REPLIGEN CORP
Form 424B5
May 01, 2019
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Filed Pursuant to Rule 424(b)(5)

Registration No. 333-231098

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(2)
Common Stock, par value $0.01 per share	3,144,531	$64.00	$201,249,984.00	$24,391.50(1)

(1) Includes 410,156 shares of common stock, par value $0.01 per share, which may be purchased by the underwriters upon exercise of the underwriters option to purchase additional shares.
(2) Calculated in accordance with Rule 456(b) and 457(r) of the Securities Act of 1933, as amended.

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Prospectus Supplement

(to Prospectus Dated April 29, 2019)

2,734,375 Shares

REPLIGEN CORPORATION

Common Stock

We are offering 2,734,375 shares of our common stock in this offering.

Our common stock is listed on the Nasdaq Global Select Market under the symbol RGEN. The last reported sale price of our common stock on the Nasdaq Global Select Market on April 30, 2019 was $67.38 per share.

	Per Share	Total
Public offering price	$ 64.00	$ 175,000,000
Underwriting discounts and commissions[(1)]	$ 3.52	$ 9,625,000
Proceeds to Repligen Corporation, before expenses	$ 60.48	$ 165,375,000

(1) We have agreed to reimburse the underwriters for certain expenses. See Underwriting.

Investing in our common stock involves a high degree of risk. See Risk Factors beginning on page S-17 of this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated herein by reference.

We have granted the underwriters an option to purchase up to 410,156 additional shares from us at the public offering price, less underwriting discounts and commissions, within 30 days of the date of this prospectus supplement.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters are offering the shares of our common stock as set forth under Underwriting. Delivery of the shares of common stock will be made on or about May 3, 2019.

Joint Book-Running Managers

J.P. Morgan **Stephens Inc.**

Lead Manager

Janney Montgomery Scott

The date of this prospectus supplement is April 30, 2019.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is part of the registration statement that we filed with the SEC using a shelf registration process and consists of two parts. The first part is this prospectus supplement, including the documents incorporated by reference, which describes the specific terms of this offering. The second part, the accompanying prospectus, including the documents incorporated by reference, gives more general information, some of which may not apply to this offering. Generally, when we refer to the prospectus, we are referring to both parts combined. This prospectus supplement and any free writing prospectus we authorize for use in connection with this offering may add to, update or change information in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement or the accompanying prospectus.

If information in this prospectus supplement is inconsistent with the accompanying prospectus or with any document incorporated by reference that was filed with the SEC before the date of this prospectus supplement, you should rely on this prospectus supplement. This prospectus supplement, the accompanying prospectus, the documents incorporated by reference into each of them and any free writing prospectus we authorize for use in connection with this offering include important information about us, the common stock and other information should you consider before investing in the common stock. See Incorporation of Certain Information by Reference.

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit to any document that is incorporated by reference herein or in the accompanying prospectus were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreements, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties and covenants were made as of a date prior to the date of this prospectus supplement, and facts and circumstances may have changed since such date. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

We take no responsibility for, and can provide no assurances as to the reliability of, any information that is in addition to or different from that contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We are not offering to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than as of the date of this prospectus supplement or the accompanying prospectus, as the case may be, or in the case of the documents incorporated by reference, the date of such documents regardless of the time of delivery of this prospectus supplement and the accompanying prospectus or any sale of our securities. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

All references in this prospectus supplement or the accompanying prospectus to Repligen, the Company, we, us, or our mean Repligen Corporation and our subsidiaries, unless we state otherwise or the context otherwise requires. References to C Technologies refer to C Technologies, Inc., a New Jersey corporation, which we have entered into a contract to acquire, as more thoroughly described in Prospectus Supplement Summary Recent Developments Proposed Acquisition of C Technologies and The Acquisition.

