



Invitae Receives Court Approval for Sale to Labcorp

May 7, 2024

Acquisition advances Labcorp's specialty testing strategy in key areas such as oncology and rare diseases

Key milestone reached in Invitae's Chapter 11 process

BURLINGTON, N.C. and SAN FRANCISCO, May 7, 2024 /PRNewswire/ -- [Labcorp](#) (NYSE: LH), a global leader of innovative and comprehensive laboratory services, and Invitae (OTC:NVTAQ), a leading medical genetics company, announced today that the United States Bankruptcy Court has approved the previously announced bid by Labcorp to acquire assets of Invitae.

"As a leading medical genetics company, Invitae has advanced genomics-based testing solutions across its network," said Mark Schroeder, Executive Vice President and President of Diagnostics Laboratories and Chief Operations Officer of Labcorp. "Invitae will complement our business and advance our leadership in genetic screening, diagnostics and specialty testing. This supports our goal to provide best-in-class resources and health insights for patients and physicians."

"The Court's approval of our proposed sale to Labcorp is a positive step forward in our restructuring process," said Ken Knight, President and Chief Executive Officer of Invitae. "Looking ahead, I am confident that with this transaction, Labcorp will help ensure our industry-leading genetics platform is available to all who can benefit from it."

The transaction is expected to bolster Labcorp's genetic specialty testing capabilities, especially in key health areas such as oncology and rare diseases, aimed at enhancing patient care and providing insights into their health with improved accessibility to genetic data. The transaction also strengthens Labcorp's ability to utilize genetic data to enhance and support clinical trials and treatment regimens.

Pursuant to the asset purchase agreement, Labcorp will acquire select assets of Invitae on a going concern basis for \$239 million in cash consideration, plus other non-cash consideration. Invitae and Labcorp anticipate the sale will be completed in the third quarter of 2024, subject to customary closing conditions and applicable regulatory approvals.

Additional information on Invitae's chapter 11 case can be found at www.kccollc.net/invitae.

Invitae is advised in this matter by Kirkland & Ellis LLP as legal counsel, Moelis & Company LLC as investment banker and FTI Consulting, Inc. as financial and communications advisor. Citi is serving as Labcorp's financial advisor and Hogan Lovells and Kilpatrick Townsend are serving as Labcorp's 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 Invitae

Invitae (OTC: NVTAQ) is a leading medical genetics company trusted by millions of patients and their providers to deliver timely genetic information using digital technology. We aim to provide accurate and actionable answers to strengthen medical decision-making for individuals and their families. Invitae's genetics experts apply a rigorous approach to data and research, serving as the foundation of their mission to bring comprehensive genetic information into mainstream medicine to improve healthcare for billions of people.

To learn more, visit invitae.com and follow for updates on [LinkedIn](#), [X](#), [Instagram](#), and [Facebook](#) @Invitae.

Labcorp Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements, including but not limited to statements with respect to the terms of the transaction, its approval by the bankruptcy court, and the benefits to the company, patients, and physicians if the transaction is completed.

Each of the forward-looking statements is subject to change based on various important factors, many of which are beyond the company'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) uncertainties as to the completion and timing of the company's planned holding company reorganization (Reorganization); (vi) the effect of the announcement of the Reorganization on the company's business generally; (vii) unexpected issues that arise in the continued planning for the Reorganization; (viii) market reaction to the announcement, updates on, and planning for the Reorganization; (ix) the failure to receive tax-free treatment with respect to the spin-off for U.S. federal income purposes; (x) the impact of spin-off related items; (xi) potential difficulties with employee retention; (xii) the trading price of the company's stock, competitive actions and other unforeseen changes and general uncertainties in the marketplace; (xiii) changes in government regulations, including healthcare reform; (xiv) customer purchasing decisions, including changes in payer regulations or policies; (xv) other adverse actions of governmental and third-party payers;

(xvi) changes in testing guidelines or recommendations; (xvii) federal, state, and local government responses to the COVID-19 pandemic, and the volume of COVID-19 Testing performed by the company; (xviii) the impact of global geopolitical events; (xix) the effect of public opinion on the company's reputation; (xx) adverse results in material litigation matters; (xxi) the impact of changes in laws and regulations applicable to the company; (xxii) failure to maintain or develop customer relationships; (xxiii) the company's ability to develop or acquire new products and adapt to technological changes; (xxiv) failure in information technology, systems, or data security; (xxv) the impact of potential losses under repurchase agreements; (xxvi) adverse weather conditions; (xxvii) the number of revenue days in a financial period; (xxviii) employee relations; (xxix) personnel costs; (xxx) inflation; (xxxi) increased competition; and (xxxii) the effect of exchange rate fluctuations. These factors, in some cases, have affected and in the future (together with other factors) could affect the company's ability to implement the company's business strategy, 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 of the forward-looking statements. The company 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 company's 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 company's other filings with the SEC. The information in this press release should be read in conjunction with a review of the company'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".

