Veracyte Completes Acquisition of C2i Genomics

February 6, 2024

Extends Veracyte's novel diagnostics platform with whole-genome minimal residual disease capabilities

Expands company's presence across the cancer care continuum

SOUTH SAN FRANCISCO, Calif.--(BUSINESS WIRE)--Feb. 6, 2024-- Veracyte, Inc. (Nasdaq: VCYT), a leading cancer diagnostics company, today announced it has completed its acquisition of C2i Genomics, Inc., adding whole-genome minimal residual disease (MRD) capabilities to its novel diagnostics platform and expanding the company's ability to serve patients across the cancer care continuum.

"Bringing C2i Genomics' technology and team into Veracyte will allow us to make significant advances in our vision to transform cancer care for patients all over the world," said Marc Stapley, Veracyte's chief executive officer. "C2i's novel artificial intelligence-driven, whole-genome MRD platform will enable us to expand the value we deliver to clinicians and their patients, beginning with early cancer diagnosis and risk assessment, and now moving further along the patient journey into treatment monitoring and disease recurrence testing. C2i's approach to MRD will expand the set of data and insights that can follow each patient throughout their care, and will also fuel new innovation."

Veracyte's first application of C2i Genomics' technology will be a muscle-invasive bladder cancer MRD test, where the company plans to leverage its strong urology commercial channel and a clear pathway to expected reimbursement. The company plans to develop further MRD tests in several of its focused indications.

Transaction Details

Under terms of the transaction, Veracyte acquired C2i Genomics for $70 million (subject to customary purchase price adjustments), paid for with 2.7 million Veracyte shares. Veracyte will pay up to an additional $25 million, payable in Veracyte shares or cash at Veracyte's election, based on the achievement of future performance milestones over the next two years.

About Veracyte

Veracyte (Nasdaq: VCYT) is a global diagnostics company whose vision is to transform cancer care for patients all over the world. We empower clinicians with the high-value insights they need to guide and assure patients at pivotal moments in the race to diagnose and treat cancer. Our Veracyte Diagnostics Platform delivers high-performing cancer tests that are fueled by broad genomic and clinical data, deep bioinformatic and AI capabilities, and a powerful evidence-generation engine, which ultimately drives durable reimbursement and guideline inclusion for our tests, along with new insights to support continued innovation and pipeline development. For more information, please visit www.veracyte.com and follow the company on Twitter (@veracyte).

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements, including, but not limited to our statements related to our acquisition of C2i Genomics and statements regarding the expected benefits of the acquisition, including but not limited to: our expectation that C2i Genomics' technology and team will allow us to make significant advances in our vision to transform cancer care for patients all over the world; that C2i's novel artificial intelligence-driven, whole genome MRD platform will enable us to move further along the patient journey; that C2i's approach to MRD will expand the set of data and insights that can follow each patient throughout their care and help fuel new innovations; and our intentions with respect to our tests and products, for use in diagnosing and treating diseases, in and outside of the United States. Forward-looking statements can be identified by words such as: "appears," "anticipate," "intend," "plan," "expect," "believe," "should," "may," "will," "enable," "positioned," "offers," "designed" and similar references to future periods. Actual results may differ materially from those projected or suggested in any forward-looking statements. These statements involve risks and uncertainties, which could cause actual results to differ materially from our predictions, and include, but are not limited to: our ability to launch, commercialize and receive reimbursement for our products; our ability to execute on our business strategies relating to the C2i Genomics acquisition and realize expected benefits and synergies; the retention of certain of C2i Genomics' employees and our ability to successfully integrate the C2i Genomics business; the risk of stockholder litigation in connection with the transaction; our ability to demonstrate the validity and utility of our genomic tests and biopharma and other offerings; our ability to continue executing on our business plan; our ability to continue to scale our global operations and enhance our internal control environment; the impact of the war in Ukraine on European economies and energy supply, as well as our facilities in France; the impact of other regional conflicts including in the Middle East; the impact of foreign currency fluctuations, increasing interest rates, inflation, potential government shutdowns and turmoil in the global banking and finance system; and the performance and utility of our tests in the clinical environment. Additional factors that may impact these forward-looking statements can be found under the caption "Risk Factors" in our Annual Report on Form 10-K filed on March 1, 2023, and our Quarterly Report on Form 10-Q filed for the three months ended September 30, 2023, filed on November 8, 2023. Copies of these documents, when available, may be found in the Investors section of our website at investor.veracyte.com. These forward-looking statements speak only as of the date hereof and, except as required by law, we specifically disclaim any obligation to update these forward-looking statements or reasons why actual results might differ, whether as a result of new information, future events or otherwise. These forward-looking statements speak only as of the date hereof and, except as required by law, we specifically disclaim any obligation to update these forward-looking statements or reasons why actual results might differ, whether as a result of new information, future events or otherwise.

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