This prospectus supplement, the accompanying prospectus and the information incorporated herein and therein by reference contain references to trademarks, service marks and trade names owned by us or other companies. Solely for convenience, trademarks, service marks and trade names referred to in this prospectus supplement, the accompanying prospectus and the information incorporated herein and therein, including logos, artwork, and other visual displays, may appear without the® or symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks, service marks and trade names. We do not intend our use or display of other companies trade names, service marks or trademarks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. All trademarks, service marks and trade names included or incorporated by reference into this prospectus supplement, the accompanying prospectus or any related free writing prospectus are the property of their respective owners.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the information incorporated by reference herein and therein contain, and any free writing prospects we authorize for use in connection with this offering may contain, statements that are not historical facts and are considered forward-looking within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, including those related to our recently announced proposed acquisition of C Technologies, or the Acquisition. These forward-looking statements may contain projections of our future results of operations or of our financial position or state other forward-looking information. In some cases you can identify these statements by forward-looking words such as anticipate, believe, could, continue, estimate, expect, intend, should, will, would, plan, projected or the negative of such words or other similar words or phrases. We believe is important to communicate our future expectations to our investors. However, there may be events in the future that we are not able to accurately predict or control and that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements.

Investors are cautioned not to unduly rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Forward-looking statements include, but are not limited to, statements about:

- the acceptance by the market of our products;
- the implementation of our business model, strategic plans for our business, products and technology;
- the timing of and our ability to complete and successfully integrate acquisitions, including the Acquisition;
- our expectations relating to the synergies, cost savings and other benefits of the Acquisition;
- the growth of our business into new markets and geographies;
- our ability to maintain and establish key customer relationships;
- our ability to identify and engage in strategic partnerships;
- estimates of our expenses, future revenues and capital requirements;
- our financial performance;

- preliminary estimates for our first quarter financial results;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our products and technology;
- developments relating to our competitors and our industry; and
- other risks and uncertainties, including those listed under the caption Risk Factors below, including those related to the Acquisition and the risks related to the business of C Technologies and in any documents incorporated by reference herein.

Given these uncertainties, readers should not place undue reliance on our forward-looking statements. These forward-looking statements speak only as of the date on which the statements were made and are not guarantees of future performance. Except as may be required by applicable law, we do not undertake or intend to update any forward-looking statements after the date of this prospectus supplement or the accompanying prospectus or the respective dates of documents incorporated by reference herein or therein that include forward-looking statements.

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PRESENTATION OF NON-GAAP FINANCIAL INFORMATION

Non-GAAP Adjusted Income From Operations, Non-GAAP Adjusted Net Income, Non-GAAP Adjusted EBITDA, and Non-GAAP Earnings Per Share (Diluted), which are presented in this prospectus supplement, are not required by, or presented in accordance with, generally accepted accounting principles in the United States, or GAAP. We include this non-GAAP financial information because we believe these measures provide a useful comparison of our financial results between periods and reflect how management reviews its financial results. These financial measures exclude the impact of certain acquisition-related items because we believe that the resulting charges do not accurately reflect the performance of our ongoing operations for the period in which such charges were incurred.

We define Non-GAAP Adjusted Income From Operations as income from operations as reported in accordance with GAAP, excluding acquisition and integration costs, inventory step-up charges, and amortization of intangible assets booked through our condensed consolidated statements of comprehensive income. Similarly, we define Non-GAAP Adjusted Net Income as net income as reported in accordance with GAAP, excluding acquisition and integration costs and related tax effects, inventory step-up charges, amortization of intangible assets and related tax effects, non-cash interest expense, the partial release of valuation allowance on our deferred tax assets and the net impact of tax reform legislation booked through our condensed consolidated statements of comprehensive income. We define Non-GAAP Adjusted EBITDA as net income as reported in accordance with GAAP, excluding investment income, interest expense, taxes, depreciation and amortization, acquisition and integration costs and inventory step-up charges booked through our condensed consolidated statements of comprehensive income. Finally, we define Non-GAAP Adjusted Earnings Per Share (Diluted) as net income per share as reported in accordance with GAAP, excluding acquisition and integration costs, inventory step-up charges, amortization of intangible assets and related tax effects, partial release of valuation allowance on deferred tax assets and net impact of tax reform legislation and non-cash interest expense booked through our condensed consolidated statements of comprehensive income.

Non-GAAP Adjusted Income From Operations, Non-GAAP Adjusted Net Income, Non-GAAP Adjusted EBITDA and Non-GAAP Adjusted Earnings Per Share (Diluted) are not recognized terms under GAAP. Because some companies do not calculate Non-GAAP Adjusted Income From Operations, Non-GAAP Adjusted Net Income, Non-GAAP Adjusted EBITDA, and Non-GAAP Adjusted Earnings Per Share (Diluted) in the same way as we do and financial metrics reported by other companies under the same or similar captions may not be comparable, from a financial point of view, to any financial measures we report, our non-GAAP financial measures should not be considered as alternative measures of operating profit or net income, and do not replace the presentation of our financial results in accordance with GAAP.

