BioLife Solutions to Acquire Sexton Biotechnologies to Expand Cell and Gene Therapy Tools Portfolio

Sexton's Proprietary Consumables and Media Products are Embedded in More than 50 Ongoing Cell Therapy Clinical Trials

Sexton Expected to Contribute Approximately $8 Million in 2022 Revenue

BOTHELL, Wash., Aug. 9, 2021 /PRNewswire/ -- **BioLife Solutions, Inc.** (Nasdaq: BLFS) ("BioLife" or the "Company"), a leading developer and supplier of class-defining bioproduction products and services for cell and gene therapies and the broader biopharma market, today announced that it has entered into a definitive agreement to acquire all remaining outstanding shares of privately held Sexton Biotechnologies, Inc., that it does not currently own, for $24.0 million, in consideration for 506,382 newly issued shares of BioLife common stock. Taking into consideration liquidation preferences, BioLife will retain 19.9% of the consideration due to Sexton shareholders. The transaction is expected to close on or before September 1, 2021.

Sexton's bioproduction tools portfolio includes proprietary closed vials for cell therapy final dose packaging, human platelet lysate (HPL) media, a bio-defined replacement for fetal bovine serum or human serum used in cell manufacturing, and automated cell processing machines. These class-defining products are currently embedded in more than 50 ongoing clinical trials of new cell and gene therapies. Sexton was spun out of Cook Regentec in 2019 with seed funding from BioCrossroads, BioLife Solutions, Casdin Capital and Cook Regentec.

Mike Rice, BioLife CEO, commented, "As a significant shareholder of Sexton since their spinout from Cook Regentec in 2019, we've been closely following Sean Werner and the Sexton team's great execution and progress. The business is at an inflection point and their products are highly complementary to our portfolio, enabling BioLife to strengthen relationships with our marquee base of cell and gene therapy developers. We welcome the Sexton team to BioLife and look forward to leveraging our respective strengths to accelerate growth across our platforms."

BioLife plans to retain all Sexton team members and the current facility in the 16 Tech Innovation District in downtown Indianapolis.

Aby J. Mathew, PhD, Executive Vice President & Chief Scientific Officer at BioLife, added, "Sexton's cell processing platform is novel and has the potential to disrupt traditional cell therapy manufacturing workflows by improving quality and efficiency while consolidating several processing steps. Their tools are synergistic with our portfolio and are supported by a growing body of literature that highlights the benefits of using Sexton's solutions."

Sean Werner, PhD, President of Sexton Biotechnologies and, upon closing, Chief Technology Officer - Cell Processing Platform at BioLife, remarked, "This is a great day for the Sexton team and our shareholders. BioLife has been a key investor and critical supporter of our mission. Our corporate cultures are highly aligned, and we look forward to joining BioLife's growing team and continuing to drive adoption of our cell and gene therapy bioproduction tools."

Benefits of the Transaction

Expansion of product portfolio serving the cell and gene therapy market

- Sexton's portfolio of cell and gene therapy bioproduction tools includes:
    - Proprietary CellSeal® closed vial, which incorporates several differentiated features that benefit therapy manufacturers; currently incorporated in the U.S. FDA-approved CAR-T cell therapy Breyanzi™ from Bristol Myers Squibb and several other cell therapies in clinical trials.
    - nLiven PR™, T-Liven PR™ and Stemulate® human platelet lysate (HPL) media products, which are bio-defined growth supplements designed to meet performance and global regulatory expectations.
    - AF-500 Automated filling device for high-throughput fill/finish of intermediate and final cell therapy products.
    - Signata CT-5™, which is the first truly flexible fluid management system for cell therapy processing and fill.

Cross-selling opportunities

- BioLife intends to fully leverage its growing worldwide sales team and extensive relationships with leading cell and gene therapy companies to drive sales of Sexton products.
- The five-person Sexton sales team will promote BioLife's bioproduction tools and services portfolio including CryoStor® and HypoThermosol® biopreservation media; ThawSTAR® automated, water-free thawing products; evo® cold chain management platform; SciSafe™ biologic storage services; and CBS and Stirling freezers.

Financial Impact of the Sexton Biotechnologies Acquisition

BioLife expects the acquisition of Sexton to impact the Company's financial performance, as follows:

- Sexton's 2021 revenue contribution is expected to be approximately $2 million, based on an anticipated closing date of September 1st. BioLife 2021 total revenue is expected to be in a range of $108 million to $117 million, inclusive of Sexton's revenue contribution. 2022 revenue from Sexton is expected to be approximately $8 million.
- The transaction is expected to be moderately accretive to adjusted net income per share (non-GAAP) in 2022 and beyond.

