business to only generate $800 million in COVID-related sales 2022, and deliver high single digit growth for 2022, Evercore analyst asked whether there were any changes to the previously-reported outlook for bioprocessing

in 2023, including high single digit growth and $500 in COVID-related sales. Defendant Blair confirmed that there were no changes to that guide:

> ***[A]s we think about the bioprocessing business for 2023, we still think that there is room for $500 million of COVID opportunity*** in order to support the needs of the population, the variance, to replenish expired sell-by dates and all the things that you can think about. But, of course, that's a number that we watch very closely. ***More importantly, we think that the non-COVID business, which, of course, will again proportionately be a much larger part of the business will continue to be very robust. Funding levels are there, the number of modalities that continue to grow in the pipeline is broad. Our own project activity in early, mid and late stage is very strong. So we do not have a different view on 2023 for bioprocessing today.***

123. Asked whether the sensitivity was "on the vaccine side but not on the base," Defendant Blair confirmed the accuracy of that assessment:

> ***That's correct. That's the way we see it for sure today.*** And, recall, I mentioned just a minute ago to Derik that, in 2022, we were expecting $1 billion of COVID vaccine and therapeutic revenue. We've taken that down to $800 million. ***It is, of course, offset by the non-COVID business so that we deliver that high-single digits here in 2023 [sic] for bioprocess. And then looking forward to 2023, we would see that going from $800 million to $500 million.***

124. In response to a question about the impact of inventory stocking on the 2023 outlook for the bioprocessing business, Defendant Blair assured that Danaher had a comfortable handle on customer inventory dynamics and that any inventory stocking taking place was manageable:

> We have been, as a result of the pandemic, even closer than traditionally working with our customers to understand their production plans and to ensure that they are not overstocking at the expense of others who would need the product in what was a time of constraint here for the last, call it, 18, 20 months. ***So, as a result of that, we feel as though we are well positioned to understand the inventory situation.*** We do regular surveys with our customers. ***And, as a result of that, we don't believe that there is a general overstocking in the market. Having said that, we do think there are pockets where inventories are high. And those are based on customers ultimately changing their production plans, in other words, canceling orders specifically for COVID.*** And, so, the large COVID players whether that be for vaccine production or whether that be for therapeutics production, they have larger inventories, and those will likely exceed 6 months of inventory. ***But I think it's important to note that those large players have many programs, and they're***

> ***able to redeploy that inventory****. . . .* ***So we are confident that the strength of this market and its fundamentals remain very, very strong.***

125. Finally, in response to a direct question on the non-COVID order book in bioprocessing, Defendant Blair admitted that orders were down by over 20% in Q3 2022, but falsely assured that this was due to a change in order cadences brought about by shorter lead times:

> So, for Q3, our orders are down over 20%, as expected. And I think that's a number which bears some commentary and context. First of all, we're coming off of order comps that are well in excess of 50% in the prior year. . . . ***And I think something that is perhaps not as well-known and that bears some conversation is we and many others have meaningfully reduced our lead time. . . . And that's a pretty significant impact on the order placement cadence of our customers.*** So just to mention an example here, if lead times go from 52 weeks, which has been the case in some product categories in the marketplace, to 12 weeks, customers fundamentally change their order patterns. To give you a sense of that, if a customer wanted to order over time 4 bioreactors, they would order all 4 bioreactors at once if there's a 52-week lead time. But if it's a 12-week lead time, they would order 1 bioreactor and then follow up with other orders in the future. ***So what we're seeing right now is really the normalization of the marketplace coming from a red-hot pandemic fueled time of constraint, as long lead time for orders ramped up significantly. So order rates ramped up significantly to the supply chain now normalizing and customers adjusting their order cadence. . . . So the orders were negative, to repeat, but not unexpectedly and to be seen in the context of a market that is now readjusting.***

126. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2022 or 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing

new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to prioritize projects in order to conserve their cash; (iv) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses were insufficient to compensate for the foregoing downturn in business in 2022 and would continue to decline in 2023; and (v) accordingly, Danaher would be unable to sustain its growth in 2022 and 2023.

H. November 30, 2022 Evercore HealthCONx Conference

127. On November 30, 2022, Defendant Blair, accompanied by Defendant McGrew, presented at the Evercore HealthCONx Conference, hosted by Evercore analyst Vijay Kumar. To begin the conference, Blair offered the following outlook for 2023: "Now as we look forward here to sort of 2023 and beyond, our portfolio and our DBS base ability to out execute is unique. ***And when you couple that with our 75% recurring revenue that's supported by attractive really low cyclical end markets, I think that speaks really well for what's to come***."

128. Defendant Blair continued by offering the following forecast for the bioprocessing business in 2023:

> [A]s we think about, looking forward, the range of outcomes looks something like this. The revenue for 2023 non-COVID could be in the mid-teens. That's representative of what the 3-year CAGR has been. It's been mid- to high-teens, so it could be mid- to high-teens. It could also be what it's been sort of the last year, which is well over 25%, as you suggested in your question, certainly, that could be one outcome. Or perhaps it just settles back into the high single-digit, low double-digit longer-term growth rate that we've spoken about. ***Now I think our view is that while that's the total range, it's probably more likely that it is between the high-single digit and mid-teen range, but there is that number out there of well over 20%. But somewhere in between that range is how we see 2023 playing out.***

129. Defendant Blair also highlighted that recent stocking dynamics did not pose a threat to the Company's previously announced outlook for the bioprocessing business in 2023:

> So as we've said pretty consistently that as you look at the broader marketplace, ***we really don't see an enormous amount of stocking going on.*** In fact, it wasn't until very recently that we got out of the hand-to-mouth sort of supply situation with the constraints that occurred in the supply chain through the pandemic-related demands. Now having said that, and I think I've been clear here that ***there are pockets where there has been some inventory buildup and they tend to be related to customers who had larger COVID-related programs***, whether that's a vaccine or whether that's a therapeutic, they've either not had the kind of demand drawdown that they expected because the vaccination rate is lower or the variance made a particular therapeutic no longer relevant or because they've canceled the program entirely. So you have sort of the full gamut of potential there. ***But those are really just pockets with larger players who are quite well positioned to draw that down. And so how does that make us think about 2023? Well, we've already said, look, for 2023, we think our COVID demand goes from the $800 million I just spoke of to the $500 million, right? So you see the manifestation of what I just spoke of sort of these pockets in that change there, and that's what we're currently expecting for COVID in 2023.***

130. Noting the series of downward revisions to the forecast for COVID-related vaccines and therapeutics in bioprocessing in 2022, Vijay Kumar asked if the $500 million COVID-related revenue outlook was "aggressive" or based on "visibility" in the order book for 2023. Defendant Blair stated in response:

> ***That's currently the status that we have with our customers, the $500 million.*** And I think our customers regularly review vaccination rates, new approvals that they get around the world in various countries. ***And so that's what we think that's our expectation for '23.***

131. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease

entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to prioritize projects in order to conserve their cash; (iv) the foregoing challenges continued unabated and, indeed, intensified through the end of 2022; (v) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses would sharply decline in 2023; and (vi) accordingly, Danaher would be unable to sustain its growth in 2023.