For reconciliations of our income from operations, net income and earnings per share, as applicable, to Non-GAAP Adjusted Income From Operations, Non-GAAP Adjusted Net Income, Non-GAAP Adjusted EBITDA and Non-GAAP Adjusted Earnings Per Share (Diluted), see Summary Consolidated Financial Data Reconciliation of Non-GAAP Financial Measures.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary may not contain all the information that you should consider before making your investment decision. You should read this entire prospectus supplement and the accompanying prospectus carefully, especially the risks of investing in our securities discussed under Risk Factors beginning on page S-17 of this prospectus supplement, along with our consolidated financial statements and notes to those consolidated financial statements, the unaudited pro forma condensed combined financial statements included herein and the other information incorporated by reference in this prospectus supplement and the accompanying prospectus, and any free writing prospectus we authorize for use in connection with this offering, before making an investment decision. This prospectus supplement may add to, update or change information in the accompanying prospectus.

Overview

Repligen and its subsidiaries, collectively doing business as Repligen Corporation, is a leading provider of advanced bioprocessing technologies and solutions used in the process of manufacturing biologic drugs. Our products are made to substantially increase biopharmaceutical manufacturing efficiencies and flexibility. As the global biologics market continues to experience strong growth and expansion, our customers primarily large biopharmaceutical companies and contract development and manufacturing organizations, or CDMOs, face critical production cost, capacity, quality and time pressures that our products are made to address. We believe that our commitment to bioprocessing is helping to set new standards for the way our customers manufacture biologic drugs, including monoclonal antibodies, recombinant proteins, vaccines and gene therapies. We are dedicated to inspiring advances in bioprocessing as a trusted partner in the production of biologic drugs that improve human health worldwide.

We currently operate as one bioprocessing business, with a comprehensive suite of products to serve both upstream and downstream processes in biologic drug manufacturing. Building on over 35 years of industry expertise, we have developed a broad and diversified product portfolio that reflects our commitment to build a best-in-class bioprocessing technology company with a world-class direct sales and commercial organization. Our bioprocessing business is currently comprised of three main franchises Proteins, Filtration and Chromatography. Based on internal estimates and assumptions, we believe our Proteins, Filtration and Chromatography franchises sell into addressable markets of approximately $475 million, $900 million and $180 million, respectively, for an aggregate addressable market of approximately $1.6 billion. We continue to seek out strategic opportunities to strengthen and expand our bioprocessing business. Our proposed acquisition of C Technologies, if consummated, would add a fourth franchise, Process Analytics, to our bioprocessing business.

Our Proteins franchise is represented by our Protein A affinity ligands, which are a critical component of Protein A chromatography resins used in downstream purification, and cell culture growth factor products, which are a key component of cell culture media used upstream to increase cell density in a bioreactor and improve product yield. We sell these products through supply and distribution agreements with life sciences companies. Using ligands and growth factors manufactured and/or owned by Repligen, our life sciences customers produce and sell Protein A resins and cell culture media, respectively, to end users (biopharmaceutical companies and CDMOs).

Our Filtration franchise includes our XCell ATF (alternating tangential flow) systems for use in upstream process intensification, our single-use SIUS TFF (tangential flow filtration) cassettes for use in downstream concentration and formulation processes, our KrosFlo® line of hollow fiber TFF cartridges and systems used in both upstream clarification and downstream formulation processes, and our Pro-Connex® single-use flow paths and single-use tubing sets used in TFF applications. Our Filtration franchise has grown to be our largest franchise through a combination of acquisitions and internal innovation. We sell our filtration products directly to end users.

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Our Chromatography franchise includes a number of products used in the downstream purification and quality control of biological drugs. We sell a broad range of OPUS® pre-packed chromatography columns, or PPCs, as well as chromatography resins and ELISA test kits. We sell our chromatography products direct to end users.

