UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 2, 2021

STERIS plc
(Exact Name of Registrant as Specified in Charter)

Ireland	001-38848	98-1455064
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

70 Sir John Rogerson's Quay
Dublin 2, Ireland , D02 R296
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: +353 1232 2000

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, $0.001 par value	**STE**	**New York Stock Exchange**
2.700% Senior Notes due 2031	**STE/31**	**New York Stock Exchange**
3.750% Senior Notes due 2051	**STE/51**	**New York Stock Exchange**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Introductory Note.

On June 2, 2021 (the "Closing Date"), STERIS plc, a company incorporated under the laws of Ireland ("STERIS"), completed its previously announced acquisition of Cantel Medical Corp. (now known as Cantel Medical LLC) (the "Company" or "Cantel") pursuant to the terms of the Agreement and Plan of Merger (the "Merger Agreement"), dated as of January 12, 2021, as amended March 1, 2021, by and among STERIS, Solar New US Holding Co, LLC (now known as Solar New US Holding Corporation), a wholly owned subsidiary of STERIS ("US Holdco"), Crystal Merger Sub 1, LLC, a direct and wholly owned subsidiary of US Holdco ("Crystal Merger Sub"), and Cantel. Pursuant to the terms of the Merger Agreement, prior to the closing of the transactions contemplated by the Merger Agreement (the "Closing"), the Company incorporated Canyon HoldCo, Inc., a Delaware corporation and direct and wholly owned subsidiary of Cantel ("Canyon Newco"), and Grand Canyon Merger Sub, Inc., a Delaware corporation and direct and wholly owned subsidiary of Canyon Newco ("Canyon Merger Sub") and on March 1, 2021, Canyon Newco, Canyon Merger Sub and Cantel entered into a joinder to the Merger Agreement through which Canyon Newco and Canyon Merger Sub became parties to the Merger Agreement. The Merger Agreement provides for, among other things, (a) the merger of Canyon Merger Sub with and into the Company, with the Company surviving the merger as a direct wholly owned subsidiary of Canyon Newco (the "Pre-Closing Merger"), (b) immediately following the Pre-Closing Merger, the conversion of the Company from a Delaware corporation to a Delaware limited liability company (the "Pre-Closing Conversion"), (c) immediately following the Pre-Closing Conversion, the merger of Crystal Merger Sub with and into Canyon Newco, with Canyon Newco surviving the merger as a direct and wholly owned subsidiary of US Holdco (the "First Merger") and (d) immediately after the First Merger, the merger of Canyon Newco with and into US Holdco, with US Holdco surviving the merger and remaining a wholly owned subsidiary of STERIS (the "Second Merger" and, together with the First Merger, the "Mergers").

On the Closing Date, upon the terms and subject to the conditions set forth in the Merger Agreement and in accordance with the applicable provisions of the General Corporation Law of the State of Delaware and the Delaware Limited Liability Company Act, the Mergers were completed. At the effective time of the Pre-Closing Merger (the "Pre-Closing Merger Effective Time"), the separate corporate existence of Canyon Merger Sub ceased, and the Company survived the Pre-Closing Merger as a wholly owned subsidiary of Canyon Newco. At the effective time of the First Merger (the "First Merger Effective Time"), the separate existence of Crystal Merger Sub ceased, and Canyon Newco survived the First Merger as a wholly owned subsidiary of STERIS. At the effective time of the Second Merger (the "Second Merger Effective Time"), the separate corporate existence of Canyon Newco ceased, and US Holdco survived the Second Merger as a wholly owned subsidiary of STERIS.

Item 1.01 Entry into a Material Definitive Agreement.

On the Closing Date, the Company, STERIS and Wells Fargo Bank, National Association, as trustee (the "Trustee"), entered into the First Supplemental Indenture, dated as of June 2, 2021 (the "First Supplemental Indenture"), to the indenture, dated as of May 15, 2020 (the "Base Indenture" and, together with the First Supplemental Indenture, the "Indenture"), by and between the Company and the Trustee, relating to the Company's 3.25% Convertible Senior Notes due 2025 (the "Convertible Notes").

As a result of the Mergers, and pursuant to the First Supplemental Indenture, the Convertible Notes are no longer convertible into shares of common stock, par value $0.10 per share of the Company ("Company Shares"). Instead, to the extent such Convertible Notes were convertible immediately prior to the Mergers, such Convertible Notes will be convertible into cash and STERIS Shares (as defined below) in proportion to the Merger Consideration (as defined below) payable pursuant to the Merger Agreement, pursuant to the "Reference Property" provisions in the Indenture. This Current Report on Form 8-K does not constitute an offer or solicitation with respect to any securities.

The foregoing descriptions of the First Supplemental Indenture and the transactions contemplated thereby are subject to and qualified in their entirety by reference to the full text of the First Supplemental Indenture, which is filed as Exhibit 4.1 hereto and incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

As described above, at the Second Merger Effective Time on the Closing Date, STERIS completed its previously announced acquisition of the Company. As a result of the Mergers, the Company became a wholly-owned subsidiary of STERIS. At the Pre-Closing Merger Effective Time, each Company Share issued and outstanding immediately before the Pre-Closing Merger Effective Time was converted into one share of common stock of Canyon Newco (the "NewCo Shares"). At the First Merger Effective Time, each NewCo Share issued and outstanding immediately before the First Merger Effective Time was converted into the right to receive (a) $16.93 in cash, without interest, and (b) 0.33787 ordinary shares, par value $0.001 per share, of STERIS (the "STERIS Shares", and such consideration, the "Merger Consideration").

At the First Merger Effective Time, each award of restricted stock units corresponding to Company Shares (each, a "Company RSU Award") granted under the Company's 2016 Equity Incentive Plan and the Company's 2020 Equity Incentive Plan (other than an award contemplated by clauses (a) and (b) of the next sentence) to the extent not vested was automatically converted into a STERIS restricted share unit award (a "STERIS RSU Award"). Each Company RSU Award (a) held by a non-employee director of the Company, certain retired employees and Charles M. Diker (the "Converted RSU Holders") was converted into the number of Company Shares covered by such Company RSU Award prior to the Pre-Closing Merger Effective Time and each such Company Share was converted into a Newco Share at the Pre-Closing Merger Effective Time and ultimately into the right to receive the Merger Consideration at the First Effective Time and (b) that was subject to performance-based vesting conditions was automatically converted into a STERIS RSU Award and, subject to certain conditions, will vest pursuant to a schedule based on the date when the Company RSU Award was granted.

In connection with the closing of the First Merger, STERIS paid approximately $716.4 million in cash and issued approximately 14.3 million STERIS Shares to former holders of Newco Shares and the Converted RSU Holders.

The issuance of STERIS Shares in connection with the Merger Agreement was registered under the Securities Act of 1933 pursuant to STERIS's registration statement on Form S-4 (Registration No. 333-253799) declared effective by the Securities and Exchange Commission (the "SEC") on April 1, 2021 (the "Registration Statement"). The proxy statement/prospectus in the Registration Statement contains additional information about the Mergers and incorporates by reference additional information about the Mergers from Current Reports on Form 8-K filed by STERIS and the Company.