Roderick de Greef, BioLife's Chief Financial Officer, remarked, "We expect approximately two-thirds of Sexton's revenue will be comprised of recurring HPL media and CellSeal consumables. The acquisition of Sexton should accelerate the attainment of our mid-term goals of $250 million in revenue and an adjusted EBITDA margin of 30%."

About Sexton Biotechnologies

Sexton Biotechnologies is a revenue-stage, biotechnology company focused on the development and sales of bioproduction tools for cell and gene therapy. The company was founded in 2019 as a spin out of Cook Regentec, a life science incubator/accelerator. Sexton develops purpose-built cell and gene therapy (CGT) tools and media to enable flexible automation and scaling of cell manufacturing processes to increase the probability of positive clinical outcomes and reduce time-to-market, failure points and labor costs. Sexton's portfolio includes the fluid handling system Signata CT-5, CellSeal platform of cryo-storage tools and fill/finish systems, and human platelet lysate growth supplements. More information at www.sextonbiotechnologies.com.

About BioLife Solutions

BioLife Solutions is a leading supplier of cell and gene therapy bioproduction products and services. Our portfolio includes our proprietary CryoStor® freeze media and HypoThermosol® shipping and storage media, ThawSTAR® family of automated, water-free thawing products,

evo® cold chain management system, Custom Biogenic Systems® high-capacity cryogenic freezers, Stirling Ultracold ULT freezers, and SciSafe biologic materials storage. For more information, please visit www.biolifesolutions.com, www.savsu.com, www.custombiogenics.com, www.scisafe.com, www.stirlingultracold.com, www.sextonbio.com and follow BioLife on Twitter.

Cautions Regarding Forward Looking Statements

Except for historical information contained herein, this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements concerning the closing the acquisition of Sexton Biotechnologies (Sexton), the expected financial performance of the company following the completion of its 2019, 2020 and 2021 acquisitions and pending acquisition of Sexton and giving effect to the COVID-19 pandemic, the company's ability to implement its business strategy and anticipated business and operations, in particular following the closing of its acquisition of Sexton, the expected synergies between the company and Sexton, the company's ability to realize all or any of the anticipated benefits associated with the acquisition of Sexton, the potential utility of and market for the company's products and services and the company's ability to cross sell its products and services, including the products that the company will acquire upon the closing of the acquisition of Sexton, guidance for financial results for 2021 and 2022, including regarding Sexton's revenue, and potential revenue growth, in particular over the next three to four years, guidance related to adjusted net income per share (non-GAAP) and adjusted EBITDA margin (non-GAAP), and potential market expansion, including with consideration to our acquisition of Sexton and our 2019, 2020 and 2021 acquisitions and giving effect to the COVID-19 pandemic, the company's anticipated future growth strategy, including the acquisition of synergistic cell and gene therapy manufacturing tools and services or technologies, regulatory approvals and/or commercial manufacturing of our customers' products, and potential customer revenue. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those described in the forward-looking statements, including among other things, uncertainty regarding the satisfaction or waiver of all closing conditions to the acquisition of Sexton, the risk that the acquisition may not be completed on the terms or in the time frame expected by the company, unexpected costs, charges or expenses resulting from the acquisition of Sexton (or from the company's 2019, 2020 and 2021 acquisitions), market adoption of the company's products (including the company's recently acquired products including the products of Sexton, if acquired), the ability of the Sexton acquisition (or the company's 2019, 2020 and 2021 acquisitions) to be accretive on the company's financial results, the ability of the company to continue to implement its business strategy, uncertainty regarding third-party market projections, market volatility, competition, litigation, the impact of the COVID-19 pandemic, and those other factors described in our risk factors set forth in our filings with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We undertake no obligation to update the forward-looking statements contained herein or to reflect events or circumstances occurring after the date hereof, other than as may be required by applicable law.

Description of Non-GAAP Measures of Financial Performance:

As used in this press release, adjusted net income per share (non-GAAP) means GAAP Net income/loss per share – diluted adjusted for on a per share basis: inventory step-up charges, acquisition costs, intangible asset amortization, change in fair value of contingent consideration, change in fair value of investments, change in fair value of warrants liability and income tax benefit. Adjusted EBITDA margin means adjusted EBITDA (defined by GAAP net income/(loss) adjusting for interest expense/(income), income taxes, depreciation, intangible asset amortization, share-based compensation, acquisition costs, inventory step-up charges, loss on disposal of assets, change in fair value of contingent consideration, change in fair value of investments and change in fair value of warrant liability) divided by GAAP revenue. When analyzing the Company's operating results, investors should not consider non-GAAP measures as substitutes for the comparable financial measures prepared in accordance with GAAP.

Contacts:

At the Company
Roderick de Greef
Chief Financial Officer
(425) 686-6002
rdegreef@biolifesolutions.com

Investors
LHA Investor Relations
Jody Cain
(310) 691-7100
jcain@lhai.com

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