We plan to expand our analytics and testing systems beyond our ELISA test kits, with the proposed acquisition of C Technologies. We believe our acquisition of C Technologies, if consummated, would help to establish Repligen in the bioprocess analytics industry with differentiated protein measurement technologies and an R&D portfolio focused on enabling real-time process monitoring in upstream and downstream applications.

Our go direct approach includes five acquisitions since 2014, including the proposed acquisition of C Technologies, multiple new product launches through internal innovation, key strategic collaborations and the expansion of our commercial team. Our growth has also been aided by a robust and expanding biologics market. For instance, between 2016 and 2018, 36 monoclonal antibodies were approved by the FDA, representing almost 40% of all approved monoclonal antibodies since the first therapeutic antibody was brought to market in 1986. We have focused our approach on four core areas:

Acquisitions. In June 2014, we entered the filtration market with the acquisition of ATF technology (now XCell ATF) from Refine Technologies LLC. In April 2016, we expanded our Chromatography franchise, adding process development scale pre-packed chromatography columns (now OPUS PD) through our purchase of Atoll GmbH, enabling preclinical to commercial-stage scalability for our OPUS PPC line. In December 2016, we expanded our Filtration portfolio into downstream applications, adding single-use SIUS flat sheet TFF cassettes through our purchase of TangenX Technology Corporation. In August 2017, we further expanded our Filtration franchise through our acquisition of Spectrum Life Sciences LLC, or Spectrum, adding the KrosFlo line of hollow fiber TFF cartridges and systems, tangential flow depth filtration technology, and Pro-Connex single-use tubing sets. With the acquisition of Spectrum, we in-house manufacture hollow fiber filters that can be used in our XCell ATF systems and have increased our direct sales presence in Europe and Asia. On April 25, 2019, we entered into a stock purchase agreement for the purchase of 100% of the outstanding capital stock of C Technologies from the Seller, or the Acquisition. If consummated, we expect that the Acquisition will help to establish a fourth franchise, Process Analytics, which will complement and support our existing Proteins, Filtration and Chromatography franchises.

Internal development. Our internal development efforts have generated a number of innovative new products that we believe are well positioned for growth as customers increasingly adopt single-use and continuous processing products. In 2011, we launched the first of our OPUS pre-packed columns, and have continued to expand the OPUS family with new sizes and features such as a resin recovery port on our largest columns. Early in 2018, we introduced OPUS 80 R, the largest available PPC on the market for use in late-stage clinical or select commercial purification processes. In 2016, we introduced a single-use version of our XCell ATF perfusion device, designed to improve customer convenience and lower barriers to customer adoption. In 2018, we introduced our KONDUiT device to automate concentration and buffer exchange when used with our hollow fiber or flat sheet TFF filtration products. We plan to continue to advance both internal and acquired assets to introduce new products and/or features that can expand applications for our products.

Strategic collaborations. In June 2018, we secured an agreement with Navigo Proteins GmbH for the exclusive co-development of multiple affinity ligands for which Repligen holds commercialization rights. We are manufacturing and have agreed to supply the first of these ligands, NGL-Impact A, exclusively to Purolite Life Sciences, who will pair our high-performance ligand with Purolite s agarose jetting base bead technology used in their Jetted A50 Protein A resin product. We also signed a long term supply agreement with Purolite involving potential additional affinity ligands that may advance from our Navigo collaboration. The Navigo and Purolite agreements are supportive of our strategy to secure and reinforce our Proteins business. Supporting our Filtration

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franchise, in September 2018, we entered into a collaboration agreement with an industry leader, Sartorius Stedim Biotech, or SSB, to integrate our XCell ATF controller technology into SSB s BIOSTAT® STR large-scale, single-use bioreactors, to create novel perfusion-enabled bioreactors.

Commercial expansion. We market our Chromatography and Filtration products globally through a direct commercial organization in the United States and Europe, as well as Asia, where we supplement direct sales with distributor relationships. Since 2014, we have significantly expanded our global commercial organization, to form a 103-person commercial team as of December 31, 2018. This includes 54 people in field positions (direct sales, field applications and field service), and 49 people with internal positions (marketing, product management and customer service). This expansion also includes the team of 26 highly experienced field personnel that we gained in connection with our acquisition of Spectrum in 2017. With the Spectrum acquisition, we greatly expanded our direct sales team in Asia, where we also work effectively with key distributors to serve our expanding customer base. In addition, the Acquisition would increase our sales capabilities in the U.S., Europe and Asia, with the integration of C Technologies commercial team (sales, field applications and service) and third-party distributors. Our commercial and R&D teams work to successfully launch new products and applications, as well as build new markets for acquired technologies that increase flexibility and convenience while streamlining biomanufacturing workflow for our customers.