I. January 24, 2023 – 4Q 2022 Earnings Disclosures

132. On January 24, 2023, Danaher issued a press release before market open announcing its financial results for the quarter and year ended December 31, 2022 (the "4Q 2022 Press Release"), a copy of which was attached as Exhibit 99.1 to a Form 8-K signed by Defendant McGrew and filed by the Company with the SEC later that day. In the 4Q 2022 Press Release, Danaher provided its expected sales growth in 2023. Specifically, the 4Q 2022 Press Release provided in relevant part:

	% Change Year Ending December 31, 2023 vs. Comparable 2022 Period
Core sales growth (non-GAAP)	***-Mid-single digit***
Impact of COVID-19 related testing, vaccines and therapeutics	+*Low-double digit*
Base business core sales growth (non-GAAP)	***+High-single digit***

133. Consistent with the outlook described in the preceding paragraph, the 4Q 2022 Press Release stated as follows: "Starting with the first quarter 2023, the Company will revise its definition of base business core growth to exclude revenues related to COVID-19 testing, vaccines and therapeutics, in addition to the exclusion of currency translation, acquisitions and divested

product lines. . . . ***For the full year 2023, the Company anticipates non-GAAP base business core revenue to be up high-single digits***."

134. Later that morning, the Company held a conference call with analysts to discuss its financial results for the quarter and full year ended December 31, 2022, and its expectations for future periods. During the call, Defendant Blair disclosed that the outlook for the bioprocessing business in 2023 would be far more modest than previously communicated to investors:

> Looking to 2023, we expect customers to further reduce their COVID-19-related programs. Vaccination and booster rates have been significantly lower than initially anticipated, and the availability of alternative therapeutics has reduced the need for monoclonal antibody-based treatments. ***In light of these dynamics, we now anticipate COVID-19-related vaccine and therapeutic revenue will be approximately $150 million for the full year of 2023, down from approximately $800 million in 2022 and lower than our previous expectation of $500 million.*** Our non-COVID business has averaged more than 20% growth over the past 2 years. Given these elevated growth rates, we spent the past several weeks speaking with our customers to better understand their planning assumptions for 2023. And, based on these discussions, ***we anticipate non-COVID bioprocessing core growth will be high single digits for the full year 2023. This includes low single-digit core growth in the first quarter as customers repurpose inventory purchased for COVID-19 vaccine and therapeutic programs to non-COVID projects.***

135. Defendant Blair also reiterated the 2023 guidance provided for Danaher as a whole in the 4Q 2022 Press Release:

> So with that color on what we're seeing in our business and end markets, let's now look ahead to our expectations for the first quarter and the full year. . . . ***[F]or the full year 2023, we expect high single-digit core growth in our base business. And we also expect total core revenue growth to decline mid-single digits for the year as a result of lower demand for COVID-19 testing, vaccines and therapeutics.***

136. In response to a question from Bank of America analyst, Derik de Bruin, for clarity on the stocking dynamics, Defendant Blair explained as follows:

> Derik, as it relates to the inventory situation, let's think about sort of our Q1 guide here as a starting point and the context for that. We expect for our overall guide to have a base business growth of mid-single digits. And we expect COVID testing, including now vaccine and therapeutics, to have high single-digit and low double-digit headwind, giving us that [core sales] decline of mid-single digits in the first quarter. Now let me come back to the base business because, of course, that's

> where your question resides. And, once more, we have to be clear that we have now excluded vaccine and therapeutic revenues from the base business, right? ***So our mid-single-digit base business is down from the comparable low double-digit core growth we saw in Q4 and most of 2022. And that's due mainly to bioprocessing ex COVID. . . .*** Now if we look and we dig in a little bit deeper into bioprocessing, we anticipate that our non-COVID bioprocessing business will be low single digits. And that's really for two reasons. One, we're coming off of 30% growth in Q1 of 2022. ***But we're also working through the inventory pockets that we spoke about that were related primarily to COVID programs. And we do expect Q1 to be an inflection point there that we work through the majority of that in Q1 and then after that, continue to see improvement.***

137. Asked for clarity on the non-COVID order book in bioprocessing, Defendant Blair admitted that orders were down by ***mid-teens*** in Q4 2022, but falsely assured that this was a result of the market readjustment previously described on the Q3 2022 conference call:

> Now from a current trend perspective, in the fourth quarter, our order rate improved by over 500 basis points sequentially but was still down mid-teens, ***which was as expected as customers continued to adjust for our shorter lead times.***

138. Asked about the overall trend in bioprocessing that gets non-COVID sales from low single digits in the first quarter to high single digits for the full year, Defendant Blair stated:

> Now, to be clear, ***our full year 2023 guide anticipates Q1 being the low point at low single digits for the bioprocessing non-COVID core growth. And that also takes account to any inventories that might be with some of our COVID program customers, which are now being repurposed***. We're working with those customers to repurpose that inventory. ***So whatever these order dynamics, our revenue forecast for bioprocessing non-COVID in the first quarter is low single digits. We expect that to be the low point of the inventory work-off or burn-off and then move forward to what is high single-digit bioprocessing non-COVID core growth for the full year.***

139. Defendant Blair confirmed in response to another question that the Company still expected the bioprocessing business to generate high single digit sales growth as a whole in 2023:

> [W]e did talk about the bioprocessing growth range being from high single digits to mid-teens range. ***And, as I mentioned then, and I'll confirm now, we have spent the last several weeks talking to our customers to understand their planning assumptions for the year. And the clear message is the underlying demand remains robust and unchanged.*** So we continue to see monoclonal antibodies, cell therapy and gene therapy activity continue to be strong. And we're even seeing more work on mRNA on the back of its success with COVID vaccines. So while

> the demand is remaining solid, customers are actually not anticipating a step-up in activity. So activity remains strong and, as we've seen in prior quarters, but they're not anticipating a step-up versus what we've seen here in the last couple of years. ***And, so, as you look at the 2, 3, even 4-year stacks here, we've seen mid-teens growth CAGRs [compound annual growth rate] for bioprocessing non-COVID. So, coming back then, if you take our high single-digit bioprocessing non-COVID full year guide on the back of an approximately 30% comp from 2022, it fits right in the mid-teens range, both on a 2- and a 3-year basis.***

140. In addition, Defendant Blair confirmed that the Company had confidence that the second half of 2023 would make up for the sales lag in the first half of the year for bioprocessing:

> So as we think about burning off these inventories, you asked about the confidence in the later part of the year. And ***that confidence is based on our discussions with customers, the backlog that we have, the continued order activity that we see and that has improved over prior periods. And, so, we feel very good about the high single digits non-COVID bioprocessing growth for 2023.***

141. To conclude the call, Defendant Blair reaffirmed during his recap that, "***[f]or 2023, we see our base business growing at high single digits***" across Danaher as a whole.

142. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to

prioritize projects in order to conserve their cash; (iv) the foregoing challenges continued unabated and, indeed, intensified through the end of 2022 and early 2023; (v) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses would sharply decline in 2023; and (vi) accordingly, Danaher would be unable to sustain its growth in 2023.