The foregoing description of the Merger Agreement and transactions contemplated thereby is subject to and qualified in its entirety by reference to the Merger Agreement and the Amendment to the Merger Agreement, which are filed as Exhibit 2.1 and Exhibit 2.2 to this Current Report on Form 8-K, respectively, the terms of which are incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation or Obligation under an Off-Balance Sheet Obligation of a Registrant.

As previously disclosed, on March 19, 2021, STERIS, STERIS Corporation, STERIS Limited, and STERIS Irish FinCo Unlimited Company, each as a borrower and guarantor, entered into a delayed draw term loan agreement with various financial institutions as lenders, and JPMorgan Chase Bank, N.A., as administrative agent (the "Delayed Draw Term Loan Agreement") providing for a $750 million delayed draw term loan facility. In connection with the consummation of the Mergers, a wholly owned subsidiary of STERIS borrowed $650 million under the Delayed Draw Term Loan Agreement (and STERIS terminated the remaining $100 million that was originally available thereunder), the proceeds of which were used, together with the proceeds from other new indebtedness, to fund the cash consideration for the Mergers, as well as the refinancing, prepayment, replacement, redemption, repurchase, settlement upon conversion, discharge or defeasance of certain existing indebtedness of Cantel and its subsidiaries, transaction expenses, general corporate purposes and working capital needs.

The foregoing description of the Delayed Draw Term Loan Agreement and transactions contemplated thereby is subject to and qualified in its entirety by reference to the Delayed Draw Term Loan Agreement, which is filed as Exhibit 10.1 to STERIS's Current Report on Form 8-K dated March 19, 2021, the terms of which are incorporated by reference herein.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements of business acquired.

The audited financial information of the Company required to be filed under Item 9.01 (a) is included in Part II, Item 8 of the Company's Annual Report on Form 10-K filed on September 25, 2020 and Part I, Item 1 of the Company's Quarterly Report on Form 10-Q filed on May 28, 2021 and is incorporated by reference herein.

(b) Pro forma financial information.

The pro forma financial information required to be filed under Item 9.01 (b) is included in Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

(d) Exhibits:

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated January 12, 2021, by and among STERIS plc, Solar New US Holding Co, LLC (now known as Solar New US Holding Corporation), Crystal Merger Sub 1, LLC and Cantel Medical Corp. (now known as Cantel Medical LLC) (incorporated by reference herein to Exhibit 2.1 to STERIS plc's Current Report on Form 8-k filed on January 12, 2021) (SEC File No. 001-38848).
2.2	Amendment to the Agreement and Plan of Merger, dated March 1, 2021, by and among STERIS plc, Solar New US Holding Co, LLC (now known as Solar New US Holding Corporation), Crystal Merger Sub 1, LLC and Cantel Medical Corp. (now known as Cantel Medical LLC) (incorporated by reference herein to Exhibit 2.2 to STERIS plc's Registration Statement on Form S-4 filed on March 2, 2021) (SEC File No. 333-253799).
4.1	First Supplemental Indenture, dated June 2, 2021, by and among Cantel Medical Corp. (now known as Cantel Medical LLC), STERIS plc and Wells Fargo, National Association, as trustee.
23.1	Consent of Deloitte & Touche LLP
99.1	Pro forma financial information
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STERIS plc

By	/s/ J. Adam Zangerle
Name:	J. Adam Zangerle
Title:	Senior Vice President, General Counsel & Company Secretary

Dated: June 8, 2021

Exhibit 4.1

CANTEL MEDICAL LLC

AND

STERIS PLC

AND

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Trustee

FIRST SUPPLEMENTAL INDENTURE

June 2, 2021

3.25% Convertible Senior Notes due 2025

FIRST SUPPLEMENTAL INDENTURE, dated as of June 2, 2021 (this "**First Supplemental Indenture**"), among CANTEL MEDICAL LLC, a Delaware limited liability company (formerly known as Cantel Medical Corp., the "**Company**"), STERIS PLC, a company incorporated under the laws of Ireland ("**Parent**"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, as trustee under the Original Indenture referred to below (the "**Trustee**").

W I T N E S S E T H:

WHEREAS, the Company and the Trustee are parties to an Indenture, dated as of May 15, 2020 (the "**Original Indenture**"), pursuant to which the Company issued its 3.25% Convertible Senior Notes due 2025 (the "**Notes**");

WHEREAS, the Company entered into an Agreement and Plan of Merger, dated as of January 12, 2021, as amended by Amendment to Agreement and Plan of Merger, dated as of March 1, 2021 (the "**Merger Agreement**"), by and among the Company, Parent, Solar New US Holding Corporation (formerly known as Solar New US Holding Co, LLC), a Delaware corporation and indirect and wholly-owned subsidiary of Parent ("**US HoldCo**") and Crystal Merger Sub 1, LLC, a Delaware limited liability company and direct and wholly-owned subsidiary of US HoldCo ("**Crystal Merger Sub**");

WHEREAS, pursuant to the terms of the Merger Agreement, prior to the closing of the transactions contemplated by the Merger Agreement (the "**Closing**"), the Company incorporated Canyon HoldCo, Inc., a Delaware corporation and direct and wholly owned subsidiary of the Company ("**Canyon Newco**"), and Grand Canyon Merger Sub, Inc., a Delaware corporation and direct and wholly owned subsidiary of Canyon Newco ("**Canyon Merger Sub**"), and on March 1, 2021, Canyon Newco, Canyon Merger Sub and the Company entered into a joinder to the Merger Agreement through which Canyon Newco and Canyon Merger Sub became parties to the Merger Agreement. The Merger Agreement provided for, among other things, (a) the merger of Canyon Merger Sub with and into the Company with the Company surviving the merger as a direct and wholly-owned subsidiary of Canyon Newco (the “**Pre-Closing Merger**”), (b) immediately following the Pre-Closing Merger, the conversion of the Company from a Delaware corporation to a Delaware limited liability company (the “**Pre-Closing Conversion**”), (c) immediately following the Pre-Closing Conversion, the merger of Crystal Merger Sub with and into Canyon Newco with Canyon Newco surviving the merger as a direct and wholly-owned subsidiary of US Holdco (the “**First Merger**”) and (d) immediately after the First Merger, the merger of Canyon Newco with and into US Holdco, with US Holdco surviving the merger and remaining an indirect and wholly-owned subsidiary of Parent (the “**Second Merger**” and, together with the Pre-Closing Merger and the First Merger, the “**Mergers**”);

WHEREAS, pursuant to the Merger Agreement and subject to the terms and conditions therein, at the effective time of the Pre-Closing Merger (the “**Pre-Closing Merger Effective Time**”), each share of common stock, par value $0.10 per share, of the Company (the “**Company Common Stock**”) issued and outstanding immediately prior to the Pre-Closing Merger Effective Time will be automatically converted into the right to receive one share of common stock of Canyon Newco (the “**Canyon Newco Common Stock**”);

WHEREAS, pursuant to the Merger Agreement and subject to the terms and conditions therein, (x) at the effective time of the First Merger (the “**First Merger Effective Time**”), each share of Canyon Newco Common Stock (previously Company Common Stock) issued and outstanding immediately prior to the First Merger Effective Time will be automatically converted into the right to receive a combination of (i) ordinary shares, par value $0.001 per share, of Parent (“**Parent Shares**”) and (ii) cash (as described herein), the separate existence of Crystal Merger Sub will cease, and Canyon Newco will survive the First Merger as an direct and wholly-owned subsidiary of US Holdco, and (y) immediately thereafter, at the effective time of the Second Merger, the separate corporate existence of Canyon Newco will cease, and US Holdco will survive the Second Merger as an indirect and wholly-owned subsidiary of Parent;