Through acquisitions, internal R&D, strategic partnerships and commercial leverage, we continue to expand the applications for our bioprocessing products and to diversify our end markets.

Many of our products are early in their adoption cycle, and together with the expansion of our commercial organization and strategic acquisitions, have contributed to product revenue growth from $47.5 million in 2013, to $193.9 million in 2018. While all product franchises have grown over this period, our diversification strategy has resulted in a significant increase in direct product sales as a percent of total product revenue, from 17% in 2012. By 2018, 72% of total bioprocessing revenue was attributable to direct product sales; 47% from our Filtration franchise, 23% from our Chromatography franchise and a small percentage from other sources including sales of hospital products, which we obtained with our acquisition of Spectrum.

Customers use our products to produce initial quantities of drug for clinical studies, then scale-up to larger volumes as the drug progresses to commercial production following regulatory approval. Detailed specifications for a drug s manufacturing process are included in applications that must be approved by regulators, such as the U.S. Food and Drug Administration, or the FDA, and the European Medicines Agency, throughout the clinical trial process and prior to final commercial approval. As a result, products that become part of the manufacturing specifications of a late-stage clinical or commercial process can be very difficult to displace given the related costs and uncertainties.

The Biologics Manufacturing Process

Manufacturing biologic drugs requires three fundamental steps. First, upstream manufacturing involves the production of the biologic by living cells that are grown in a series of bioreactors (seed bioreactors, scaling up to a production bioreactor) under controlled conditions. Methods of production vary, with the industry standard being fed-batch, where nutrients (cell culture media) are added to a production bioreactor to stimulate cell growth and production of the biologic drug of interest. The contents of the bioreactor then go through a harvest and clarification step. The industry is increasingly adopting the perfusion (or continuous) method of production, which circulates nutrients into the bioreactor, while simultaneously harvesting/clarifying the biologic drug product. Some manufacturers are embracing a hybrid approach combining both fed-batch and perfusion methods. The cells being grown in a bioreactor are engineered to produce the biologic drugs of interest. These tiny cell factories are highly sensitive to the conditions under which they grow, including the composition of the cell culture media and the growth factors used to stimulate increased cell growth and protein production, or titre.

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Following the upstream steps, the process moves downstream and the biologic made upstream must be separated and purified, typically through various chromatography and filtration steps. Finally, the purified biologic drug is concentrated, formulated and then packaged (fill-finish) into its final injectable form.

Biologics are generally high value therapies. Given the inherent complexities of the process and the final drug product, we have observed that manufacturers are seeking and investing in innovative technologies that address pressure points in the production process in order to improve yields. Manufacturers are also seeking technologies that reduce costs as the biologic drug moves through clinical stages and into commercial processes by adopting single-use technologies as well as other products that enable increased flexibility and efficiency.

Our Strategy

We are focused on the development, production and commercialization of differentiated, technology-leading solutions or products that address specific pressure points in the biologics manufacturing process and deliver substantial value to our customers. Our products are designed to increase our customers product yield, and we are committed to supporting our customers with strong customer service and applications expertise.

We intend to build on our recent history of developing market-leading solutions and delivering strong financial performance through the following strategies:

Continued innovation. We plan to capitalize on our internal technological expertise to develop products that address unmet needs in upstream and downstream bioprocessing. We intend to invest further in our core Proteins product lines while developing platform and derivative products to support our Filtration and Chromatography product lines. We plan to strengthen our existing product lines with complementary products and technologies that are designed to allow us to provide customers with a more efficient manufacturing process on one or more measures including flexibility, convenience, time savings, cost reduction and product yield. With the Acquisition, we plan to offer customers bioprocess analytics solutions designed to easily integrate with our current franchises, for both upstream and downstream applications.

