

Thermo Fisher Scientific to Acquire PPD, Inc.

Establishes Thermo Fisher as a Global Leader in Attractive, High Growth Clinical Research Services Industry



Transaction Highlights

\$17.4B

Total cash purchase price¹

PPD shareholders to receive **\$47.50** per share in cash

Represents a premium of **~24%** to unaffected closing price of PPD's common stock on the Nasdaq as of 4/13/21, or **32%** to the 60-day VWAP inclusive of that date

PPD shareholders holding **~60%** of issued and outstanding shares have approved transaction



Expected close²

"Pharma and Biotech is our largest and fastest growing end market, and our customers value us as a strategic partner and an industry leader. The acquisition of PPD is a natural extension for Thermo Fisher and will enable us to provide these customers with important clinical research services and partner with them in new and exciting ways as they move a scientific idea to an approved medicine quickly, reliably and cost effectively."

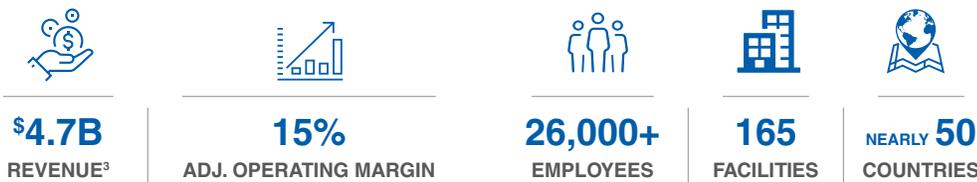
"Both companies have complementary mission-driven cultures, and I can't wait to welcome PPD's colleagues from around the world to Thermo Fisher once the transaction is completed."



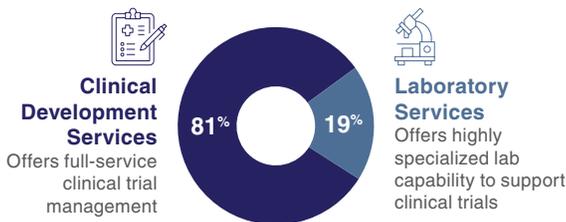
MARC N. CASPER
Chairman, President and CEO
Thermo Fisher Scientific

1. Plus the assumption of ~\$3.5B of net debt
2. Subject to satisfaction of customary closing conditions, including receipt of applicable regulatory approvals
3. Financials reflect FY 2020

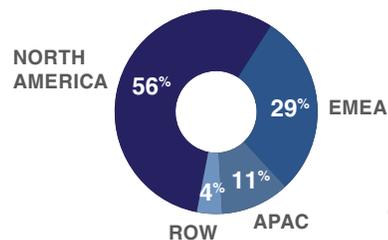
PPD: A Leading Clinical Research Organization



REVENUE BY SEGMENT³



REVENUE BY GEOGRAPHY³



Clinical Research Services: \$50B Global Industry Growing Mid-Single Digits

- Strong tailwinds from scientific advancements and funding
- Pharma customers seeking to consolidate to fewer, more trusted partners
- Increased percentage of trials coming from biotech customers
- Clinical trials are increasingly complex, requiring more specialized capabilities

Clinical research organizations **manage the clinical trial process** by providing drug development services and expertise to pharma and biotech companies to help them bring safe and effective medicines to the patients that need them



Delivers Attractive Financial Benefits

Expected to add \$1.40 to adj. EPS
in first 12 months after close

Expected to generate ~\$125M total synergies
by year three following close

Enables Comprehensive Support of Clinical Drug Development

Supporting our customers' journey from scientific idea to medicine



Creates Significant Customer Benefits

- Offers customers the opportunity to expand their strategic partnerships and further strengthen relationship with a trusted supplier
- Provides the opportunity to reduce both the time and cost to bring innovative therapies to market

Forward-looking Statements

This communication contains forward-looking statements that involve a number of risks and uncertainties. Words such as “believes,” “anticipates,” “plans,” “expects,” “seeks,” “estimates,” and similar expressions are intended to identify forward-looking statements, but other statements that are not historical facts may also be deemed to be forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by forward-looking statements include risks and uncertainties relating to: the duration and severity of the COVID-19 pandemic; the need to develop new products and adapt to significant technological change; implementation of strategies for improving growth; general economic conditions and related uncertainties; dependence on customers’ capital spending policies and government funding policies; the effect of economic and political conditions and exchange rate fluctuations on international operations; use and protection of intellectual property; the effect of changes in governmental regulations; and the effect of laws and regulations governing government contracts, as well as the possibility that expected benefits related to recent or pending acquisitions, including the proposed acquisition, may not materialize as expected; the proposed acquisition not being timely completed, if completed at all; regulatory approvals required for the transaction not being timely obtained, if obtained at all, or being obtained subject to conditions; prior to the completion of the transaction, PPD’s business experiencing disruptions due to transaction-related uncertainty or other factors making it more difficult to maintain relationships with employees, customers, other business partners or governmental entities; difficulty retaining key employees; the outcome of any legal proceedings related to the proposed acquisition; and the parties being unable to successfully implement integration strategies or to achieve expected synergies and operating efficiencies within the expected time-frames or at all. Additional important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are set forth in Thermo Fisher’s 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 Thermo Fisher’s website, ir.thermofisher.com, under the heading “SEC Filings,” and in any subsequent Quarterly Reports on Form 10-Q and other documents Thermo Fisher files with the SEC, and in PPD’s Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the SEC and available in the “Investors” section of PPD’s website, investors.ppd.com, under the heading “SEC Filings,” and its subsequent Quarterly Reports on Form 10-Q and in other documents PPD files with the SEC. While the Company or PPD may elect to update forward-looking statements at some point in the future, the Company and PPD specifically disclaim any obligation to do so, even if estimates change and, therefore, you should not rely on these forward-looking statements as representing either the Company’s or PPD’s views as of any date subsequent to today.

Use of Non-GAAP Financial Measures

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), Thermo Fisher uses certain non-GAAP financial measures, including adjusted EPS and adjusted operating margin, 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; amortization of acquisition-related intangible assets; 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. Thermo Fisher excludes the above items because they are outside of the company’s normal operations and/or, in certain cases, are difficult to forecast accurately for future periods. Thermo Fisher believes that the use of non-GAAP measures helps investors to gain a better understanding of the company’s core operating results and future prospects, consistent with how management measures and forecasts the company’s performance, especially when comparing such results to previous periods or forecasts.