



NEWS RELEASE

Avantor® to Acquire Masterflex®; Expands Proprietary Single-Use Offering for Bioproduction

9/7/2021

- Masterflex® is a leading global manufacturer of peristaltic pumps and aseptic single-use fluid transfer technologies
- Strengthens Avantor's offering across all bioproduction platforms including mAbs, cell and gene therapy and mRNA, and supports both therapy and vaccine manufacturing including COVID-19
- Transaction is expected to enhance Avantor's revenue growth and margin profile and be accretive to Adjusted Earnings per Share (EPS) in year 1 post-acquisition

RADNOR, Pa., Sept. 7, 2021 /PRNewswire/ -- Avantor, Inc. (NYSE: AVTR), a leading global provider of mission-critical products and services to customers in the life sciences and advanced technologies & applied materials industries, today announced that it has entered into a definitive agreement to acquire the Masterflex bioprocessing business and related assets (collectively "Masterflex") of Antylia Scientific, a privately held, portfolio company of investment firms GTCR and Golden Gate Capital. The all-cash transaction is valued at \$2.9 billion, subject to final adjustments at closing. Given anticipated tax benefits from the transaction structure, the net purchase price is approximately \$2.7 billion.

Headquartered in Vernon Hills, Illinois, Masterflex is a leading global manufacturer of peristaltic pumps and aseptic single-use fluid transfer technologies with estimated 2022 revenues of approximately \$300 million. The acquisition strengthens Avantor's offering across all bioproduction platforms including monoclonal antibodies (mAbs), cell and gene therapy and mRNA, and supports both therapy and vaccine manufacturing including COVID-19. For more than 50 years, Masterflex has been providing industry-leading fluid transfer technologies central in the execution of research and production workflows.

"The acquisition of Masterflex reflects our commitment to the biopharma industry, and our ability to identify and execute on value-creation opportunities," said Michael Stubblefield, President and CEO of Avantor. "The business

enhances our portfolio of proprietary technologies and strengthens our position in the highest growth segments of the market. Both Avantor and Masterflex share a strong culture of innovation and excellence, and we look forward to welcoming Masterflex's highly skilled team to the Avantor family."

Masterflex has business characteristics common to Avantor including its premium brand, stringent quality standards, specification-driven model and highly recurring revenue. Avantor will leverage its differentiated channel and deep Biopharma customer relationships to enhance growth opportunities in both research and production environments.

"This proposed transaction helps both parties and positions the Masterflex bioprocessing business well for future growth," said Brian Barnett, President, Masterflex Bioprocessing. "Avantor's broad portfolio is used in virtually every stage of the most important research, development and production activities. We are excited about combining our end-to-end fluid management solution with Avantor's comprehensive portfolio of process ingredients, chromatography resins and excipients for Biopharma customers worldwide."

Avantor has a demonstrated track record of successful acquisition activities, including tuck-ins to large, transformational opportunities. Including Masterflex, Avantor has successfully completed 43 acquisitions, deployed more than \$11 billion in capital and generated well over \$350 million in EBITDA synergies, since 2011.

Financials and Closing Details

The transaction is expected to enhance Avantor's revenue growth and margin profile and be accretive to Adjusted Earnings per Share (EPS) in year 1 post-acquisition.

Avantor has a full debt financing commitment for the transaction, and retains the flexibility to alternately obtain debt or equity financing in the market in order to achieve its targeted capital structure.

The transaction is expected to be completed in the fourth quarter of 2021, and is subject to customary closing conditions, including receipt of applicable regulatory approvals.

Advisors

Jefferies LLC and Gordon Dyal & Co. Advisory Group L.P. are acting as financial advisors to Avantor, and Simpson Thacher & Bartlett LLP is serving as legal counsel. J.P. Morgan and Perella Weinberg Partners are acting as financial advisors to Masterflex, and Kirkland & Ellis LLP is serving as legal counsel. A full debt financing commitment for the acquisition has been provided by Citigroup Global Markets Inc and Goldman Sachs Bank USA.

Use of Non-GAAP Financial Measures

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), we use certain non-GAAP financial measures, including adjusted EPS and adjusted EBITDA, which exclude certain acquisition-related costs, including charges for the sale of inventories revalued at the date of acquisition and significant transaction costs; restructuring and other costs/income; and amortization of acquisition-related intangible assets. Adjusted EPS also excludes certain other gains and losses that are either isolated or cannot be expected to occur again with any regularity or predictability, tax provisions/benefits related to the previous items, benefits from tax credit carryforwards, the impact of significant tax audits or events and the results of discontinued operations. We exclude the above items because they are outside of our normal operations and/or, in certain cases, are difficult to forecast accurately for future periods. We believe that the use of non-GAAP measures helps investors as an additional way to analyze the underlying trends in our business consistently across the periods presented. These measurements are used by our management for the same reasons. A quantitative reconciliation of adjusted EBITDA and adjusted EPS to the corresponding GAAP information is not provided because the GAAP measures that are excluded are difficult to predict and are primarily dependent on future uncertainties. Items with future uncertainties include the timing and cost of future restructuring activities, charges related to the early retirement of debt, changes in tax rates and other non-recurring items.

Conference Call

Avantor will host a conference call to discuss the transaction on Tuesday, September 7, 2021, at 8:30 a.m. EDT. To participate by phone, please dial (866) 211-4132 (domestic) or (647) 689-6615 (international) and use the conference code 4977989. We encourage participants to join 15-20 minutes early to complete the registration process. A live webcast of the call can be accessed on the Investors section of our website, **www.avantorsciences.com**. The transaction press release and slides will also be posted to the website. A replay of the call will be available on the Investors section of the website under "Events & presentations" through September 21, 2021.

About Avantor

Avantor®, a Fortune 500 company, is a leading global provider of mission-critical products and services to customers in the biopharma, healthcare, education & government, and advanced technologies & applied materials industries. Our portfolio is used in virtually every stage of the most important research, development and production activities in the industries we serve. Our global footprint enables us to serve more than 225,000 customer locations and gives us extensive access to research laboratories and scientists in more than 180 countries. We set science in motion to create a better world. For more information, please visit **www.avantorsciences.com**.

Forward-looking statements

This press release contains forward-looking statements. 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 announced transaction with Masterflex and the related financing, as well as our financial condition, results of operations, plans, objectives, future performance and business. These statements may be preceded by, followed by or include the words "aim," "anticipate," "believe," "estimate," "expect," "forecast," "intend," "likely," "outlook," "plan," "potential," "project," "projection," "seek," "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, our ability to successfully integrate Masterflex into our operations and achieve anticipated synergies and our ability to execute related financing on favorable terms, as well as the factors described in "Risk Factors" in our 2020 Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the U.S. Securities and Exchange Commission ("SEC") and available in the "Investors" section of Avantor's website, ir.avantorsciences.com, under the heading "SEC Filings," and in any subsequent Quarterly Reports on Form 10-Q and other documents Avantor files 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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