Platforming our products. A key strategy for accelerating market adoption of our products is delivery of enabling technologies that become the standard, or platform, technology in markets where we compete. We focus our efforts on winning early-stage technology evaluations through direct interaction with the key biomanufacturing decision makers in process development labs. This strategy is designed to establish early adoption of our enabling technologies at key accounts, with opportunity for customers to scale up as the molecule advances to later stages of development and potential commercialization. We believe this approach can accelerate the implementation of our products as platform products, thereby strengthening our competitive advantage and contributing to long-term growth.

Targeted acquisitions. We intend to continue to selectively pursue acquisitions of innovative technologies and products, including the Acquisition. We intend to leverage our balance sheet to acquire technologies and products that improve our overall financial performance by improving our competitiveness in filtration or chromatography or moving us into adjacent markets with common commercial call points.

Geographical expansion. We intend to expand our global commercial presence by continuing to selectively build out our global sales, marketing, field applications and services infrastructure.

Operational efficiency. We seek to expand operating margins through capacity utilization and process optimization strategies designed to increase our manufacturing yields. We plan to invest in systems to support our global operations, optimizing resources across our global footprint to maximize productivity.

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Recent Developments

Proposed Acquisition of C Technologies

On April 25, 2019, we entered into a stock purchase agreement, or the Acquisition Agreement, with C Technologies and Craig Harrison, as the sole stockholder of C Technologies, or the Seller and, together with C Technologies, the Seller Parties, pursuant to which we have agreed to acquire, subject to certain conditions, 100% of the outstanding capital stock of C Technologies for a total purchase price of $240 million. C Technologies is a privately held New Jersey corporation that designs and manufactures fiber optic assemblies, instrumentation and systems for spectroscopy applications that recognized approximately $23.7 million in revenue for the year ended December 31, 2018.

We believe that the Acquisition represents an opportunity to offer our customers a best-in-class portfolio of upstream and downstream analytical solutions.

Specifically, we believe that the Acquisition, if consummated, has the potential to:

- Establish a key franchise for Repligen in the rapidly growing Process Analytics segment of bioprocessing.
- Add proprietary Slope Spectroscopy® technology that enables rapid and accurate protein concentration measurement to Repligen s product offerings.
- Complement our Chromatography and Filtration product portfolios.
- Leverage Repligen s infrastructure to drive broader market reach for C Technologies SoloVPE and FlowVPE product lines through investments in the company s commercial infrastructure.
- Expand C Technologies capabilities to enable real-time process monitoring in batch and continuous manufacturing.
- Contribute positively to our financial performance.

C Technologies Overview

C Technologies was founded in January 1985, and is a privately-held New Jersey corporation headquartered in Bridgewater, New Jersey, with a total of 70 employees. The company designs and manufactures fiber optic assemblies, instrumentation, and systems for spectroscopy applications. It distributes its products through both direct sales and third-party distributors to customers spanning a wide range of markets including pharmaceutical, biotech, laboratory instruments, government, industrial process, research institutions and academia. Over the last 12 years, C Technologies has focused its efforts on serving the bioprocessing market by launching proprietary Slope Spectroscopy® products designed to enable accurate protein concentration measurement in the biologics manufacturing process. We believe the complementary nature of C Technologies products with our chromatography and filtration portfolios and call points has the potential to drive broader adoption of their SoloVPE and FlowVPE systems. These systems employ variable path extension (VPE) technology to measure off-line, at-line and in-line protein concentration for biologics, small molecules and other samples typically analyzed with fixed path UV-Vis methods.

C Technologies SoloVPE and FlowVPE franchise, including instruments, consumables, service and support, contributed $21.4 million of $23.7 million total revenue for 2018, with the remaining $2.3 million coming from OEM partners.

Acquisition Agreement

On April 25, 2019, we entered into the Acquisition Agreement, pursuant to which we have agreed to purchase 100% of the outstanding capital stock of C Technologies, or the C Tech Stock, for a total purchase price of $240 million. The aggregate acquisition consideration payable in exchange for the C Tech Stock consists of

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$192 million in cash and $48 million in shares of our common stock based on the 10-day trailing average of Repligen s share price two trading days prior to the closing of the Acquisition (subject to this average calculation being between $50.40 and $61.60 per share of Repligen stock), or the Acquisition Consideration. The Acquisition Consideration is subject to adjustment based on (i) cash and working capital provisions, (ii) the amount of C Technologies transaction expenses and indebtedness that remain unpaid as of the closing of the Acquisition, and (iii) indemnification obligations for certain claims made following the closing.