Invitae Cautionary Statement Regarding Forward-Looking Statement

Certain statements made in this press release, including, but not limited to, statements about Invitae's ability to consummate the planned sale of assets to Labcorp pursuant to the United States Bankruptcy Court's approval in the chapter 11 case; Invitae's ability to pay its current obligations when due and satisfy its continuing obligations, including, but not limited to, employee benefits and wages, vendors and suppliers of goods and services, and insurance and tax obligations; and any assumptions underlying any of the foregoing may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to: (i) risks and uncertainties regarding Invitae's ability to successfully consummate and complete a plan under chapter 11 or any strategic or financial alternative as well as Invitae's ability to implement and realize any anticipated benefits associated with its sale of assets to Labcorp and the wind down of operations; (ii) the risk that the transaction may not be completed in a timely manner or at all; (iii) expected timing to closing; (iv) the failure to satisfy closing conditions, including the receipt of certain regulatory approvals; (v) the occurrence of any event, change or other circumstance that could give rise to the termination of the transaction agreements; (vi) market reaction to the announcement, updates on, and planning for the sale of assets to Labcorp; (vii) Invitae's ability to continue operating in the ordinary course while the chapter 11 cases are pending; (viii) potential adverse effects of the chapter 11 cases on Invitae's business, financial condition, liquidity and results of operations; (ix) Invitae's ability to obtain timely approval by the United States Bankruptcy Court with respect to motions filed in the chapter 11 cases; (x) objections to Invitae's recapitalization process or other pleadings filed with the Bankruptcy Court that could protract the chapter 11 cases; (xi) employee attrition and Invitae's ability to retain senior management and other key personnel due to the distractions and uncertainties caused by the chapter 11 cases; (xii) Invitae's ability to improve its liquidity and long-term capital structure and to address its debt service obligations through the restructuring; (xiii) Invitae's ability to comply with the restrictions imposed by the terms and conditions of the potential financing arrangements; (xiv) Invitae's ability to effectively implement its strategic initiatives; (xv) Invitae's liquidity needs to operate its business and execute its strategy, and related use of cash; (xvi) Invitae's ability to maintain relationships with suppliers, customers, employees, regulatory authorities and other third parties as a result of the chapter 11 cases; (xvii) the effects of the restructuring and the chapter 11 cases on Invitae and on the interests of various constituents, including holders of Invitae's common stock; (xviii) the Bankruptcy Court's rulings in the chapter 11 cases, including approvals related to the terms and conditions of any plan under chapter 11 and the outcome of the chapter 11 cases, generally; (xix) the length of time that Invitae will operate under chapter 11 protection and the continued availability of operating capital during the pendency of the chapter 11 cases; (xx) risks associated with third-party motions in the chapter 11 cases, which may interfere with Invitae's ability to consummate a plan under chapter 11 and the sale of assets to Labcorp; (xxi) increased administrative and legal costs related to the chapter 11 process; (xxii) other litigation and inherent risks involved in a bankruptcy process; (xxiii) Invitae's public securities' potential liquidity and trading; (xxiv) any impact resulting from the delisting of Invitae's common stock from the New York Stock Exchange and trading instead on the OTC Pink Marketplace; (xxv) and the other risks and uncertainties disclosed in Invitae's annual and quarterly periodic reports and other documents filed with the SEC. Additionally, there can be no assurances that the sale of the business will receive regulatory approval or that any sale will be successfully consummated. Forward-looking statements speak only as of the date they are made. Invitae undertakes no duty or obligation to update or revise these forward-looking statements, whether as a result of new information, future developments, or otherwise, except as required by law.



View original content to download multimedia: <https://www.prnewswire.com/news-releases/invitae-receives-court-approval-for-sale-to-labcorp-302138770.html>

SOURCE Labcorp

Labcorp Contacts: Christin O'Donnell (investors) - 336-436-5076, Investor@Labcorp.com or Kimbrel Arculeo (media) - 336-436-8263, Media@Labcorp.com; Invitae Contacts: Hoki Luk (investors), ir@invitae.com or Amy Sands Hadsock (media), pr@invitae.com