



PerkinElmer to Acquire Cell Engineering Company Horizon Discovery for \$383 Million (£296 Million)

November 2, 2020

Addition of CRISPR and RNAi offerings to complement PerkinElmer's life sciences and applied genomics solutions, with future opportunities to improve cell based discovery for precision medicine

WALTHAM, Mass.--(BUSINESS WIRE)--Nov. 2, 2020-- [PerkinElmer, Inc.](#) (NYSE: PKI) ("PerkinElmer") and [Horizon Discovery Group](#) plc (LSE: HZD) ("Horizon") are pleased to announce that they have reached an agreement on the terms of a recommended all cash offer whereby PerkinElmer will acquire Horizon for approximately \$383 million (£296 million). The transaction has a total enterprise value of approximately \$368 million (£284 million), is expected to close in the first quarter of 2021 subject to customary closing conditions.

With this investment, PerkinElmer will expand its portfolio of leading, automated life sciences discovery and applied genomics solutions to include gene editing and gene modulation tools. The acquisition will enable PerkinElmer to better partner with academic and pharma/biopharma scientists to help meet today's research challenges. It will also provide an opportunity to provide important tools for exploring next generation cell engineering and customized cell lines for relevant biological models – important for the future of precision medicine.

Headquartered in Cambridge, UK, Horizon is a leading provider of CRISPR and RNAi reagents, cell models, cell engineering and base editing offerings which help scientists better understand gene function, genetic disease drivers and biotherapeutics delivery. Horizon has approximately 400 employees across multiple countries, including the UK, the US and Japan and reported revenue from continuing operations of \$75.5 million (£58.3 million) in 2019.

PerkinElmer's discovery and applied genomics solutions feature a range of immunoassay platforms, high content screening (HCS) and in vivo imaging, along with microfluidics, robotic liquid handling technologies and next-generation sequencing library preparation kits.

Unifying PerkinElmer's and Horizon's complementary offerings across the genotypic and phenotypic approaches for drug discovery and development will help researchers accelerate decision making with better information, automated workflows and greater quality and control over data.

Commenting on the agreement, Prahlad Singh, President and Chief Executive Officer, PerkinElmer said, "One of the key fundamentals for molecular research and drug discovery is being able to knock down a gene or function and explore the results to discover actionable insights and new clinical trial candidates faster. We're excited to team up with Horizon to not only add CRISPR and RNAi capabilities into our existing portfolio, but also to leverage our combined life sciences screening and applied genomics solutions to help propel the next phase of cell and gene research for precision medicine. PerkinElmer leads with science and creates total solutions to bring today's leading innovations together for our customers, while also working at the cutting edge of what's next. Today's announcement delivers on both of these fronts."

In total, PerkinElmer's life sciences solutions span across early-stage research, drug discovery, drug development and QA/QC for drug manufacturing. For more information please visit: <https://www.perkinelmer.com/corporate/what-we-do/markets/life-sciences.html>.

In terms of financial impact, PerkinElmer expects the acquisition to be modestly accretive to non-GAAP earnings in year-one following the close, and the Company forecasts Horizon's business to be attractively positioned in markets that are projected to grow at a compound annual growth rate of high-single digits over the next few years.

About PerkinElmer

PerkinElmer enables scientists, researchers and clinicians to address their most critical challenges across science and healthcare. With a mission focused on innovating for a healthier world, we deliver unique solutions to serve the diagnostics, life sciences, food and applied markets. We strategically partner with customers to enable earlier and more accurate insights supported by deep market knowledge and technical expertise. Our dedicated team of about 13,000 employees worldwide is passionate about helping customers work to create healthier families, improve the quality of life, and sustain the wellbeing and longevity of people globally. The Company reported revenue of approximately \$2.9 billion in 2019, serves customers in 190 countries, and is a component of the S&P 500 index. Additional information is available through 1-877-PKI-NYSE, or at www.perkinelmer.com.

About Horizon Discovery Group

Horizon Discovery Group plc (LSE: HZD) ("Horizon") is a cell engineering company focused on commercializing the application of gene editing and gene modulation to accelerate scientific innovation and biopharmaceutical drug development. Horizon's portfolio of tools and services is built on decades of experience in altering the expression of genes across mammalian and human cell types to provide cell engineering tools and services to customers in three key areas of the therapeutic ecosystem: basic research, drug discovery and development and therapeutic applications. Horizon's offerings support and enable critical elements of the drug development and therapeutic value chain, particularly in the area of precision medicine. Horizon's customers include biopharmaceutical and diagnostics companies, contract research and manufacturing organizations and academic researchers across the globe.