Approximately $3.4 million of the cash consideration will be placed into a third-party escrow account against which we may make claims for indemnification and purchase price adjustments until the 15-month anniversary of the closing of the Acquisition.

The Acquisition is conditioned upon the satisfaction or waiver of customary closing conditions. The Acquisition Agreement provides for limited termination rights, including, among others, by the mutual consent of Repligen and the Seller Parties and upon certain breaches of representations, warranties, covenants or agreements and in the event the Acquisition has not been consummated before July 24, 2019, subject to extension under certain circumstances. This offering is not contingent on the Acquisition and the Acquisition is not contingent on the completion of this offering.

First Quarter Preliminary Financial Results

We expect our total revenue for the three months ended March 31, 2019 will be between approximately $60 million and $61 million, compared to $44.8 million in total revenue for the three months ended March 31, 2018. Our fully diluted earnings per share on a GAAP basis for the three months ended March 31, 2019 is expected to be between $0.16 and $0.17, compared to $0.08 for the three months ended March 31, 2018. Our fully diluted non-GAAP adjusted earnings per share for the three months ended March 31, 2019 is expected to be between $0.27 and $0.28, compared to $0.17 for the three months ended March 31, 2018. Adjustments to preliminary GAAP fully diluted earnings per share, reconciling to preliminary adjusted non-GAAP fully diluted earnings per share, include the following estimated adjustments: acquisition and integration costs of $0.04, intangible amortization of $0.06, non-cash interest expense of $0.02, and the tax effect of intangible amortization and integration costs of ($0.01), each per fully diluted share.

These financial results are only preliminary estimates and are based on information available to management as of the date of this prospectus supplement, and these expectations could change. Our actual financial results as of, and for the three months ended March 31, 2019 are subject to the completion of our financial statements as of, and for such period. Our independent registered public accountants have not audited, reviewed or performed any procedures with respect to such preliminary estimates and accordingly do not express an opinion or any other form of assurance with respect thereto. Complete quarterly results as of, and for the three months ended March 31, 2019 will be announced during our first quarter financial results earnings conference call and included in our Quarterly Report on Form 10-Q for the three months ended March 31, 2019.

Risks Related to Our Business and the Acquisition

Our ability to execute our business strategy and the Acquisition is subject to a number of risks of which you should be aware before you decide to invest in our common stock. In particular, you should consider the following risks, which are discussed more fully in the section entitled Risk Factors in this prospectus supplement and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, which is incorporated herein by reference:

Our product revenue may be negatively impacted by a number of factors, including without limitation, competition in the bioprocessing market, our reliance on a limited number of customers, our ability to

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develop or acquire additional bioprocessing products in the future, our ability to manufacture our bioprocessing products sufficiently and timely, and our ability to effectively penetrate the bioprocessing products market.

We may not be able to achieve sufficient market acceptance for our bioprocessing products, and our results of operations and competitive position could suffer.

If our products do not perform as expected or the reliability of the technology on which our products are based is questioned, we could experience lost revenue, delayed or reduced market acceptance, increased cost and damage to our reputation.

If we are unable to manufacture our products in sufficient quantities and in a timely manner, our operating results will be harmed, our ability to generate revenue could be diminished and our gross margin may be negatively impacted.

The Acquisition, if consummated, will create numerous risks and uncertainties which could adversely affect our financial condition and operating results.

We will incur significant transaction, integration and other costs in connection with the Acquisition and these costs may exceed the realized benefits, if any, of the synergies and efficiencies from the Acquisition.

We may encounter difficulties in integrating C Technologies business and retaining C Technologies key personnel.

We will be subject to business uncertainties while the Acquisition is pending, which could adversely affect our business.

The Acquisition, which is subject to a number of closing conditions, some of which are out of our control, may not close when we expect, or at all.

Other acquisitions we have completed or may in the future complete expose us to risks that could adversely affect our business, and we may not achieve the anticipated benefits of acquisitions of businesses or technologies.

Our results of operations could be negatively affected by potential fluctuations in foreign currency exchange rates.

If we are unable to hire and retain skilled personnel, including sales and marketing personnel, then we will have trouble developing and marketing our products.

