



FOR IMMEDIATE RELEASE

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LABCORP STRENGTHENS ONCOLOGY LEADERSHIP POSITION WITH THE ADDITION OF PERSONAL GENOME DIAGNOSTICS, A PROVIDER OF COMPREHENSIVE LIQUID BIOPSY AND TISSUE-BASED GENOMIC PRODUCTS AND SERVICES

Broader Access to Innovative Diagnostics Improves Patient Outcomes and Accelerates Clinical Trials

BURLINGTON, N.C., Dec. 23, 2021 — [Labcorp](#) (NYSE: LH), a leading global life sciences company, today announced that it has entered into a definitive agreement to acquire Personal Genome Diagnostics Inc., ([PGDx](#)), a leader in cancer genomics with a portfolio of comprehensive liquid biopsy and tissue-based products.

The addition of PGDx and its technology complements and accelerates Labcorp's existing liquid biopsy capabilities and expands Labcorp's leading oncology portfolio of next-generation sequencing (NGS)-based genomic profiling capabilities, positioning Labcorp at the forefront of driving better patient outcomes in oncology. PGDx enhances Labcorp's ability to increase access to oncology care in the global community through kitted solutions that allow hospital systems and laboratories to run these tests internally, bringing precision diagnostics closer to the patient and helping close a common gap in the delivery of cancer care. Labcorp's global reach also provides the opportunity to bring this technology to pharmaceutical companies for clinical trial research to advance cancer treatments, potentially impacting clinical outcomes in millions of people with cancer.

"Labcorp's leadership and scale in diagnostic testing and drug development, coupled with PGDx's innovative technology and suite of capabilities, will accelerate access to personalized treatments for cancer patients globally," said Adam Schechter, chairman and CEO of Labcorp. "PGDx's comprehensive portfolio of next-generation sequencing products will meaningfully add to our breadth of capabilities, in line with our strategic priority to lead in oncology. PGDx's technology is well positioned in an important segment with strong growth prospects. We look forward to welcoming PGDx's talented team and working together to bring world-class diagnostics, technology and treatments within reach for all."

Under the terms of the agreement, Labcorp will pay \$450 million in cash at closing and up to an additional \$125 million on achieving future performance milestones.

PGDx's centralized and decentralized offerings will enhance the scalability of the technology and support long-term growth across Labcorp's oncology portfolio, while also enabling Labcorp to seamlessly offer oncology testing at every stage of care. PGDx offers the only diagnostic kit cleared by the U.S. Food and Drug Administration for pan-solid cancer comprehensive tumor profiling using a 500+ gene panel.

Next-generation sequencing, including liquid biopsy, represents the future of treatment and response monitoring in people with cancer. Liquid biopsy testing can also eliminate the need for an invasive biopsy procedure, reducing costs and improving patient outcomes. When combined with cutting-edge data analysis capabilities, NGS is the most advanced technology in the field today for identifying the best therapy available for each patient. As more cancer patients gain access to NGS testing, Labcorp will be able to offer enriched, actionable and data-driven insights. These insights can be used by pharmaceutical companies and cancer care teams to accelerate patient recruitment for clinical trials and identify patients eligible for approved treatments.

Overall demand for noninvasive tumor profiling and therapeutic response monitoring is expected to grow significantly—largely attributable to technological advances in the identification of biomarkers utilizing NGS, applicability to companion diagnostics and immuno-oncology solutions, and widespread government support.

“We share Labcorp's vision of improving health care decisions and outcomes through science, data and a continued commitment to innovation,” said Megan Bailey, CEO of PGDx. “For over a decade, PGDx has made great progress toward that goal. As a part of the Labcorp family, we have an incredible opportunity to broaden and accelerate our impact on cancer care through Labcorp's global reach.”

The acquisition of PGDx is the latest development in Labcorp's long-standing commitment to integrate precision medicine into its comprehensive offering of oncology solutions. Labcorp currently offers [OmniSeq INSIGHTSM](#), a NGS-based, precision medicine test for solid tumors, [IntelliGEN[®] Myeloid](#), a NGS-based precision medicine test for myeloid malignancies, and hereditary cancer genetic testing through [VistaSeqSM](#). Labcorp also offers [clonoSEQ[®]](#), the first and only FDA-cleared assay for measurable, residual disease detection, and [Resolution ctDx Lung[™]](#), a non-invasive test for patients with non-small-cell lung cancer.

PGDx 2021 revenues are expected to be approximately \$22 million and projected revenues for 2022 are expected to grow to nearly \$40 million. The acquisition is expected to be slightly dilutive to Labcorp's adjusted earnings per share over the next couple of years and provide returns in excess of its cost of capital by year five.

The transaction is subject to customary closing conditions and regulatory approvals, including under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The transaction is expected to close in the first half of 2022. Hogan Lovells and Kilpatrick Townsend acted as legal advisors to Labcorp. Cooley LLP acted as legal advisor and Cowen acted as financial advisor to PGDx.

About Labcorp

Labcorp is a leading global life sciences company that provides vital information to help doctors, hospitals, pharmaceutical companies, researchers, and patients make clear and confident decisions. Through our unparalleled diagnostics and drug development capabilities, we provide insights and accelerate innovations to improve health and improve lives. With more than 70,000

employees, we serve clients in more than 100 countries. Labcorp (NYSE: LH) reported revenue of \$14 billion in FY2020. Learn about Labcorp at www.Labcorp.com, or follow us on [LinkedIn](#) and Twitter [@Labcorp](#).

About PGDx

Since its founding in 2010, PGDx has empowered the fight against cancer by unlocking actionable information from the genome to drive biomarker informed treatment plans. The PGDx elio™ portfolio of tissue-based and liquid biopsy comprehensive genomic solutions enable personalized care for all patients by bringing precision oncology testing to where they are. PGDx was established by researchers from Johns Hopkins University who are pioneers in cancer genome sequencing and liquid biopsy technologies.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements, including but not limited to statements with respect to the transaction, the growth prospects of tumor profiling and therapeutic response monitoring generally, the growth prospects of PGDx's technology specifically and the anticipated benefits of the transaction when combined with Labcorp.

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, the risk that the transaction may not be completed in a timely manner or at all; expected timing to closing; the failure to satisfy the conditions to closing the transaction, including the receipt of certain regulatory approvals; the occurrence of any event, change or other circumstance that could give rise to the termination of the transaction agreement; the company's ability to implement its plans, forecasts and other expectations with respect to PGDx's technology after completion of the proposed transaction; the impact of the COVID-19 pandemic and its impact on the company's business and financial condition and on general economic, business, and market conditions; the company's ability (or inability) to execute on its plans to respond to the COVID-19 pandemic, competitive actions and other unforeseen changes and general uncertainties in the marketplace; changes in government regulations; customer purchasing decisions, including changes in payer regulations or policies; other adverse actions of governmental and third-party payers; changes in testing guidelines or recommendations; federal, state, and local government responses to the COVID-19 pandemic; the effect of public opinion on the company's reputation; adverse results in material litigation matters; the impact of changes in tax laws and regulations; failure to maintain or develop customer relationships; the company's ability to develop or acquire new products and adapt to technological changes; failure in information technology, systems or data security; adverse weather conditions; the number of revenue days in a financial period; employee relations; personnel costs; and 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 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.

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