J. April 25, 2023 – 1Q 2023 Earnings Disclosures

143. On April 25, 2023, Danaher issued a press release before market open announcing its financial results for the quarter ended March 31, 2023 (the "1Q 2023 Press Release"), a copy of which was attached as Exhibit 99.1 to a Form 8-K signed by Defendant McGrew and filed by the Company with the SEC later that day. In the 1Q 2023 Press Release, Danaher revised its sales growth outlook for 2023. Specifically, the 1Q 2023 Press Release provided in relevant part:

	% Change Year Ending December 31, 2023 vs. Comparable 2022 Period
Core sales (decline) growth (non-GAAP)	***-High-single digit***
Impact of COVID-19 related testing, vaccines and therapeutics	*+Low-double digit*
Base business core sales growth (non-GAAP)	***+Mid-single digit***

144. Consistent with the outlook described in the preceding paragraph, the 1Q 2023 Press Release stated as follows: "***For the*** second quarter and ***full year 2023, the Company anticipates that non-GAAP base business core revenue will be up mid-single digits year-over-year***."

145. Later that morning, the Company held a conference call with analysts to discuss its financial results for the quarter ended March 31, 2023, and its expectations for future periods. On the call, Defendant Blair explained that the Company was taking down its outlook for the bioprocessing business based on recent conversations with customers:

> Reported revenue in our Biotechnology segment declined 16% and core revenue was down 13%. In bioprocessing, base business core revenue growth was in line with our expectations of low single digits in the first quarter. . . . ***[D]emand at our large customers, who were primarily responsible for therapies in commercial production and later-stage clinical trials, remains robust and they're steadily working through inventory they built during the pandemic. Based on our most recent customer conversations, we now expect the inventory normalization process to continue through the second half of the year. During the quarter, we also saw softer demand globally at many of our emerging biotech customers as more pronounced pressures on liquidity and funding accelerated their efforts to conserve capital leading to project delays and cancellations. In consideration of these factors, we anticipate second quarter and full year base business core growth in bioprocessing will be largely consistent with the first quarter.***

146. Defendant Blair represented that Danaher expected to deliver the guidance provided in its 1Q 2023 Press Release notwithstanding the difficulties in bioprocessing:

> Now turning to the full year 2023. ***Despite the near-term and temporary challenges within bioprocessing, we anticipate mid-single digit core growth in our base business. We also expect total core revenue to decline high single digits for the year as a result of lower demand for COVID-19 testing, vaccines and therapeutics.***

147. During the presentation, Defendants Blair and McGrew alluded to funding difficulties for smaller biotech clients in China, specifically. In response to a question for greater clarity on bioprocessing performance in China during the quarter and the trend moving forward, Defendant Blair indicated that the market would recover in the second half of the year:

> Well, as it relates to bioprocessing in China, we've had a very good and strong business there in China for years. And helped quite significantly in China in order to build the capacity for vaccines and for other biologics. And what we see today, much like we've seen in the U.S., is that the emerging biotech segment, which is an important part of China's efforts to build a local biopharma industry, is also impacted by capital constraints. So we've seen that play out in China as well. And, in fact, that's what is the primary impact on our China numbers here. . . . ***Now, as it relates to the full year in China, we expect our full year in China to be up low single digits for Danaher overall based on the market recovery, exiting COVID as well as, if you will, a normalization of the activity level in bioprocessing.***

148. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to

make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to prioritize projects in order to conserve their cash; (iv) the foregoing challenges continued unabated and, indeed, intensified through the end of 2022 and early 2023; (v) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses would sharply decline in 2023; and (vi) accordingly, Danaher would be unable to sustain its growth in 2023.

K. May 10, 2023 Bank of America Healthcare Conference

149. On May 10, 2023, Defendant Blair presented at the 2023 Bank of America Healthcare Conference, hosted by Bank of America analyst Michael Ryskin. After discussing the reasons for the recent guidance adjustment on the 1Q 2023 call, Defendant Blair reaffirmed the revised guidance in response to a question for the Company's "latest guide" on bioprocessing:

> So going forward, ***for the rest of the year, we really are expecting the same type of activity level as we saw in Q1. And that's what we're seeing in the bioprocessing business. We continue to see that. We were 1% in the first quarter, so call it flat, and that's essentially what we're saying for the remainder of the year, expecting no change in that dynamic as the market works through these various points.***

150. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to prioritize projects in order to conserve their cash; (iv) the foregoing challenges continued unabated and, indeed, intensified through the end of 2022 and early 2023; (v) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19 businesses would sharply decline in 2023; and (vi) accordingly, Danaher would be unable to sustain its growth in 2023.

L. July 25, 2023 – 2Q 2023 Earnings Disclosures

151. On July 25, 2023, Danaher issued a press release before market open announcing its financial results for the quarter ended June 30, 2023 (the "2Q 2023 Press Release"), a copy of which was attached as Exhibit 99.1 to a Form 8-K signed by Defendant McGrew and filed by the Company with the SEC later that day. In the 2Q 2023 Press Release, Danaher again revised its sales growth outlook for 2023. Specifically, the 2Q 2023 Press Release provided in relevant part:

	% Change Year Ending December 31, 2023 vs. Comparable 2022 Period
Core sales (Decline) growth (non-GAAP)	***-High-single digit to low-double digit***
Impact of COVID-19 related testing, vaccines and therapeutics	*+Low-double digit*
Base business core sales growth (decline) (non-GAAP)	***+Low-single digit***

152. Consistent with the outlook described in the preceding paragraph, the 1Q 2023 Press Release stated as follows: "***For the full year 2023, the Company anticipates that non-GAAP base business core revenue growth will be up low-single digits year-over-year***."

153. Later that morning, the Company held a conference call with analysts to discuss its financial results for the quarter ended June 30, 2023, and its expectations for future periods. On the call, Defendant Blair reiterated the new guidance provided in the 2Q 2023 Press Release:

> Now turning to the full year 2023. ***Due to near-term challenges within bioprocessing, we now anticipate low-single digit core revenue growth in our base business. We also expect total core revenue to decline high single to low double digits for the year as a result of lower demand for COVID-19 testing, vaccines, and therapeutics.***

154. In addition, Defendant Blair assured investors that the Company was working with large pharmaceutical customers to destock their inventory levels back to normal:

> So let's start with orders. In the first half of the year, our orders were essentially down 20%. And as we look forward here to the second half of the year, we think that our orders will be down modestly. That's a combination of various factors. One being that our large customers, CDMOs, continue to work through inventories. . . . ***And, then, we are actively managing inventories down. While that is not new, we've intensified our efforts there really in order to get as much as possible of the stocking topic behind us here in 2023.***

155. Defendant McGrew provided similar assurances in response to a question asking him to quantify the amount of destocking:

> I mean, I could probably come up with some numbers, but it would be imprecise. . . . ***I mean we don't really spend a lot of time trying to figure out how much was destocking as much as spending time with the customers in a pretty proactive way these days to understand what's on hand, what's the real need that you've got***

> ***site by site by site so that we can help them manage down to an inventory level they are comfortable with****. . . .* So I don't know that I've got a great answer for a number, ***but we are actively managing it in probably a way that was more active than we have been.***

156. Finally, Defendant Blair informed investors that the pressures on the bioprocessing business would bottom out in 2023:

> We talked about the various puts and takes of the destocking that I think you correctly summarized with pharma and emerging biotech. You see the China piece that we're flagging here. And, then, of course, actively managing those inventories with our customers here in order to get as much as possible behind us in 2023. ***And we think 2023 probably is the bottom.***

157. The statements identified in bold and italicized text in the preceding paragraphs were materially false and misleading when made, or omitted to state material facts necessary to make the statements not misleading because, as explained above, they lacked a reasonable basis insofar as they were untethered to ongoing customer activity and market conditions which posed a significant threat to the continued growth of Danaher's bioprocessing business in 2023, including, among other things, that: (i) revenues associated with products used to support the development of vaccines and therapeutics to treat COVID-19 would materially decline as customers moved away from those product candidates to pursue other projects as the disease entered an endemic state; (ii) large pharmaceutical customers had stockpiled inventory in the aftermath of the pandemic and were relying those items to satisfy new projects instead of placing new orders; (iii) smaller early-stage biotechnology customers no longer had the same access to external funding that they once did during the COVID-19 pandemic and, as such, began to prioritize projects in order to conserve their cash; (iv) the foregoing challenges continued unabated and, indeed, intensified through the end of 2022 and early 2023; (v) as such, contrary to the Company's representations, revenues from products and services unassociated with COVID-19

businesses would sharply decline in 2023; and (vi) accordingly, Danaher would be unable to sustain its growth in 2023.