WHEREAS, Section 10.01 of the Original Indenture provides that the Company, when authorized by the resolutions of the Board of Directors of the Company, and the Trustee, at the Company’s expense, may from time to time and at any time enter into a supplemental indenture, to provide, among other things, in connection with any Merger Event that the Notes are convertible into Reference Property (as defined below), subject to the provisions of Section 14.02 of the Original Indenture, and make such related changes to the terms of the Notes to the extent expressly required by Section 14.07 of the Original Indenture;

WHEREAS, Section 14.07 of the Original Indenture provides that in the case of a consolidation, merger or combination involving the Company, as a result of which Company Common Stock would be converted into, or exchanged for, stock, other securities, other property or assets (a “**Merger Event**”), the Holder of each Note shall have the right to convert each $1,000 principal amount of Notes into a right to convert such principal amount of Notes into the kind and amount of shares of stock, other securities or other property or assets that a holder of a number of shares of Company Common Stock equal to the Conversion Rate immediately prior to such Merger Event would have owned or been entitled to receive (the “**Reference Property**,” with each “**unit of Reference Property**” meaning the kind and amount of Reference Property that a holder of one share of Company Common Stock is entitled to receive);

WHEREAS, upon such Merger Event and, prior to or at the effective time of such Merger Event, the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture permitted under Section 10.01(h) of the Original Indenture providing for such right to convert each $1,000 principal amount of Notes into the Reference Property; provided, however, that the Company shall have the continued right, subject to Section 14.02 of the Original Indenture, to determine the Settlement Method with respect to any conversion of Notes;

WHEREAS, in connection with the execution and delivery of this First Supplemental Indenture, the Trustee has received an Officer's Certificate as contemplated by Sections 10.05 and 14.07(b) of the Original Indenture and Opinion of Counsel as contemplated by Section 10.05 of the Original Indenture; and

WHEREAS, the Company and Parent have requested and hereby request that the Trustee execute and deliver this First Supplemental Indenture and have satisfied all requirements necessary to make this First Supplemental Indenture a valid and binding instrument, enforceable against each of the Company and the Parent in accordance with its terms.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company, Parent and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions in this First Supplemental Indenture. A term defined in the Original Indenture has the same meaning when used in this First Supplemental Indenture unless such term is otherwise defined herein or amended or supplemented pursuant to this First Supplemental Indenture. The words "herein," "hereof," "hereunder," and words of similar import refer to this First Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

ARTICLE II
EFFECT OF MERGER ON CONVERSION RIGHT

Section 2.01 Parent to Provide Parent Shares. Parent hereby irrevocably and unconditionally agrees to be bound by the terms of this First Supplemented Indenture applicable to it and to issue Parent Shares as necessary to satisfy the Company's obligations with respect to any Notes validly surrendered for conversion pursuant to Article 14 of the Original Indenture.

Section 2.02 Conversion Right. (a) The Company and Parent expressly agree that, in accordance with Section 14.07 of the Original Indenture, immediately after the Pre-Closing Merger Effective Time and before the First Merger Effective Time, the Holder of each Note that was outstanding as of the Pre-Closing Merger Effective Time shall have the right to convert each $1,000 principal amount of such Note into a number of units of Reference Property equal to the Conversion Rate (as defined in the Original Indenture). The Conversion Rate immediately following the Pre-Closing Merger Effective Time will be 24.0912 Units of Reference Property for each $1,000 principal amount of Notes. As used in this Section 2.02(a), "**Unit of Reference Property**" shall mean one share of Canyon NewCo Common Stock.

(b) The Company and Parent expressly agree that, in accordance with Section 14.07 of the Original Indenture, at and after the First Merger Effective Time, the Holder of each Note that was outstanding as of the First Merger Effective Time shall have the right to convert each $1,000 principal amount of such Note into a number of units of Reference Property equal to the Conversion Rate (as defined in the Original Indenture). The Conversion Rate immediately following the First Merger Effective Time will be 24.0912 Units of Reference Property for each $1,000 principal amount of Notes (prior to giving effect to any Additional Shares added to the Conversion Rate in accordance with Section 14.03). As used in this Section 2.02(b), "**Unit of Reference Property**" shall mean, collectively, (i) $16.93 in cash and (ii) 0.33787 Parent Shares.

(c) The provisions of the Original Indenture, as modified herein, including without limitation, (i) all references and provisions respecting the terms "Common Stock," "Conversion Price," "Conversion Rate," "Daily Conversion Value," "Daily VWAP," "Ex-Dividend Date," "Last Reported Sale Price," "Observation Period," "Settlement Amount," "Cash Settlement," "Market Disruption Event," and "Trading Day" shall continue to apply, *mutatis mutandis*, to the Holders' right to convert their Notes into applicable Units of Reference Property. The Conversion Rate shall be adjusted as a result of events occurring subsequent to the date hereof with respect to the Reference Property as nearly equivalent as may be practicable to the adjustments of the Conversion Rate provided for in Article 14 of the Original Indenture.

ARTICLE III
MISCELLANEOUS

Section 3.01 Ratification of Original Indenture. The Original Indenture, as supplemented by this First Supplemental Indenture, is in all respects ratified and confirmed, and this First Supplemental Indenture shall be deemed part of the Original Indenture in the manner and to the extent herein and therein provided.

Section 3.02 Conflict with Original Indenture. To the extent not expressly amended or modified by this First Supplemental Indenture, the Original Indenture shall remain in full force and effect. If any provision of this First Supplemental Indenture is inconsistent with any provision of the Original Indenture, the provision of this First Supplemental Indenture shall control.

Section 3.03 Successors. All agreements of the Company, the Parent and the Trustee in this First Supplemental Indenture shall bind their respective successors.

Section 3.04 Governing Law. THIS FIRST SUPPLEMENTAL INDENTURE AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS FIRST SUPPLEMENTAL INDENTURE, THE ORIGINAL INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY AND THEREBY.

Section 3.05 Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument. The exchange of copies of this First Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this First Supplemental Indenture as to the parties hereto and may be used in lieu of the original First Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

The words “execution,” “signed,” “signature,” and words of like import in this First Supplemental Indenture shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 3.06 Headings. The headings of the Articles and Sections of this First Supplemental Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

Section 3.07 Severability. In case any provision in this First Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

Section 3.08 Trustee Not Responsible for Recitals. The recitals and statements herein contained are made solely by the Company and the Parent and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity, adequacy or sufficiency of this First Supplemental Indenture. All of the provisions contained in the Original Indenture in respect of the rights, privileges, protections, benefits, immunities, powers, and duties of the Trustee shall be applicable in respect of this First Supplemental Indenture (and any action or inaction hereunder or in connection herewith) as fully and with like force and effect as though set forth in full herein.

[*Signature Pages Follows*]

IN WITNESS WHEREOF, the parties have caused this First Supplemental Indenture to be duly executed as of the date first written above.

