



NEWS RELEASE

Avantor® Enters into Definitive Agreement to Divest Clinical Services Business to Audax Private Equity

8/16/2024

- Accelerates ongoing business transformation and sharpens Avantor's strategic focus
- Strengthens balance sheet with proceeds to be used for debt paydown

RADNOR, Pa., Aug. 16, 2024 /PRNewswire/ -- Avantor, Inc. (NYSE: AVTR), a leading global provider of mission-critical products and services to customers in the life sciences and advanced technologies industries, today announced the signing of a definitive agreement to divest its clinical services business, including kitting, biorepository, and related equipment and ancillaries (collectively "Clinical Services"), to Audax Private Equity ("Audax") for a transaction value of approximately \$650 million.

"Today's announcement is an important step for Avantor as we continue to optimize our portfolio in line with our new operating model," said Michael Stubblefield, President and Chief Executive Officer. "The divestiture enables us to enhance our focus on strategic growth opportunities in our lab and production businesses, while strengthening our balance sheet."

Mr. Stubblefield continued, "In Audax, we are pleased to have found a new owner that recognizes the value proposition of this business and is ideally positioned to invest and grow the platform for the benefit of all stakeholders."

Additional Transaction Details

The clinical services business has approximately 800 employees and is part of Avantor's Laboratory Solutions segment. It is expected to generate approximately \$200 million of annual revenue in 2024. The transaction is expected to close in the fourth quarter of 2024, subject to regulatory approvals and other customary closing conditions. Avantor expects the transaction to result in approximately \$475 million in after-tax cash proceeds and a

reduction of approximately \$50 million in capitalized leases.

Avantor intends to utilize the after-tax proceeds for debt paydown, which further strengthens the Company's balance sheet and reduces interest expense.

Avantor will discuss the divestiture on its third quarter 2024 earnings conference call.

J.P. Morgan Securities LLC is serving as Avantor's exclusive financial advisor in connection with the transaction, and Arnold & Porter is serving as Avantor's legal advisor. Moelis & Company LLC is serving as financial advisor to Audax and Ropes & Gray LLP provided legal counsel to Audax.

About Avantor

Avantor® is a leading life science tools company and global provider of mission-critical products and services to the life sciences and advanced technology industries. We work side-by-side with customers at every step of the scientific journey to enable breakthroughs in medicine, healthcare, and technology. Our portfolio is used in virtually every stage of the most important research, development and production activities at more than 300,000 customer locations in 180 countries. For more information, visit [avantorsciences.com](https://www.avantorsciences.com) and find us on [LinkedIn](#), [X \(Twitter\)](#) and [Facebook](#).

Forward-Looking and Cautionary Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this press release are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, including our cost transformation initiative, objectives, future performance and business. These statements may be preceded by, followed by or include the words "aim," "anticipate," "assumption," "believe," "continue," "estimate," "expect," "forecast," "goal," "guidance," "intend," "likely," "long-term," "near-term," "objective," "opportunity," "outlook," "plan," "potential," "project," "projection," "prospects," "seek," "target," "trend," "can," "could," "may," "should," "would," "will," the negatives thereof and other words and terms of similar meaning.

Forward-looking statements are inherently subject to risks, uncertainties and assumptions; they are not guarantees of performance. You should not place undue reliance on these statements. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that our assumptions made in connection with the forward-looking statements are reasonable, we cannot assure you that

the assumptions and expectations will prove to be correct. Factors that could contribute to these risks, uncertainties and assumptions include, but are not limited to, the factors described in "Risk Factors" in our most recent Annual Report on Form 10-K, and subsequent quarterly reports on Form 10-Q, as such risk factors may be updated from time to time in our periodic filings with the SEC.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. In addition, all forward-looking statements speak only as of the date of this press release. We undertake no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise other than as required under the federal securities laws.

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