M. Item 303 Disclosure Documents Filed with the SEC

158. Danaher's annual and quarterly reports filed with the SEC during the Class Period were subject to the disclosure requirements of Item 303 of Regulation S-K, which, among other things, requires the disclosure of "any known trends or uncertainties that have had or that are reasonably likely to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations." 17 C.F.R. § 229.303(b)(2)(ii). Companies must also disclose events that the registrant knows will "cause a material change in the relationship between costs and revenues" and "any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, indicate the extent to which income was so affected." 17 C.F.R. § 229.303(b)(2)(i)-(ii).

159. In violation of Item 303, Danaher's periodic reports during the Class Period failed to disclose the known uncertainties associated with volatility in demand for its COVID-related and non-COVID products. As a result, these were circumstances presenting known uncertainties that were reasonably likely to—and, when they came to fruition, did—adversely affect Danaher's financial condition and results. The omission of this information violated the disclosure obligation imposed by Item 303.

THE TRUTH EMERGES IN A SERIES OF PARTIAL DISCLOSURES

160. On May 11, 2022, Defendant Blair was forced to clear up the "confusion" left by his previous comments during Danaher's recent earnings call held on April 21, 2022, and revealed for the first time that annual revenue in its bioprocessing business for products and services supporting the production of COVID-19 vaccines and therapeutics was expected to be $1.4 billion

to $1.5 billion in 2022, down from previous estimates of $2 billion. Nevertheless, Defendants continued to mislead the market by assuring the investment community that the miss would be made up for by growth in the non-COVID arm of the bioprocessing business and the Company would still deliver high single digit to low double digit growth for bioprocessing as a whole. As such, the market did not react to this news.

161. On July 21, 2022, Defendant Blair admitted that the Company now expected the bioprocessing business to earn only $1 billion for COVID-related vaccines and therapeutics in 2022. Nevertheless, as on May 11, 2022, Defendants continued to mislead the market by emphasizing that "there's no change to our high single to low double-digit core revenue growth outlook in our bioprocessing business for the year [2022] as customers are accelerating their investments across all other major therapeutic modalities." On that very call, analysts took note of the tradeoff within bioprocessing. As stated by Michael Ryskin, an analyst at Bank of America, with respect to the bioprocessing business: "Really appreciate the clarity on the reduction in COVID, but then fully offsetting that with non-COVID strength." As such, the market did not react to this news.

162. Before market open on October 20, 2022, Defendant Blair broke the news to investors that the Company now expected the bioprocessing business to generate only $800 in COVID-related sales for 2022. But unlike the announcements on May 11, 2022, and July 21, 2022, Blair admitted that the Company was forced to cut its annual outlook for the bioprocessing business to high single digit growth, down from the high single digit to low double digit growth previously communicated. Analysts that follow the Company took immediate notice. As Bank of America analyst Derik de Bruin stated in response to the news on October 20, 2022, "you're talking about high single-digit growth for the full year" but "you commented high single to double-digit

[the] prior quarter." Similarly, on the next conference call attended by Defendant Blair, Evercore analyst Vijay Kumar asked to talk about bioprocessing given that "guidance . . . was changed from low double digit to high singles." Nevertheless, Defendants continued to mislead the market by reiterating the previous forecast that the Company expected its bioprocessing business to generate $500 million in COVID-related sales in 2023, and that the bioprocessing business as a whole would deliver high single digit growth in 2023. On this news, the Company's stock price tumbled nearly 6% on unusually heavy volume to close at $243.08 on October 20, 2022.

163. Before the start of trading on January 24, 2023, Defendants shocked the market by announcing, in a notable departure from their previous assurances, that the Company expected its core sales to ***decline*** mid-single digits in 2023 and that it only expected to grow base business core sales (as redefined therein) by high single digits in 2023. On the ensuing conference call later that morning, Defendant Blair attributed the stunning reversal in core sales to "lower demand for COVID-19 testing, vaccines and therapeutics." Later on that call, Defendant Blair also confirmed that the Company now expected the bioprocessing business to only generate $150 million in COVID-related sales in 2023, down from $500 million previously communicated, and that the non-COVID arm of that business would only grow by high single digits. Nevertheless, the Company continued to mislead by downplaying the extent of the demand slump. On this news, the Company's stock price dropped on unusually heavy volume to close at $271.58 on January 24, 2023. The price continued to slide the following day, closing at $262.95 on January 25, 2023, for a cumulative decline of 5.2%.

164. Then, after assuring investors on the 4Q 2022 call that sales would bottom out in 1Q 2023 and bounce back in the latter half of the year, before the market open on April 25, 2023, Danaher disclosed that it now expected its base business core sales to only grow by mid-single

digits in 2023, down from high single digits, resulting in a core sales decline of high single digits, up from a mid-single digit decline, after accounting for the impact of COVID-related sales. On the ensuing conference call later that morning, Defendants Blair and McGrew candidly admitted that there was a slowdown in the base bioprocessing business (*i.e.*, sales unrelated to COVID) stemming from (i) continued destocking at its established large pharmaceutical customers that they first spoke about in the second half of 2022, and (ii) funding constraints among small biotech startups that began in the second half of 2022. As Defendant Blair explained on a subsequent conference call he attended on May 11, 2023, "we did adjust our guide . . . and kept essentially everything the same in the guide with the exception of taking down the bioprocessing business expectations." Analysts expressed dismay over the routine missteps. As Bank of America analyst, Michael Ryskin, pointedly stated on April 25, 2023 in response to the news: "You've been dealing with this issue for almost a full year now, and you've had to revise your outlook for fiscal '23 a number of times. Why is the visibility there into inventory so challenging?" In addition, Defendant Blair finally conceded that the continued deterioration in the non-COVID ordering book for bioprocessing was attributable to destocking phenomenon at large pharmaceutical customers. Nevertheless, Defendants continued to mislead by downplaying the extent of the demand slump. On this news, the Company's stock price sank from $254.35 at of the close of trading on April 24, 2023 to $231.99 at the close of trading on April 25, 2023, a decline of over 9%, on unusually heavy volume.