CANTEL MEDICAL LLC

By: /s/ Michael J. Tokich
Name: Michael J. Tokich
Title: President

STERIS PLC

By: /s/ Michael J. Tokich
Name: Michael J. Tokich
Title: Senior Vice President and Chief Financial Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Patrick Giordano
Name: Patrick Giordano
Title: Vice President

[*Signature Page to the First Supplemental Indenture*]

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-230557, 333-230558 and 333-256700 on Form S-8 and Registration Statement No. 333-254608 on Form S-3 of our reports dated September 25, 2020 relating to the financial statements of Cantel Medical Corp. and the effectiveness of Cantel Medical Corp.’s internal control over financial reporting, appearing in the Annual Report on Form 10-K of Cantel Medical Corp. for the year ended July 31, 2020.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
June 8, 2021

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

The following unaudited condensed combined pro forma financial data ("pro forma financial data") combines the historical consolidated financial positions and results of operations of STERIS plc ("STERIS") and Cantel Medical Corp. ("Cantel") as an acquisition by STERIS of Cantel. The transaction was announced on January 12, 2021 and provided that each share of Cantel common stock, par value $0.10 per share ("Cantel Common Stock"), issued and outstanding immediately prior to the effective time of the Pre-Closing Merger (as defined in the Agreement and Plan of Merger, dated as of January 12, 2021, as amended by Amendment to Agreement and Plan of Merger, dated as of March 1, 2021 (the "Merger Agreement"), by and among the Cantel, STERIS and certain of their affiliates) (other than certain shares held by Cantel) was converted into the right to receive $16.93 in cash ("Cash Consideration") and 0.33787 STERIS ordinary shares, par value $0.001 per share ("Ordinary Shares" and, collectively with the Cash Consideration, the "Merger Consideration").

The pro forma financial data has been prepared to give effect to the following:

- The acquisition of Cantel by STERIS in the transaction under the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 805, Business Combinations, where the assets and liabilities of Cantel will be recorded by STERIS at their respective fair values as of the date of completion;
- The distribution of cash and Ordinary Shares to holders of Cantel Common Stock ("Cantel Stockholders") (holders of common stock of Canyon HoldCo, Inc. ("Canyon Newco Common Stock") after the Pre-Closing Merger) in exchange for Cantel Common Stock (Canyon Newco Common Stock after the Pre-Closing Merger) (based upon a 0.33787 exchange ratio);
- Certain reclassifications to conform the historical financial statement presentation to the pro forma financial data presentation and elimination of existing trade activity between STERIS and Cantel;
- Certain other material related transactions, including financing; and
- Transaction costs that have or will be incurred in connection with the transaction.

The unaudited pro forma balance sheet data ("pro forma balance sheet data") as of March 31, 2021 and the unaudited pro forma statement of income data ("pro forma statement of income data") for the fiscal year ended March 31, 2021 are based upon, derived from and should be read in conjunction with the historical consolidated financial statements and related notes of STERIS for the fiscal year ended March 31, 2021 (which are available in STERIS's Annual Report on Form 10-K for the fiscal year ended March 31, 2021). The pro forma balance sheet data and pro forma statement of income data have been prepared utilizing period ends that differ by fewer than 93 days, as permitted by Regulation S-X. Because Cantel's fiscal year end is July 31 and STERIS's fiscal year end is March 31, the pro forma statement of income data for the fiscal year ended March 31, 2021 utilize Cantel's results of operations for the twelve months ended April 30, 2021. The consolidated statement of income of Cantel for the four quarterly periods ended April 30, 2021 were determined by adding Cantel's unaudited condensed consolidated statement of income for the nine months ended April 30, 2021 to Cantel's audited consolidated statement of income for the fiscal year ended July 31, 2020 and subtracting Cantel's unaudited condensed consolidated statement of income for the nine months ended April 30, 2020. The pro forma balance sheet data utilizes Cantel's unaudited condensed consolidated balance sheet as of April 30, 2021. These values are based upon, derived from and should be read in conjunction with the historical audited financial statements of Cantel for the fiscal year ended July 31, 2020 (which are available in Cantel's Annual Report on Form 10-K for the fiscal year ended July 31, 2020) and the historical unaudited condensed consolidated financial statements of Cantel for the periods ended April 30, 2021, January 31, 2021 and October 31, 2020 (which are available in Cantel's Quarterly Reports on Form 10-Q for the quarterly periods ended April 30, 2021, January 31, 2021 and October 31, 2020, respectively).

The pro forma statement of income data for the year ended March 31, 2021 give effect to the STERIS acquisition of Cantel as if it had occurred on April 1, 2020. The pro forma balance sheet data as of March 31, 2021 gives effect to the STERIS acquisition of Cantel as if it had occurred on March 31, 2021.

The pro forma financial data is provided for illustrative information purposes only and are not necessarily indicative of results that actually would have occurred or that may occur in the future had the transaction been completed on the dates indicated, or the future operating results or financial position of STERIS following the transaction. Future results may vary significantly from the results reflected because of various factors. The pro forma financial data has been prepared by STERIS in accordance with Regulation S-X Article 11, Pro Forma Financial Information, as amended by the final rule, Amendments to Financial Disclosures About Acquired and Disposed Businesses, as adopted by the Securities and Exchange Commission (the “SEC”) on May 21, 2020.

The pro forma financial data also does not consider any potential effects of changes in market conditions on revenues, expense efficiencies, asset dispositions, and share repurchases, among other factors. STERIS expects to realize annualized pre-tax cost synergies of approximately $110 million by the fourth fiscal year following the close, with approximately 50% achieved in the first two years. Cost synergies are expected to be primarily driven by cost reductions in redundant public company and back-office overhead, commercial integration, product manufacturing, and service operations. The $110 million of pre-tax cost synergies has not been adjusted in the pro forma financial data. In addition, as explained in more detail in the accompanying notes, the preliminary allocation of the pro forma purchase price reflected in the pro forma financial data is subject to adjustment and may vary significantly from the actual purchase price allocation that will be recorded upon completion of the transaction.

As of the date of this filing, STERIS has not completed the valuation analysis and calculations in sufficient detail necessary to arrive at the required estimates of the fair market value of Cantel’s assets to be acquired or liabilities to be assumed, other than preliminary estimates for intangible assets, inventory and certain financial liabilities. Nor does STERIS have sufficient detail necessary to conclude that the carrying value of certain assets and liabilities approximates fair value. Accordingly, certain Cantel assets and liabilities are presented at their respective carrying amounts and should be treated as preliminary values. A final determination of the fair value of Cantel’s assets and liabilities will be based on Cantel’s actual assets and liabilities as of the Closing (as defined in the Merger Agreement). Actual adjustments will be finalized within one year of the Closing and may differ from the amounts reflected in the pro forma financial data, and the differences may be material.

Based on its due diligence, STERIS did not identify any material adjustments necessary to conform Cantel’s accounting policies to those of STERIS. However, STERIS will perform a more detailed review of Cantel’s accounting policies post completion. As a result of that review, differences could be identified between the accounting policies of the two companies that, when conformed, could have a material impact on the combined financial information.

As a result of the foregoing, the transaction accounting adjustments are preliminary and are subject to change as additional information becomes available and as additional analysis is performed. The transaction accounting adjustments have been made solely for the purpose of providing the pro forma financial data. STERIS estimated the fair value of certain Cantel assets and liabilities based on a preliminary valuation analysis, due diligence information, information presented in Cantel’s SEC filings and other publicly available information. Prior to the transaction completion, both companies were limited in their ability to share certain information.

