



Labcorp Announces Acquisition of Select Assets of BioReference Health's Diagnostics Business

March 28, 2024

Transaction to enhance Labcorp's laboratory services network and expand access to the company's high-quality clinical laboratory services

BURLINGTON, N.C. and MIAMI, March 28, 2024 /PRNewswire/ -- [Labcorp](#) (NYSE: LH), a global leader of innovative and comprehensive laboratory services, and [OPKO Health, Inc.](#) (Nasdaq: OPK), a multinational biopharmaceutical and diagnostics company, announced today that they have entered into an agreement for Labcorp to acquire select assets of [BioReference Health](#), a wholly owned subsidiary of OPKO Health.

BioReference®

Through this transaction, Labcorp will acquire BioReference Health's laboratory testing businesses focused on clinical diagnostics and reproductive and women's health across the United States outside of New York and New Jersey. This transaction includes patient service centers (PSCs) and certain customer contracts and operating assets. BioReference Health will continue to offer oncology and urology diagnostic services nationwide, as well as maintain its full operations in New York and New Jersey.

When complete, the transaction is expected to provide patients, physicians and customers with greater access to Labcorp's comprehensive, high-quality laboratory services, scientific expertise and expanded testing capabilities in key regions across the country.

"Labcorp is committed to building on the excellent customer service that physicians and health systems have come to expect from BioReference Health, while expanding access and convenience for patients across the country," said Mark Schroeder, Executive Vice President and President of Diagnostics Laboratories and Chief Operations Officer of Labcorp. "We look forward to working with the BioReference Health team to ensure a smooth transition following the close of the transaction. Combined with Labcorp's expertise and scale, we will help achieve better health outcomes for patients."

"Through this transaction we are able to significantly streamline our laboratory services business while retaining its core operations, positioning BioReference Health for sustained growth and profitability," said Phillip Frost, M.D., Chairman and Chief Executive Officer of OPKO. "This transaction is part of our previously announced effort to re-establish profitability at our clinical laboratory business while at the same time better positioning OPKO as an innovative biopharmaceutical company."

The assets that Labcorp will be acquiring currently generate approximately \$100 million in annual revenue. The purchase price for the transaction is \$237.5 million. The proposed acquisition meets Labcorp's strategic and financial criteria.

The transaction is subject to customary closing conditions and applicable regulatory approvals, including under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The transaction is anticipated to close in the second half of 2024.

Lazard is serving as Labcorp's financial advisor, and Hogan Lovells, Kilpatrick Townsend and Parker Poe are serving as legal counsel.

Piper Sandler & Co. is serving as OPKO's financial advisor, and Greenberg Traurig is serving as legal counsel.

About Labcorp

Labcorp (NYSE: LH) is a global leader of innovative and comprehensive laboratory services that helps doctors, hospitals, pharmaceutical companies, researchers and patients make clear and confident decisions. We provide insights and advance science to improve health and improve lives through our unparalleled diagnostics and drug development laboratory capabilities. The company's more than 67,000 employees serve clients in approximately 100 countries, provided support for 84% of the new drugs and therapeutic products approved in 2023 by the FDA and performed more than 600 million tests for patients around the world. Learn more about us at www.labcorp.com.

About BioReference Health

BioReference® Health LLC, an OPKO Health, Inc. Company, empowers confident healthcare decisions by prioritizing service, creating innovative solutions, and offering scientific expertise in oncology, urology, and women's health. Headquartered in Elmwood Park, New Jersey, BioReference Health operates 10 laboratory facilities around the country, is in-network with the largest health plans in the United States and processes more than 12 million tests, annually. BioReference Health provides credible and tailored solutions for a variety of customers and patients, including medical practices small and large, hospitals and health systems, correctional institutions, government agencies, educational systems, and sport leagues. In addition to an extensive test menu with 99 percent of tests performed in-house, BioReference Health's differentiated offerings include large-scale health screening programs, on-demand mobile phlebotomy, and transformative business solutions that optimize laboratory management. For more information visit <https://www.bioreference.com>.

About OPKO

OPKO Health, Inc. (Nasdaq: OPK) is a multinational biopharmaceutical and diagnostics company that seeks to establish industry-leading positions in

large, rapidly growing markets by leveraging its discovery, development, and commercialization expertise and novel and proprietary technologies. For more information, visit www.opko.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements, including but not limited to statements with respect to (a) the anticipated impact of the transaction including expanding access and convenience for patients to laboratory testing services; (b) expected timing to closing, (c) other anticipated potential benefits of the acquisition when combined with Labcorp, including potential future revenue generation of the acquired business and (d) anticipated benefits to BioReference Health and OPKO.

Each of the forward-looking statements is subject to change based on various important factors, many of which are beyond each of the party's control, including without limitation: (i) the risk that the transaction may not be completed in a timely manner or at all; (ii) expected timing to closing; (iii) the failure to satisfy closing conditions, including the receipt of certain regulatory approvals; (iv) the occurrence of any event, change or other circumstance that could give rise to the termination of the transaction agreements; (v) potential difficulties with employee retention and employee relations; (vi) the trading price of each of Labcorp and OPKO's stock, competitive actions and other unforeseen changes and general uncertainties in the marketplace; (vii) changes in government regulations; (viii) customer purchasing decisions, including changes in payer regulations or policies; (ix) other adverse actions of governmental and third-party payers; (x) changes in testing guidelines or recommendations; (xi) federal, state, and local government responses to the COVID-19 pandemic; (xii) the impact of global geopolitical events; (xiii) the effect of public opinion on each party's reputation; (xiv) adverse results in material litigation matters, if applicable; (xv) the impact of changes in tax laws and regulations; (xvi) failure to maintain or develop customer relationships; (xvii) failure in information technology, systems or data security; (xviii) personnel costs; (xix) inflation, and (xx) increased competition. These factors, in some cases, have affected and in the future (together with other factors) could affect each of Labcorp and OPKO's ability to implement their respective business strategies, and actual results could differ materially from those suggested by these forward-looking statements. As a result, readers are cautioned not to place undue reliance on any forward-looking statements.

Each of Labcorp and OPKO has no obligation to provide any updates to these forward-looking statements even if its expectations change. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. Further information on potential factors, risks and uncertainties that could affect operating and financial results is included in the most recent Annual Report on Form 10-K and subsequent Forms 10-Q, including in each case under the heading RISK FACTORS, and in the other filings with the SEC for each of Labcorp and OPKO. The information in this press release should be read in conjunction with a review of each of Labcorp and OPKO's filings with the SEC including the information in the company's most recent Annual Report on Form 10-K, and subsequent Forms 10-Q, under the heading MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

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