165. On July 25, 2023, revised its annual outlook yet again, cutting its base business core sales growth from mid-single digits to low-single digits, resulting in a core sales decline of high single digits to low double-digits, up from a decline of high-single digits. On the ensuing conference call later that morning, Defendant Blair revealed that the cut to Danaher's base business

core sales guidance was attributable to "near-term challenges within bioprocessing," including, in particular, "the funding environment and the stocking situation in China." Again, analysts took note. T.D. Cowen analyst Dan Brennan stated that "the company is obviously a superior executor—DBS is at your core—so the string of bioprocess guide-downs is pretty uncharacteristic." In addition, Blair confessed, in direct conflict with repeated representations throughout the Class Period, that the Biotechnology group needed "a more frequent touch point pattern . . . with our customers in order to ensure that we keep our finger on the pulse of what's going on there." Nevertheless, Defendants continued to mislead by downplaying the extent of the demand slump. On this news, the Company's stock price sank on heavy volume to close at $255.70 on July 25, 2023.

166. Finally, on October 24, 2023, Danaher revealed that it had cut its full year outlook yet again, increasing the core sales decline to a firm low double digit range and inverting modest growth in the base business to a low single digit decline. On the ensuing call, Defendant Blair confirmed that "customers are still working through inventory built up during the pandemic" and underscored, "I have to be clear that we have not seen an inflection point in orders . . . we're sort of at the bottom here, bouncing along." On this news, the Company's stock price dropped on heavy volume to close at $196.84 on October 24, 2023. The price continued to slide the following day, closing at $192.65 on October 25, 2023, for a cumulative decline of almost 5.6%.

ADDITIONAL FACTS PROBATIVE OF SCIENTER

167. The Individual Defendants acted with scienter because at the time they issued public documents and other statements in Danaher's name, they knew, or with extreme recklessness disregarded the fact that such statements were materially false and misleading or omitted material facts. The Individual Defendants knew such documents and statements would be issued or disseminated to the investing public, knew that persons were likely to rely upon those

misrepresentations and omissions, and knowingly and recklessly participated in the issuance and dissemination of such statements and documents as primary violators of the federal securities laws.

168. The Individual Defendants received information reflecting the true facts regarding Danaher, their operations and business practices, had control over and/or received the companies' materially misleading misstatements, and/or their associations with the companies made them privy to confidential proprietary information concerning Danaher. Accordingly, the Individual Defendants were active and culpable participants in the fraudulent schemes alleged herein. The Individual Defendants knew of and/or recklessly disregarded the falsity and misleading nature of the information, which they caused to be disseminated to the investing public. The ongoing fraud as described herein could not have been perpetrated without the knowledge and/or recklessness and complicity of personnel at the highest level of the Company, including the Individual Defendants.

169. These facts, in conjunction with the additional indicia of scienter alleged below, collectively support a strong inference that throughout the Class Period, Defendants knew or, at a minimum, recklessly disregarded that their statements were materially false and misleading.

A. Cytiva Maintained Robust Systems and Processes to Track Customer Inventory and Demand

170. Prior to and throughout the Class Period, Danaher maintained robust processes and systems to track customer needs, including production needs or demand for bioprocessing products and services. The Company received such information through several different channels.

171. The Danaher family of companies are guided by a unified philosophy referred to internally as the Danaher Business System ("DBS"). Danaher claims that DBS not only represents the tools and processes used by its operating companies to gain efficiencies but also its overall corporate culture. At all times throughout the Class Period, DBS comprised five core values,

including, among others, "Customers Talk, We Listen." As Defendant Blair explained on September 9, 2021, the purpose of this core value is to "deploy the voice of the customer back into the business with the certainty that it fuels continuous improvement or Kaizen." Thus, as a practical matter, this core value means that "[w]e're in constant dialogue with our customers" to understand their needs, as Blair later stated during a call on March 8, 2022. These principles were echoed in comments from Blair on January 10, 2023: "[T]he customer intimacy we have developed with these mission-critical applications and the frequency of the interactions associated with these more consumable-oriented businesses, this has allows us to inform our innovation engine."

172. Notably, the opportunities and demands presented by the COVID-19 pandemic in 2020 and 2021 increased the amount of customer engagement by Danaher's bioprocessing division. As Defendant Blair explained on July 21, 2022 with respect to the large pharmaceutical customers of the bioprocessing business, "we have very, very close relationships as a result of what we've just all passed through here in the last 18 months with all of our customers—we conduct regular surveys."

173. As a result of these tight-knit relationships, the bioprocessing division maintained an open line of contact with customers throughout the Class Period to ensure they did not maintain excessive inventory levels, and Defendants knew it. For example, Defendant Blair stated on April 21, 2022 that "we are very, very close to our customers, working together with them . . . to ensure that we're able to not only meet their needs but also to ensure that we don't have inventory buildup in the system." Similarly, on October 20, 2022, Defendant Blair provided a similar message: "We have been, as a result of the pandemic, even closer than traditionally working with our customers to understand their production plans and to ensure that they are not overstocking at the expense of

others who would need the product in what was a time of constraint here for the last, call it, 18, 20 months. . . . We do regular surveys with our customers."

174. To complement these informal interactions during the course of the year, the bioprocessing division also conducted a more comprehensive review with customers during the fourth quarter of each year. As Defendant Blair explained on November 30, 2022: "It's that very intimate customer communication that we have where we literally work through what their inventory situation is, what kind of safety stocks they want to maintain, what they believe their production schedule is, so that all happens and it regularly happens in the fourth quarter as everybody starts dialing in their plans for the next year."

175. In addition, Cytiva partnered with the research arm of the Financial Times to build and conduct a periodic empirical survey of biopharmaceutical executives known as the *Biopharma Resilience Index*. The inaugural edition of the *Index*, originally published in March 2021, was based on a survey of more than 1,100 senior biopharmaceutical executives worldwide that asked for feedback across five key pillars, including supply chain resilience, talent pool, R&D ecosystem, manufacturing agility, and government policy and regulation. The latest edition of the *Index*, published in June 2023, was based on a similar survey of approximately 1,250 senior biopharmaceutical executives. According to Cytiva, the results of the *Index* provide it with information to meaningfully assess industry needs on a global scale.

176. The Individual Defendants professed to have knowledge of the feedback received through these channels during the Class Period. For example, on July 21, 2022, Defendant Blair stated that "[w]e are seeing our customers continue the healthy transition away from COVID-19 vaccines and therapies and into previously paused and new programs for other modalities." Similarly, on July 25, 2023, Defendant McGrew explained that the Company was "spending time

with the customers in a pretty proactive way these days to understand what's on hand" and called out that "[s]ome are comfortable getting down where they were pre-pandemic, some are trying to get below that, and some are trying to be above that, actually."

B. Defendants Blair and McGrew Enriched Themselves Through the Sale of Inflated Stock

177. Defendants Blair and McGrew were motivated to engage in a fraudulent course of conduct so that they could sell their shares of Danaher common stock at artificially inflated prices, and maximize their receipt of more shares of Danaher common stock, during the Class Period.