Within one year of the completion of the transaction, a final determination of the fair value of Cantel’s assets acquired and liabilities assumed will be performed. Any changes in the fair values of the net assets or total purchase consideration as compared with the information shown in the pro forma financial data may change the amount of the total purchase consideration allocated to goodwill and other assets and liabilities and may impact STERIS’s statement of income after effectuating the transaction. The final purchase consideration allocation may be materially different than the preliminary purchase consideration allocation presented in the pro forma financial data.

Unaudited Pro Forma Condensed Combined Balance Sheet

as of March 31, 2021

(in thousands)

	Historical STERIS (as reported)	Historical Cantel (as reported April 30, 2021)	Transaction adjustments Note 3	Note	Other Transaction adjustments Note 5	Note	STERIS combined pro forma
Assets							
Current assets							
Cash	$ 220,531	$ 218,528	(716,426)	J	960,881	A	$ 683,514
Accounts receivable, net	609,406	164,929	—		—		774,335
Inventory	315,067	179,078	62,000	C	—		556,145
Income taxes receivable	—	39,551	—		—		39,551
Prepaid expenses and other current assets	66,750	23,911	—		—		90,661
Total current assets	1,211,754	625,997	(654,426)		960,881		2,144,206
Property, plant and equipment, net	1,235,400	227,631	—	D	—		1,463,031
Lease right of use assets, net	150,142	48,937	—	E	—		199,079
Goodwill	3,026,049	666,216	1,536,594	H	—		5,228,859
Intangible assets, net	898,406	454,773	1,735,227	B	—		3,088,406
Other assets	52,720	7,724	—		—		60,444
Total assets	$6,574,471	$ 2,031,278	$2,617,395		$ 960,881		$12,184,025
Liabilities and shareholders' equity							
Current liabilities							
Current portion of long-term debt	$ —	$ 29,500	$ —		$ (29,500)	A	$ —
Accounts payable	156,950	58,950	—		—		215,900
Accrued income taxes	27,561	5,895	—	I	(3,855)	A	29,601
Accrued payroll and related liabilities	150,078	50,554	—		—		200,632
Accrued expenses and other	220,557	56,570	—	G	—		277,127
Lease obligations due within one year	22,774	10,582	—	E	—		33,356
Other current liabilities	—	30,903	—	F	(5,500)	A	25,403
Total current liabilities	577,920	242,954	—		(38,855)		782,019
Noncurrent liabilities							
Long-term indebtedness	1,650,540	731,759	—	F	1,005,802	A	3,388,101
Convertible Debt		130,316	37,684	F	—		168,000
Long term lease obligations	129,673	41,243	—	E	—		170,916
Deferred income taxes	236,860	51,147	516,282	G	3,855	A	808,144
Other noncurrent liabilities	88,010	16,669	—	F	(9,921)	A	94,758
Total liabilities	2,683,003	1,214,088	553,966		960,881		5,411,938
Shareholders' equity							
Ordinary Shares at par	85	4,697	(4,683)	I	—		99

	Historical STERIS (as reported)	Historical Cantel (as reported April 30, 2021)	Transaction adjustments Note 3	Note	Other Transaction adjustments Note 5	Note	STERIS combined pro forma
Capital in excess of par value	2,002,740	285,310	2,595,295	I	—		4,883,345
Treasury shares	—	(71,487)	71,487	I	—		—
Retained earnings	1,939,408	605,984	(605,984)	I	—		1,939,408
Accumulated other comprehensive income (loss)	(61,243)	(7,314)	7,314	I	—		(61,243)
Shareholders’ equity	3,880,990	817,190	2,063,429		—		6,761,609
Noncontrolling interests	10,478	—	—		—		10,478
Total equity	3,891,468	817,190	2,063,429		—		6,772,087
Total liabilities and equity	$6,574,471	$ 2,031,278	$2,617,395		$ 960,881		$12,184,025

See the accompanying notes to the unaudited pro forma condensed combined financial data.

Unaudited Pro Forma Condensed Combined Statement of Income

For the Twelve Months Ended March 31, 2021

(in thousands, except for per share data)

	Historical STERIS (as reported)	Historical Cantel (twelve months ended April 30, 2021)	Reclassification and elimination adjustments Note 2	Transaction adjustments Note 4	Note	Other Transaction adjustments Note 5	Note	STERIS combined pro forma
Net revenues	$3,107,519	$ 1,138,391	$ (12,953)	$ —		$ —		$4,232,957
Cost of revenues	1,764,419	599,347	(12,953)	63,396	A,C	—		2,414,209
Selling, general and administrative expense	731,320	376,203	(2,914)	234,686	B,C,D	19,557	A,B	1,358,852
Research and development expense	66,326	31,493	—	458	C	—		98,277
Restructuring expenses	(2,914)	—	2,914	—		—		—
Interest expense and other, net	30,835	61,902	—	—		(7,775)	A	84,962
Income from continuing operations before income taxes	517,533	69,446	—	(298,540)		(11,782)		276,657
Income tax expense	120,663	17,379	—	(71,985)	E	5,122	C	71,179
Net income from continuing operations	396,870	$ 52,067	—	(226,555)		(16,904)		205,478
Less net income for noncontrolling interests	(530)	—	—	—		—		(530)
Net income from continuing operations attributable to ordinary shareholders	$ 397,400	$ 52,067	$ —	$(226,555)		$ (16,904)		$ 206,008
Net income from continuing operations per Ordinary Share								
Basic	$ 4.66	$ 1.23						$ 2.07
Diluted	$ 4.63	$ 1.19						$ 2.05
Weighted-average number of Ordinary Shares outstanding								
Basic	85,203	42,237						99,500
Diluted	85,898	43,839						100,322

See the accompanying notes to the unaudited pro forma condensed combined financial data.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

(All figures reported in thousands except for per share data, unless indicated otherwise)

Note 1. Basis of Presentation

The accompanying pro forma financial data and related explanatory notes were prepared in accordance with Article 11 of Regulation S-X, Pro Forma Financial Information, as amended by the final rule, Amendments to Financial Disclosures About Acquired and Disposed Businesses, as adopted by the SEC on May 21, 2020. The pro forma financial data has been compiled from historical consolidated financial statements prepared in accordance with generally accepted accounting principles, and should be read in conjunction with STERIS's Annual Report on Form 10-K for the year ended March 31, 2021 and Cantel's Annual Report on Form 10-K for the year ended July 31, 2020 and the Quarterly Reports on Form 10-Q for each of the periods ended April 30, 2021, January 31, 2021 and October 31, 2020.

The pro forma financial data has been prepared to illustrate the effects of the transaction involving STERIS's subsidiaries and Cantel under the acquisition method of accounting with STERIS treated as the acquirer. The pro forma financial data is presented for illustrative purposes only and does not necessarily indicate the financial results of STERIS after completion of the transaction had the companies actually been combined at the beginning of the period presented, nor does it necessarily indicate the results of operations in future periods or the future financial position of STERIS after completion of the transaction. Under the acquisition method of accounting, the assets and liabilities of Cantel, as of the effective time of the transaction, will be recorded by STERIS at their respective fair values, and the excess of the purchase consideration over the fair value of Cantel's net assets will be allocated to goodwill.