Horizon is headquartered in Cambridge, UK with offices in USA and Japan. The Group is listed on the London Stock Exchange's AIM market under the ticker HZD. Additional information is available at www.horizondiscovery.com

Factors Affecting Future Performance

This press release contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements relating to estimates and projections of future earnings per share, cash flow and revenue growth and other financial results,

developments relating to our customers and end-markets, and plans concerning business development opportunities, acquisitions and divestitures. Words such as "believes," "intends," "anticipates," "plans," "expects," "projects," "forecasts," "will" and similar expressions, and references to guidance, are intended to identify forward-looking statements. Such statements are based on management's current assumptions and expectations and no assurances can be given that our assumptions or expectations will prove to be correct. A number of important risk factors could cause actual results to differ materially from the results described, implied or projected in any forward-looking statements. These factors include, without limitation: (1) markets into which we sell our products declining or not growing as anticipated; (2) effect of the COVID-19 pandemic on our sales and operations; (3) fluctuations in the global economic and political environments; (4) our failure to introduce new products in a timely manner; (5) our ability to execute acquisitions and license technologies, or to successfully integrate acquired businesses and licensed technologies into our existing business or to make them profitable, or successfully divest businesses; (6) our failure to adequately protect our intellectual property; (7) the loss of any of our licenses or licensed rights; (8) our ability to compete effectively; (9) fluctuation in our quarterly operating results and our ability to adjust our operations to address unexpected changes; (10) significant disruption in third-party package delivery and import/export services or significant increases in prices for those services; (11) disruptions in the supply of raw materials and supplies; (12) the manufacture and sale of products exposing us to product liability claims; (13) our failure to maintain compliance with applicable government regulations; (14) regulatory changes; (15) our failure to comply with healthcare industry regulations; (16) economic, political and other risks associated with foreign operations; (17) our ability to retain key personnel; (18) significant disruption in our information technology systems, or cybercrime; (19) our ability to obtain future financing; (20) restrictions in our credit agreements; (21) discontinuation or replacement of LIBOR; (22) the United Kingdom's withdrawal from the European Union; (23) our ability to realize the full value of our intangible assets; (24) significant fluctuations in our stock price; (25) reduction or elimination of dividends on our common stock; and (26) other factors which we describe under the caption "Risk Factors" in our most recent quarterly report on Form 10-Q and in our other filings with the Securities and Exchange Commission. We disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this press release.

Explanation of Non-GAAP Financial Measures

We report our financial results in accordance with GAAP. However, management believe that, in order to more fully understand our short-term and long-term financial and operating trends, investors may wish to consider the impact of certain non-cash, non-recurring or other items, which result from facts and circumstances that vary in frequency and impact on continuing operations. Accordingly, we present non-GAAP financial measures as a supplement to the financial measures we present in accordance with GAAP. These non-GAAP financial measures provide management with additional means to understand and evaluate the operating results and trends in our ongoing business by adjusting for certain non-cash expenses and other items that management believes might otherwise make comparisons of our ongoing business with prior periods more difficult, obscure trends in ongoing operations, or reduce management's ability to make useful forecasts. Management believes these non-GAAP financial measures provide additional means of evaluating period-over-period operating performance. In addition, management understands that some investors and financial analysts find this information helpful in analyzing our financial and operational performance and comparing this performance to our peers and competitors.

We use the term "adjusted earnings per share," or "adjusted EPS," to refer to GAAP earnings per share, including revenue from contracts acquired in acquisitions that will not be fully recognized due to accounting rules, and excluding discontinued operations, amortization of intangible assets, debt extinguishment costs, other purchase accounting adjustments, acquisition and divestiture-related expenses, acceleration of executive compensation, significant litigation matters and settlements, significant environmental charges, changes in the value of financial securities, disposition of businesses and assets, net, and restructuring and other charges. We also exclude adjustments for mark-to-market accounting on post-retirement benefits, therefore only our projected costs have been used to calculate this non-GAAP measure. We also adjust for any tax impact related to the above items and exclude the impact of significant tax events.

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Media Relations:

PerkinElmer, Inc.

Jennifer McNeil

+1-508-380-2902

Jennifer.McNeil@perkinelmer.com

Investor Relations:

PerkinElmer, Inc.

Bryan Kipp

+ 781-663-5583

Bryan.Kipp@perkinelmer.com

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