178. Defendant Blair capitalized on his insider knowledge by engaging in multiple stock sales when Danaher's shares were trading at artificially inflated prices. As reflected in gray shading in the chart below, Blair sold 42,137 shares—representing approximately ***88%*** of his pre-Class Period holdings—and reaped proceeds of ***$12.2 million***:

Date	Shares Purchased (Sold)	Price	Proceeds (Cost)
2/1/2022	(5,898)	$287.29	$1,694,436.40
2/23/2022	40,970	--	--
2/24/2022	(3,235)	$271.56	$878,496.60
8/15/2022	(25,000)	$300.00	$7,500,000.00
8/15/2022	19,345	$65.83	($1,273,481.35)
8/15/2022	5,655	$70.75	($400,091.25)
2/1/2023	(5,976)	$267.50	$1,598,580.00
2/22/2023	42,210	--	--
2/24/2023	(2,028)	$249.12	$505,215.40

179. None of the acquisitions set forth in the foregoing chart negate the size or amount of the dispositions described above. The acquisitions on February 23, 2022, and February 22, 2023 represent stock automatically awarded to Blair for ***no cost*** upon the annual achievement of performance criteria set forth in performance stock units (each a "PSU") received by Blair as part of his compensation plan. If anything, these PSU provided even ***greater*** incentive to inflate Danaher's stock price. As provided in Danaher's SEC filings, "[t]he number of shares of Common

Stock that vest pursuant to the PSU award is based primarily on the Company's total shareholder return (TSR) ranking relative to the S&P 500 Index." Put differently, "the value of the PSUs is tied directly to the Company's relative TSR performance." And, to be sure, each of the aforementioned awards to Blair represent the maximum payout available under the highest band of achievement available under the PSUs. Similarly, the acquisitions on August 15, 2022, simply represent options exercised to cover the amount of stock sold that same day.

180. In contrast, each of the sales set forth in the chart above were made at times calculated to maximize Blair's gain. Each such sale was made soon after Defendants Blair and/or McGrew propped up the stock price by issuing false and misleading statements about the Company's bioprocessing division but before negative news was released which corrected that inflation. Indeed, the large sale on August 15, 2022, was made at a time to capitalize on the zenith of Danaher's Class Period stock price. Documents filed with the SEC claim that this sale was made pursuant to a trading plan established under SEC Rule 10b5-1. However, there are no prior reference to any such plan for Blair in his SEC filings or otherwise and, thus, it is reasonable to infer that the Rule 10b5-1 plan was entered into during the Class Period. Finally, any sales made to satisfy tax obligations upon the distribution or exercise of other shares do not minimize the suspicious nature of the sales. Fewer shares need to be sold to cover such liabilities when the stock price is inflated.

181. Defendant McGrew also capitalized on his insider knowledge by engaging in multiple stock sales when Danaher's shares were trading at artificially inflated prices. As reflected in gray shading in the chart below, McGrew sold 20,4017 shares—representing approximately ***135%*** of his pre-Class Period holdings—and reaped proceeds of ***$5.6 million***:

Date	Shares Purchased (Sold)	Price	Proceeds (Cost)
2/23/2022	23,680	--	--
2/24/2022	(857)	$271.56	$232,726.90
11/11/2022	(7,722)	$274.37	$2,118,685.14
11/11/2022	7,722	$57.90	($447,103.8)
11/11/2022	(11,213)	$274.963	$3,083,160.12
11/11/2022	11,213	$56.70	($635,777.10)
2/22/2023	20,870	--	--
2/24/2023	(625)	$249.12	$155,700.00

182. None of the acquisitions set forth in the foregoing chart negate the size or amount of the dispositions described above. As with Blair, the acquisitions on February 23, 2022, and February 22, 2023 represent stock automatically awarded to McGrew for ***no cost*** upon the annual achievement of performance criteria set forth in PSUs received by McGrew as part of his compensation plan. If anything, these PSU provided even ***greater*** incentive to inflate Danaher's stock price for all the reasons set forth in ¶ 180. Similarly, the acquisitions on November 11, 2022, simply represent options exercised to cover the amount of stock sold that same day.

183. In contrast, each of the sales set forth in the chart above were made at times calculated to maximize McGrew's gain. Each such sale was made soon after Defendants Blair and/or McGrew propped up the stock price by issuing false and misleading statements about the Company's bioprocessing division but before negative news was released which corrected that inflation.

C. Ligner's Suspiciously-Timed Resignation Supports an Inference of Scienter

184. Throughout the Class Period, Defendant Emmanuel Ligner served as Group Executive of the bioprocessing division and, later, the Biotechnology reporting segment, as well as President and CEO of Cytiva. Ligner worked at Cytiva long before it was acquired by Danaher in March 2020. In fact, Ligner began his career there in October 2004 and, by the end of the Class

Period, had spent ***19 years*** in different roles in that business, including as President and CEO from January 2016 to March 2020.

185. By October 24, 2023, Danaher was forced to cut its annual outlook for the bioprocessing division at least ***seven quarters in a row***. On October 31, 2023, Danaher announced that Christopher Riley, Vice President and Group Executive of Danaher's Life Sciences reporting segment, had been appointed as Executive Vice President of the Biotechnology reporting segment without making any mention of Defendant Ligner. In a concurrent post to his LinkedIn profile that linked to the foregoing announcement, Ligner disclosed that he was stepping down from his roles at Danaher. Specifically, Ligner stated: "After 19 incredible years in this business, I've decided now is the right time to pass the leadership reins of Cytiva. I'm delighted that my friend and colleague Christopher Riley will be Cytiva's next CEO." Notably, Ligner did not decide to retire but, rather, decided to assume a new role at another life sciences company.

186. Ligner's departure to another company on the heels of the public misses attributable to Danaher's bioprocessing business is highly suspicious and is further evidence of scienter.

D. Defendants' Denials and False Assurance In Response to Specific Questions by Trained Financial Analysts Support an Inference of Scienter

187. Throughout the Class Period, Defendants repeatedly denied and downplayed the scope of the challenges facing the bioprocessing division by citing specific information in response to pointed questions by trained financial analysts.

188. For example, in response to a question by an analysts in July 2022 about inventory stockpiling, Defendant Blair responded that "we are very, very sensitive to this particular topic and stay extremely close with our customers" to "ensure that we don't have inventory buildup in the system." Similarly, on November 30, 22, Blair informed an analyst in response to a direct question that the Company expected the bioprocessing division to generate $500 million in sales

in 2023 and stated "[t]hat's currently the status that we have with our customers." This Complaint is replete with numerous additional examples.

189. In a similar vein, Defendant Blair assured investors that senior management was carefully watching all relevant data points to build accurate forecasts. For example, on October 20, 2022, Blair represented that "we're looking at all the data points daily here" for the overall 2023 forecast. With respect to the outlook for COVID-related sales in bioprocessing, Blair also declared, "of course, that's a number that we watch very closely."

E. The Bioprocessing Business Is A Core Operation Of Danaher's Business

190. The Individual Defendants' knowledge of the issues facing Danaher's bioprocessing business can also be inferred because the bioprocessing business was at the heart of Danaher's operations and its image as a science and technology leader.

191. Operationally, bioprocessing was the single largest business division within the Life Sciences segment and, after being separated from Life Sciences in September 2022, comprised approximately $7.5 billion of the $8.5 billion in revenue generated by the newly-formed Biotechnology reporting segment. In other words, the bioprocessing business represented ***over 88%*** of the Biotechnology group and was, in effect, one of Danaher's four (soon to be three) reporting segments. Across Danaher's entire business portfolio, the bioprocessing unit comprised approximately 25% of the $31.47 billion in sales that Danaher generated in 2022. Without the EAS segment, scheduled to be spun-off in the fourth quarter of 2023, the bioprocessing unit would have comprised nearly 30% of Danaher's overall sales.