The transaction provides for Cantel Stockholders to receive the Merger Consideration for each share of Cantel Common Stock they held immediately prior to the Pre-Closing Merger. Based on the low trading price of STERIS Shares on the NYSE on June 2, 2021 of $188.10, the value of the Merger Consideration per share of Cantel Common Stock was $80.48.

The pro forma allocation of the purchase consideration reflected in the pro forma financial data is subject to adjustment and may vary from the actual purchase consideration allocation that ultimately will be recorded. Adjustments may include, but are not limited to, changes in (i) Cantel's balance sheet between April 30, 2021 and the June 2, 2021 completion date; (ii) total transaction related expenses if consummation and/or implementation costs vary from currently estimated amounts; and (iii) the underlying values of assets and liabilities if market conditions differ from current assumptions.

Although no material differences were noted in the due diligence process, the accounting policies of both STERIS and Cantel will be reviewed in detail. Upon completion of such review, additional conforming adjustments or financial statement reclassification may be necessary.

Costs related to the transaction, such as investment banker, advisory, legal, valuation and other professional fees, are not included as a component of consideration transferred but are expensed as incurred. The impact of trade that existed between STERIS and Cantel during the pro forma periods has been adjusted in the column labeled reclassification and elimination adjustments in the pro forma statement of income data but was not material to the pro forma balance sheet data.

The pro forma financial data does not reflect potential cost savings, operating synergies or revenue enhancements that STERIS and Cantel may achieve as a result of the transaction, the costs to combine the operations of STERIS and Cantel or the costs necessary to achieve such potential cost savings, operating synergies and revenue enhancements.

Note 2. Pro Forma Reclassification and Elimination Adjustments

Certain reclassifications and elimination adjustments have been recorded to adjust historical financial statements to conform to the pro forma financial data presentation.

Revenues reported by Cantel and cost of revenues reported by STERIS of $12,953 have been eliminated from the pro forma statement of income data based on the value of purchases made by STERIS from Cantel in the normal course of business during the year ended March 31, 2021. The impact to the pro forma balance sheet data of trade payables and receivables was not material and has not been adjusted.

Note 3. Estimated Purchase Consideration, Allocation and Adjustments to the Unaudited Pro Forma Condensed Combined Balance Sheet

The purchase consideration, related estimated allocations and resulting excess over fair value of net assets acquired are as follows:

Total Cantel Common Stock and stock equivalents	42,316
Exchange ratio per share	0.33787
Ordinary Shares to be issued to Cantel Stockholders	14,297
STERIS per share low trading price on June 2, 2021	$ 188.10
Total value of Ordinary Shares to be issued to Cantel Stockholders	$2,689,330
Total cash consideration paid at $16.93 per share of Cantel Common Stock and stock equivalent	716,426
Estimated purchase consideration for Cantel Common Stock and stock equivalents	3,405,756
Consideration for replacement of share based compensation awards	19,648
Consideration for equity component of Cantel Convertible Debt	171,641
Total estimated purchase consideration	$3,597,045
Fair value adjustments for other intangible assets	2,190,000
Fair value adjustments for inventory	62,000
Fair value adjustments for Convertible Debt assumed	(37,684)
Deferred tax impact of fair value adjustments	(516,282)
Adjusted book value of net assets acquired	(303,799)
Goodwill	$2,202,810

The purchase consideration allocation and adjustments shown in the table above is based on STERIS's estimates of the fair value of certain Cantel assets and liabilities. Once sufficient information is accessible and final valuations are performed, the purchase consideration allocation may differ materially from the estimates.

A. Total estimated purchase consideration

The total estimated purchase consideration for Cantel Common Stock and stock equivalents of $3,405,756 is comprised of Ordinary Shares consideration valued at $2,689,330 and Cash Consideration of $716,426. Based on the low trading price on the New York Stock Exchange of Ordinary Shares of $188.10 on June 2, 2021, the total consideration ultimately received by Cantel Stockholders in the First Merger (as defined in the Merger Agreement) has a value of approximately $80.48 per share of Cantel Common Stock. Additional estimated purchase consideration of $19,648 and $171,641 related to replacement share based compensation awards and the fair value of the equity component of the Convertible Debt (as defined below), respectively, results in total estimated equity consideration of $3,597,045.

Upon completion of the transaction, the holder of each share of Cantel Common Stock was entitled to receive the Merger Consideration. Restricted stock units corresponding to Cantel Common Stock ("Cantel RSU Awards") held by non-employee directors of Cantel outstanding under Cantel's equity-based compensation plans immediately prior to the completion of the transaction became fully vested. These Cantel RSU Awards were cancelled, and each share of Cantel Common Stock covered by such Cantel RSU Awards was converted into the right to receive the same Merger Consideration as other Cantel Stockholders.

Other Cantel RSU Awards outstanding under Cantel's equity-based compensation plans immediately prior to the completion of the Mergers were converted into STERIS restricted stock unit awards ("STERIS RSU Awards") with vesting terms and conditions consistent with the terms of the previous Cantel RSU Awards except that performance-based vesting Cantel RSU Awards were converted to service-based vesting STERIS RSU Awards based on 100% of the target number of shares of Cantel Common Stock covered by such Cantel RSU Award.

B. Other intangible assets

The estimated fair values of identifiable intangible assets were prepared using an income valuation approach, which requires a forecast of expected future cash flows either through the use of the relief-from-royalty method or the multi-period excess earnings method. The identified intangible assets include Customer relationships, tradenames and developed technology.

The estimated useful lives are based on the historical experience of STERIS, available similar industry data and assumptions made by STERIS management. These estimated fair values were prepared solely for the purposes of preparing this pro forma financial data and are subject to change upon preparation of the final valuation. Changes in fair value of the acquired intangible assets may be material.

Net adjustments of $1,735,227 were made to eliminate the historical Cantel other intangibles of $454,773 and record the estimated other intangibles assets of $2,190,000 related to the transaction. The average estimated useful lives of the identifiable intangible assets is 13 years.

C. Inventory

To estimate the fair value of inventory, STERIS considered the components of Cantel’s inventory, as well as estimates of selling prices and selling and distribution costs.

A fair value adjustment to inventory of $62,000 was made to adjust inventory to estimated fair value.

D. Property, plant and equipment

No adjustments to the carrying value of property, plant and equipment were estimated as STERIS does not have sufficient information as to the specific types, nature, age, condition or location of Cantel’s fixed assets to estimate fair value or conclude whether carrying value approximates fair value.

E. Right of use assets and lease liabilities

No adjustments to the carrying value of right of use assets or liabilities were estimated as STERIS does not have sufficient information as to the specific types, nature, age, condition or location of Cantel’s leased assets and obligations to estimate fair value or conclude whether carrying value approximates fair value.

F. Convertible debt, debt, and interest rate swaps

Effective April 1, 2021, STERIS adopted ASU 2020-06, “Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40).” Therefore, for the purpose of this pro forma financial data, STERIS assumed that it would have adopted ASU 2020-06 at the respective closing dates assumed.

Cantel’s convertible debt is comprised of $168,000 aggregate principal amount of convertible senior notes due 2025 (“Convertible Debt”). The indenture governing the Convertible Debt (the “Cantel Indenture”) contains certain provisions that are triggered because of events categorized as Recapitalizations, Reclassifications and Changes of Common Stock including a merger event such as the First Merger. Further, the Cantel Indenture provides for an increased conversion rate if notes are surrendered in connection with a Make-Whole Fundamental Change (as defined in the Cantel Indenture), which includes a merger event such as the First Merger. Therefore, to estimate the fair value of the Convertible Debt at the Closing for the purposes of the preparation of this pro forma financial data, STERIS has assumed that the holders of the Convertible Debt would elect to convert and surrender their Convertible Debt to obtain the increased conversion rate. STERIS has further assumed that it would elect to settle its obligation in cash and would do so within 90 days of the date of Closing. STERIS has estimated the fair value of the obligation based on the conversion rate, increased by the number of additional shares specified for a Make-Whole Fundamental Change, would be $339,641. This resulted in a fair value adjustment in the estimated purchase price allocation of $209,325. Of this total, $37,684 increased the value of the Convertible Debt liability to the aggregate principal value of the Convertible Debt of $168,000 and the balance of the adjustment of $171,641 increased additional paid in capital in recognition of the equity component of the Convertible Debt.

Except for the Convertible Debt, STERIS has settled Cantel’s other debt obligations at the time of Closing. Therefore, for the purposes of this pro forma financial data, it has been assumed that Cantel’s existing debt, other than the Convertible Debt, would have been settled at the respective closing dates assumed. As a result, no fair value adjustment has been reflected in the estimated purchase consideration allocation related to those obligations.

Cantel utilized interest rate swaps to hedge against fluctuations in the interest rate associated with variable rate borrowings. The recorded fair value of the interest rate swaps as disclosed in Cantel’s Quarterly Report on Form 10-Q for the quarterly period ended April 30, 2021 was used as the estimate of the fair value for the purpose of these pro forma financial data and no further change in fair value was assumed.

G. Deferred tax impact of fair value adjustments

The estimated deferred tax liability fair value adjustments are associated with the pro forma fair value adjustments to assets to be acquired and liabilities to be assumed including inventory, identifiable intangible assets and Convertible Debt. Jurisdictional details were not available for assets. However, based on information available and the structure of the transaction, STERIS has assumed that the majority of the transaction accounting adjustments relate to acquired assets and assumed liabilities attributable to operations in the United States. Therefore, an estimated combined U.S. federal and state statutory rate of 25.0% was applied to all fair value adjustments for the purposes of this pro forma financial data. This estimate of deferred income tax liabilities is preliminary and is subject to change after close of the transaction and based upon management's final determination of the fair value of assets and liabilities acquired or assumed by jurisdiction.

Net adjustments to deferred income tax liabilities totaling $516,282 were made in connection with the transaction accounting adjustments.

H. Goodwill

Net adjustments totaling $1,536,594 are comprised of eliminating Cantel's historical goodwill of $666,216 and recording the excess of the estimated purchase consideration over the estimated fair value of net assets acquired of $2,202,810.

I. Equity

Adjustments to Ordinary Shares at par to eliminate Cantel Common Stock (Canyon Newco Common Stock immediately after the Pre-Closing Merger) at par of $4,697 and record the issuance of Ordinary Shares at par to Cantel Stockholders (Canyon Newco Common Stock immediately after the Pre-Closing Merger) of $14. Adjustments to additional paid in capital to eliminate Cantel additional paid in capital of $285,310 and record the issuance of Ordinary Shares in excess of par value to Cantel Stockholders (holders of Canyon Newco Common Stock) immediately after the Pre-Closing Merger) of $2,689,316, record the portion of the fair value of replacement share based compensation awards attributable to service rendered prior to the closing dates of $19,648, and to record the equity component of the Convertible Debt fair value adjustment of $171,641. Adjustment to eliminate the value of Cantel Common Stock held as treasury shares of $71,487. Adjustment to eliminate Cantel retained earnings of $605,984. Adjustment to eliminate Cantel accumulated other comprehensive income of $7,314.

J. Cash

Adjustment to cash reflecting the estimated payment of purchase price consideration to Cantel Stockholders (Canyon Newco Common Stock immediately after the Pre-Closing Merger) of $716,426.

Note 4. Pro Forma Transaction Accounting Adjustments to the Unaudited Condensed Combined Statement of Income

The pro forma financial data has been prepared using Cantel's publicly available financial statements and disclosures, as well as certain assumptions made by STERIS. Estimates of the fair value of assets acquired and liabilities assumed are described in Note 3.

A. Inventory

Inventory is expected to turnover during the first-year post acquisition. Therefore, cost of revenues in the pro forma statement of income data for the year ended March 31, 2021 has been adjusted by the full amount of the fair value adjustment of $62,000.

B. Other intangible assets

Total adjustments related to amortization expense of intangible assets are as follows:

	Year ended March 31, 2021
Elimination of historical intangible asset amortization of Cantel	$ (35,807)
Estimated amortization of fair value of acquired intangible assets	166,648
Net adjustments to selling, general and administrative expenses	$ 130,841

The amortization expense related to intangible assets acquired is based on estimated fair value amortized over the estimated useful life.

C. Share based compensation expense

Adjustments to cost of revenues, selling, general and administrative expenses and research and development expense to recognize the post close service cost associated with replacement share based compensation awards issued in connection with the transaction. The classification of expense was estimated based on the allocation of expense disclosed in historical Cantel financial statements. No adjustment to eliminate Cantel's historical share based compensation expense was made.

	Year ended March 31, 2021	
Cost of revenues	$	1,396
Selling, general and administrative expenses		23,728
Research and development expenses		458
	$	25,582

D. Net adjustment to reflect the estimated impact of transaction related costs of $80,117.

E. Income taxes

The statutory federal income tax rate for STERIS is the Ireland statutory rate of 12.5% and the statutory federal income tax rate for Cantel is the U.S. statutory income tax rate of 21.0%. Jurisdictional details for Cantel's assets, liabilities and earnings were not available. Based on information available and the structure of the transaction, STERIS has assumed that the majority of the transaction accounting adjustments relate to acquired assets, assumed liabilities, and costs that are attributable to operations in the United States. Therefore, an estimated combined U.S. federal and state statutory rate of 25.0% was used in determining the tax impact of transaction accounting adjustments.

Although not reflected in the pro forma statement of income data, the effective tax rate of STERIS after completion of the transaction could be significantly different depending on post-acquisition activities, such as the geographical mix of taxable income affecting state and foreign taxes, among other factors.

After giving consideration to the deductibility of certain transaction costs, estimated net income tax adjustments of $71,985, have been included in the pro forma statement of income data to decrease income tax expense for the year ended March 31, 2021.

Note 5. Pro Forma Other Transaction Adjustments

In accordance with Regulation S-X Article 11, Pro Forma Financial Information, as amended by the final rule, Amendments to Financial Disclosures About Acquired and Disposed Businesses, as adopted by the SEC on May 21, 2020, STERIS has also adjusted the pro forma financial data for certain material transactions that are probable to occur in connection with the transaction.