192. Furthermore, the bioprocessing business represented by Cytiva and Pall's life sciences branch was, and is, the crown jewel of Danaher's science and technology platform on which the Company pegged its future success. Danaher acquired the two companies for a whopping $35 billion. Together, Cytiva and Pall provided the broadest product offering in the

entire biomanufacturing industry, and was referred to by Defendant Blair as a "$8.5 billion growth juggernaut" in the field of biotechnology. Indeed, as Defendant Blair explained on January 24, 2023, "we anticipate the size of our bioprocessing . . . businesses to increase meaningfully here in the coming years." The combined entity was so important to Danaher that it devoted its entire investor and analyst day in September 2022 to the bioprocessing business.

193. In addition, Defendants were aware that the investment community was laser focused on the bioprocessing division throughout the Class Period. As explained above (¶¶ 46-47) analysts that followed the Company repeatedly informed Defendants that investors remained very interested in better understanding the financial condition of the bioprocessing business as COVID-19 rolled off given the boost it received as a result of the pandemic.

F. *Respondeat Superior* and Agency Principles Apply

194. Danaher is liable for the acts of Defendants and other Company officers, directors, employees, and agents under the doctrine of *respondeat superior* and common law principles of agency as all wrongful acts alleged herein were carried out within the scope of their employment or agency with the authority or apparent authority to do so. The scienter of Defendants and other Company officers, employees , and agents is imputed to Danaher under such principles.

LOSS CAUSATION

195. At all relevant times, Danaher securities traded in an open, well-developed, and efficient market which promptly digested new information regarding the Company from all reasonably accessible public sources and reflected such information in the price of Danaher's securities.

196. As described above, throughout the Class Period, Defendants made false and misleading statements which misrepresented and/or failed to disclose the adverse facts detailed herein. Defendants' false and misleading statements caused Danaher securities to trade at

artificially inflated prices throughout the Class Period and, thus, operated as a fraud or deceit on Plaintiffs and other members of the Class who purchased or otherwise acquired such securities before such the inflation was removed.

197. As detailed herein, the price of Danaher securities fell precipitously on high volume in response to disclosures made by the Company on October 20, 2022, January 24, 2023, April 25, 2023, July 25, 2023, . The price of Danaher securities fell in response to each such disclosure by revealing information that removed part of the inflation introduced by Defendants' previous misstatements and omissions, causing real economic loss to Lead Plaintiff and other members of the Class who purchased such securities during the Class Period at inflated prices.

198. Each decline in the price of Danaher securities referenced above was a direct and proximate result of Defendants' misstatements or omissions being revealed to the market and/or the materialization of risks concealed by the fraud. The timing and magnitude of each such price decline negates any inference that the losses suffered by Plaintiffs and other members of the Class were caused by changed market conditions, macroeconomic factors, or Company-specific facts unrelated to the fraud alleged herein.

199. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiffs and other Class members have suffered significant losses and damages. Accordingly, Defendants' wrongful conduct directly and proximately caused Plaintiffs and other members of the Class to suffer economic losses, *i.e.*, damages under the federal securities laws.

PRESUMPTION OF RELIANCE

200. Plaintiffs and the Class are entitled to a presumption of reliance under the fraud-on-the-market doctrine because, among other things:

(a) Defendants made public misrepresentations or failed to disclose material facts necessary to make the statements that were made not misleading during the Class Period;

(b) the misrepresentations and/or omissions were material;

(c) the Company's Class A common stock traded in an efficient market;

(d) the misrepresentations alleged would tend to induce a reasonable investor to misjudge the value of the Company's Class A common stock; and

(e) Plaintiffs and other members of the Class purchased Danaher securities between the time Defendants misrepresented or failed to disclose material facts necessary to make the statements that they made not misleading and the time the true facts were disclosed, without knowledge of the misrepresented and/or omitted facts.

201. At all relevant times, the market for Danaher securities was efficient for the following reasons, among others:

(a) Danaher's securities met the requirements for listing on the NYSE, a highly efficient and automated market;

(b) as a regulated issuer, Danaher filed periodic public reports with the SEC;

(c) throughout the Class Period, Danaher's common stock was highly liquid, with an average daily trading volume over 2.7 million shares;

(d) Danaher regularly communicated with public investors via established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press, securities analysts, and other similar reporting services;

(e) Danaher was followed by numerous securities analysts employed by major brokerage firm(s) who wrote reports that were distributed to the sales force and certain customers of their respective brokerage firm(s) and, thus, entered the public marketplace; and

(f) new, company-specific information was reflected and incorporated into the stock price for Danaher's securities.

202. As a result of the foregoing, the market for Danaher securities promptly digested current information regarding Danaher from publicly available sources and reflected such information in the price of Danaher's securities. Under these circumstances, all purchasers of Danaher securities during the Class Period suffered similar injury through their purchase of Danaher securities at artificially inflated prices and the presumption of reliance applies.

203. In addition, a presumption of reliance is also appropriate under *Affiliate Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972), because the claims asserted herein are predicated on the omission of material facts for which there was a duty to disclose. As this action involves Defendants' failure to disclose material adverse information regarding Danaher's operations, forecasts, and business prospects—information that Defendants were obligated to disclose in light of the statements they made on these very topics and/or applicable SEC rules and regulations—positive proof of reliance is not a prerequisite to recovery.

NO SAFE HARBOR

204. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the statements alleged herein to be false or misleading.

205. None of the statements alleged herein to be false or misleading are forward-looking statements. Rather, the statements alleged herein to be false or misleading all relate to facts and conditions existing at the time the statements were made. Furthermore, none of the historic or present-tense statements alleged herein to be false or misleading were assumptions underlying or

relating to any plan, projection, or statement of future economic performance, as they were not stated to be such assumptions underlying or relating to any projection or statement of future economic performance when made, nor were any of the projections or forecasts made by Defendants expressly related to or stated to be dependent on those historic or present-tense statements when made.

206. To the extent certain of the statements alleged to be false may be characterized as forward looking, they were neither identified as such when made nor accompanied by any meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. For example, neither Defendants Blair nor McGrew identified any particular type of statement as forward looking during the presentations they made at conferences held on March 8, 2022, May 11, 2022, November 30, 2022, or May 10, 2023, much less caution that actual results might differ or direct investors to another document that contains additional information concerning the factors that could cause actual results to differ. To the extent Defendants issued any statements designed to "warn" or "caution" investors of certain risks, those statements were not meaningful because they warned only of theoretical future risks at times when such risks were not merely hypothetical and/or identified risks that already began to materialize. Indeed, any purported cautionary statements made by Defendants failed to adjust over time, using the same theoretical tone even after concrete changes of circumstance. Thus, the boilerplate and abstract cautionary statements made by Defendants were themselves false and misleading and insufficient to insulate Defendants from liability.

207. In addition, Defendants are liable for any forward-looking statements because, at the time each such statement was made, the speaker knew that the forward-looking statement was

false or misleading or had actual knowledge of material facts undermining the statement, and/or the forward-looking statement was authorized or approved by an executive officer of Danaher who knew that the statement was materially false or misleading when made or had actual knowledge of material facts undermining the statement.

CLASS ACTION ALLEGATIONS

208. Plaintiffs bring this action on their own behalf and as a class action pursuant to Rules 23 of the Federal Rules of Civil Procedure on behalf of the Class. Excluded from the Class are Defendants, members of the immediate families of the Individual Defendants, the Company's subsidiaries and affiliates, any person who is or was an officer or director of the Company or any of the Company's subsidiaries or affiliates during the Class Period, any entity in which such excluded party has or had a controlling interest, and the legal representatives, heirs, successors, or assigns of any such excluded party.