A. Financing

To facilitate the acquisition of Cantel, STERIS obtained a bridge financing commitment on January 12, 2021 totaling $2,100,000, which would have been made available in a single draw on the acquisition closing date to the extent permanent financing was not obtained and utilized. Debt issuance costs associated with the bridge financing were expensed in the fourth quarter of the fiscal year ended March 31, 2021 as permanent financing was obtained to replace the bridge financing commitment. Therefore, no adjustments were necessary in the preparation of the pro forma balance sheet data as of March 31, 2021 relative to the fees paid in connection with the bridge financing. Adjustment has been made to eliminate the pro forma income statement impact of the bridge financing fees of $8,400 which were expensed in the fiscal 2021 historical income statement of STERIS but would be associated with a pre-close income statement period.

STERIS entered into a credit agreement, dated March 19, 2021 (the "Credit Agreement"), with various financial institutions, and JPMorgan Chase Bank, N.A., as administrative agent. For the purposes of preparing this pro forma financial data, STERIS has made adjustments based on the agreed terms of the Credit Agreement. These Credit Agreement replaced STERIS's existing credit agreement dated March 23, 2018, which was terminated, and all outstanding borrowings thereunder repaid at closing of the Credit Agreement. The new Credit Agreement provides $1,250,000 of borrowing capacity, in the form of a revolving credit facility, which may be utilized for revolving credit borrowings, swing line borrowings and letters of credit, with sublimits for swing line borrowings and letters of credit. The Credit Agreement permits an incremental increase of commitments available thereunder in an amount not to exceed $625,000 at the discretion of the lenders.

STERIS also entered into two term loan agreements (collectively, the "Term Loans"). The first term loan, in the amount of $550,000, replaced the previous term loan agreement dated November 18, 2020, which would have matured on November 20, 2023. The second term loan, in the amount of $750,000, could not be utilized unless, among other conditions, the transaction was consummated. STERIS drew $650,000 on the second term loan on June 2, 2021. No principal payments are due on the Term Loans in the first year. During years two and three, quarterly principal payments are due on the last business day of each fiscal quarter for a total of 5% reduction in the original principal amount each year. During years four and five, quarterly principal payments are due on the last business day of each fiscal quarter for a total of 7.5% reduction in the original principal amount each year. The remaining unpaid principal balances of the Term Loans, together with accrued and unpaid interest thereon, is due and payable at maturity.

The Credit Agreement and Term Loans contain leverage and interest coverage covenants. The term loan agreements and Credit Agreement mature five years from inception.

Credit Agreement borrowings will bear interest at variable rates based upon a credit ratings pricing grid. Borrowings under the term loans also will bear interest at variable rates defined by provisions consistent with the Credit Agreement. For the purposes of the preparation of the pro forma statement of income data, it was assumed that the term loans were outstanding as of April 1, 2020. Interest rates were based on current market interest rates and margins driven by anticipated ratings and assumed to be 1.3% annually for the year ended March 31, 2021.

STERIS also issued $1,350,000 aggregate principal amount of fixed-rate senior, unsecured senior notes (the "Senior Notes") on April 1, 2021. For the purposes of the preparation of the pro forma statement of income data, $1,350,000 aggregate principal amount of Senior Notes are assumed to have been issued and outstanding as of April 1, 2020. The Senior Notes were issued in two tranches of $675,000 each, with maturities of 10 and 30 years from the issue date and bear annual interest rates of 2.7% and 3.75%, respectively.

The proceeds from various borrowings were used to fund the cash consideration portion of the transaction, as well as the refinancing, prepayment, replacement, redemption, repurchase, settlement upon conversion, discharge or defeasance of certain existing indebtedness of Cantel and its subsidiaries, transaction expenses, general corporate expenses and working capital needs.

The adjustments to record pro forma interest expense for the pro forma statement of income data were based on (i) Cantel's actual interest expense incurred during the historical twelve-month period and (ii) estimated incremental interest expense or savings associated with the additional borrowings to fund the transaction and refinancing of Cantel debt as if the transaction had occurred on April 1, 2020. The fair value of Cantel's interest rate swap liabilities was estimated for the purchase price consideration and allocation. No further change in the fair value was assumed for the periods presented in the preparation of the pro forma financial data. The interest rates in effect at the time of preparation were assumed to be in effect for the entire pro forma statement of income data period. The interest expense that STERIS will ultimately pay may vary greatly from what is assumed in the pro forma statement of income data and will be based on among other things, the actual future funding needs, maintenance of the investment grade ratings received from rating agencies in advance of the registered senior notes offering, public debt market conditions in general, movements in U.S. Treasury rates, spreads and market interest rates, including the Base Rate or the Eurocurrency Rate (each, as defined in the Credit Agreement), and the contractual terms of the Credit Agreement.

A net adjustment of $7,775 has been recorded to reduce interest expense for the year ended March 31, 2021.

B. Executive Compensation Arrangements

Certain members of the Cantel management team participate in the Executive Severance Plan, adopted and effective September 24, 2020 (the "Executive Severance Plan"). The Executive Severance Plan includes provisions for the determination of severance, bonus and benefit entitlements as well as acceleration of Cantel RSU Awards in the event of a qualifying resignation or termination during a Change in Control Coverage Period (as defined in the Executive Severance Plan). The actual determination of benefits under the Executive Severance Plan varies based on the individual's specified participation tier as well as base salary and status of bonus and outstanding equity awards at the time of a qualifying resignation or termination. Because several members of the management team participating in the Executive Severance Plan have experienced a qualifying resignation or termination at the time of the transaction, and additional members will experience such within the specified term of the plan, STERIS concluded that payments in connection with the Executive Severance Plan were probable for the purposes of preparation of this pro forma data. To estimate the potential cost of such actions under the Executive Severance Plan, STERIS made a number of assumptions including an assumption that certain members of management would experience the qualifying resignation or termination at the consummation of the transaction. Based on current base salary, bonus and outstanding equity awards, an adjustment to selling, general and administrative expenses for the estimated cost of $27,957 including the payment entitlements under the Executive Severance Plan, accelerated share based compensation expense, and any estimated applicable make-whole payments associated with taxes under Section 4999 of the Internal Revenue Code was included in the earliest period presented in the pro forma financial information.

C. Income tax expense

An adjustment of $5,122 was made to increase income tax expense in the year ended March 31, 2021 for the income tax effects of the other transaction accounting adjustments associated with Financing and Executive Compensation Arrangements. An assumed income tax rate of 25% was used.

D. Net income from continuing operations per Ordinary Share

Pro forma net income from continuing operations per Ordinary Share for the year ended March 31, 2021 has been calculated based on the estimated weighted-average number of Ordinary Shares outstanding on a pro forma basis, as described below. The pro forma weighted-average shares outstanding have been calculated as if the acquisition-related shares had been issued and outstanding as of April 1, 2020. The dilutive effective of share based compensation awards has been calculated as if the acquisition-related replacement awards had been issued as of April 1, 2020. For additional information on calculation of acquisition-related shares, see Note 3.

	Year ended March 31, 2021	
	STERIS (as reported)	**Pro forma combined**
Net income from continuing operations attributable to STERIS's Shareholders	$ 397,400	$206,008
Weighted-average number of Ordinary Shares outstanding – basic	85,203	99,500
Plus dilutive effect of share based compensation awards	695	822
Weighted-average number of Ordinary Shares outstanding – diluted	85,898	100,322
Net income from continuing operations per Ordinary Share		
Basic	$ 4.66	$ 2.07
Diluted	4.63	2.05