209. The members of the Class are so numerous and geographically dispersed that joinder is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court. During the Class Period, Danaher's securities were actively traded on the NYSE. As of October 19, 2023, there were approximately 738,927,107 shares of common stock outstanding. While the exact number of Class members is unknown to Plaintiffs at this time and can only be ascertained through appropriate discovery, Plaintiffs believe that there are thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by the Company or its transfer agent and may be notified of the pendency of this action by mail, using a form of notice similar to that customarily used in class actions arising under the federal securities laws.

210. Plaintiffs' claims are typical of the claims of members of the Class. All members of the Class were similarly affected by Defendants' allegedly wrongful conduct in violation of the Exchange Act, as complained of herein.

211. Plaintiffs will fairly and adequately protect the interests of the members of the Class and have retained counsel competent and experienced in class and securities litigation. Plaintiffs have no interests antagonistic to, or in conflict with, those of the Class.

212. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class, including:

(a) whether the acts described herein violated the Exchange Act and/or SEC rules promulgated thereunder;

(b) whether statements made by Defendants to the investing public during the Class Period misrepresented material facts or omitted material facts necessary to make the statements made, in the circumstances under which they were made, not misleading;

(c) whether Defendants acted with the requisite level of scienter;

(d) whether the material misstatements and omissions alleged herein artificially inflated the market price of Danaher securities during the Class Period;

(e) whether the Individual Defendants were controlling persons; and

(f) whether the members of the Class have sustained damages as a result of the conduct complained of herein and, if so, the proper measure of damages.

213. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy because, among other reasons, joinder of all members is impracticable. Furthermore, as the damages suffered by individual members of the Classes may be relatively small, the expense and burden of individual litigation make it impossible for members

of the Classes to redress the wrongs done to them individually. There will be no difficulty in the management of this action as a class action.

COUNT I

(Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Promulgated Thereunder Against All Defendants)

214. Plaintiffs repeat and reallege each and every allegation in the foregoing paragraphs as if fully set forth herein.

215. This Count is brought pursuant to Section 10(b) of the Exchange Act, codified at 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC, codified at 17 C.F.R. § 240.10b-5, on behalf of the Class against all Defendants.

216. Throughout the Class Period, Defendants, individually and in concert, directly or indirectly, by means or instrumentalities of interstate commerce, including but not limited to the mails and the internet, and/or the facilities of a national securities exchange, carried out a plan, scheme, or course of conduct in violation of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder by the SEC, in that they: (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material facts and/or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (iii) engaged in acts, practices, and a course of business that operated as a fraud or deceit upon Plaintiffs and others similarly situated in connection with their purchases of Danaher securities during the Class Period.

217. Specifically, throughout the Class Period, Defendants made or caused Danaher to issue untrue statements of material fact and/or omit material facts from its public disclosures that were necessary to make the statements that were made, in light of the circumstances under which they were made, not misleading, including those specified above, which was intended to, and did,

as alleged herein: (i) deceive the investing public, including Plaintiffs and the other members of the Class; (ii) artificially inflate and maintain the price of Danaher securities; and (iii) cause Plaintiffs and members of the Class to purchase Danaher securities at artificially inflated prices.

218. Defendants are individually and collectively responsible for making such statements by virtue of having made the public statements or otherwise prepared, approved, signed, and/or disseminated documents that contained those statements to the investing public.

219. The Individual Defendants made the false and misleading statements and engaged in the fraudulent activity described herein knowingly and intentionally, or in such a deliberately reckless manner as to constitute willful deceit and fraud upon Plaintiffs and the other members of the Class who purchased Danaher securities during the Class Period.

220. As a result of disseminating the materially false and misleading statements specified above, the market price for Danaher securities was artificially inflated during the Class Period. Relying directly or indirectly on those statements or upon the integrity of the market price for Danaher securities, Plaintiffs and other members of the Class purchased Danaher securities at prices that were artificially inflated by the fraud described herein. As set forth herein, Plaintiffs and other members of the Class suffered damages as a direct and proximate result of Defendants' wrongful conduct when the true facts were subsequently disclosed or the risks concealed by the misstatements materialized and the inflation was removed from the price of such securities.

221. At the time of said misrepresentations and omissions, Plaintiffs and other members of the Class were ignorant of the fact that they were materially false or omitted material facts necessary to make them not misleading, and believed them to be true. Plaintiffs and the other members of the Class would not have purchased Danaher securities at the prices they paid, or at

all, if they had been aware that the market prices had been artificially inflated by the false and misleading statements and/or the material adverse facts which the Defendants did not disclose.

222. By reason of the foregoing, Defendants are liable to Plaintiffs and members of the Class for violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

COUNT II

(Violations of Section 20(a) of the Exchange Act Against Defendants Blair and McGrew)

223. Plaintiffs repeat and reallege each and every allegation in the foregoing paragraphs as if fully set forth herein.

224. This Count is brought pursuant to Section 20(a) of the Exchange Act, codified at 15 U.S.C. § 78t(a), on behalf of the Class against Defendants Blair and McGrew.

225. As alleged herein, Defendants Blair and McGrew, and each of them, violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder by making materially false and misleading statements and omitting material facts necessary to make the statements that were made not misleading in connection with the purchase or sale of the Company's securities and by participating in a fraudulent scheme and course of business or conduct throughout the Class Period.

226. Throughout the Class Period, Blair and McGrew, as Danaher's two most senior executives, had direct involvement in the day-to-day operations of the Company, and conducted and participated, directly and indirectly, in the conduct of Danaher's business affairs.

227. As officers and/or directors of a publicly owned company, Blair and McGrew had a duty to disseminate accurate and truthful information with respect to Danaher's business operations, financial condition, and prospects. In this capacity, Blair and McGrew were provided with or had unlimited access to copies of the Company's reports, press releases, public filings, and other statements alleged herein to be false or misleading prior to and/or shortly after those

statements were made, and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

228. Because of their positions as senior officers and/or directors of Danaher, Blair and McGrew had the power to influence and control, and did influence and control, directly or indirectly, the contents of the reports, press releases, public filings, and other statements alleged to give rise to the primary violations alleged herein.

229. Defendants Blair and McGrew, therefore, were "controlling persons" of Danaher within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged, which artificially inflated the market price of Danaher securities.

230. Because of their senior positions, Blair and McGrew knew of or recklessly disregarded the adverse, non-public information about Danaher's business practices, financial condition, and prospects. Blair and McGrew acted knowingly and intentionally, or in such a deliberately reckless manner as to constitute culpable participation in the primary violation.

231. By reason of the foregoing, Blair and McGrew are liable to Plaintiffs and members of the Class for violations of Section 20(a) of the Exchange Act.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demand judgment against Defendants as follows:

A. Declaring that this action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiffs as class representatives and Plaintiffs' counsel as lead counsel under Rule 23 of the Federal Rules of Civil Procedure;

B. Awarding Plaintiffs and the Class compensatory damages against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, together with pre-judgment interest thereon;

C. Awarding Plaintiffs and the Class their reasonable costs and expenses incurred in this action, including, but not limited to, attorneys' fees and costs incurred by consulting and testifying expert witnesses; and

D. Granting such other and further relief as the Court may deem just and proper.

DEMAND FOR TRIAL JURY

Plaintiffs hereby demand a trial by jury of all issues so triable.

Dated: December 29, 2023

Respectfully submitted,

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