If we are unable to obtain or maintain our intellectual property rights related to our products, we may not be able to compete effectively or succeed commercially.

Company Information

We were incorporated in May 1981 under the laws of the State of Delaware. Our mailing address and executive offices are located at 41 Seyon Street, Waltham, MA 02453 and our telephone number at that address is (781) 250-0111. We maintain an Internet website at the following address: www.repligen.com. The information on, or that can be accessed through, our website does not constitute part of this prospectus supplement, and the reference to our website address is included in this prospectus supplement as an inactive textual reference only. You should not rely on any such information in making the decision whether to invest in our common stock. Our common stock trades on the Nasdaq Global Select Market under the symbol RGEN.

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THE OFFERING

Common stock offered by us	2,734,375 shares.
Option to purchase additional shares of common stock	We have granted the underwriters an option exercisable for 30 days after the date of this prospectus supplement to purchase up to 410,156 additional shares from us.
Common stock to be outstanding immediately after this offering	46,651,753 shares (or 47,061,909 shares if the underwriters exercise in full their option to purchase additional shares).
Use of proceeds	We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $164.4 million (or approximately $189.2 million if the underwriters exercise their option to purchase additional shares of common stock in full). We intend to use the net proceeds from this offering to fund the cash portion of the purchase price of the Acquisition and for working capital and other general corporate purposes, including to fund possible acquisitions of, or investments in, complementary businesses, products, services and technologies. See Use of Proceeds.
Risk factors	Investing in our securities involves a high degree of risk. See Risk Factors beginning on page S-17 of this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated by reference herein, for a discussion of factors that you should read and consider before investing in our securities.
Nasdaq Global Select Market symbol	RGEN

The number of shares of our common stock to be outstanding immediately after this offering as shown above is based on 43,917,378 shares outstanding as of December 31, 2018. This number of shares excludes the following:

- 998,226 shares of our common stock issuable upon the exercise of stock options outstanding under the Second Amended and Restated 2001 Repligen Corporation Stock Plan, or the 2001 Plan, the Repligen Corporation Amended and Restated 2012 Stock Option and Incentive Plan, or the 2012 Plan, and the Repligen Corporation 2018 Stock Option and Incentive Plan, or the 2018 Plan, and collectively with the 2001 Plan and the 2012 Plan, the Plans;

705,413 shares of our common stock issuable upon the vesting of outstanding restricted stock units issued under the Plans;

2,874,751 shares of our common stock reserved for future issuance under the 2018 Plan; and

- 1,916,339 shares of our common stock issuable upon the conversion of our 2.125% Convertible Senior Notes due 2021, or the Notes, at the conversion price in effect as of the date of this prospectus supplement.

To the extent that any of these options are exercised, restricted stock units vest, new options are issued under our equity incentive plans and subsequently exercised, we issue additional shares of common stock in the future, or the outstanding Notes convert to common stock, there will be further dilution to the investors participating in this offering.

Unless otherwise indicated, all information in this prospectus supplement assumes:

- that the underwriters do not exercise their option to purchase up to 410,156 additional shares of our common stock; and

- no options, restricted stock units, warrants, or shares of common stock were issued or converted after December 31, 2018.

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SUMMARY CONSOLIDATED FINANCIAL DATA

The following table sets forth summary consolidated financial data and certain other non-GAAP financial operating data of the Company. The summary consolidated financial data as of December 31, 2018 and for the years ended December 31, 2018 and December 31, 2017 are derived from our audited consolidated financial statements, which are incorporated by reference herein. Our historical results are not necessarily indicative of the results that may be expected in the future. The following summary consolidated financial data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes thereto, all of which is incorporated by reference herein.

Consolidated Statements of Operations Data:	For the Years Ended December 31, 2018(1)	2017(2)
	(Amounts in thousands, except per share data)	
Revenue:		
Products	$ 193,891	$ 141,089
Royalty and other revenue	141	147
Total revenue	194,032	141,236
Operating costs and expenses:		
Cost of product revenue	86,531	67,050
Research and development	15,821	8,672
Selling, general and administrative	65,692	51,509
Total operating costs and expenses	168,044	127,231
Income from operations	25,988	14,005
Other expenses, net	(4,552)	(6,757)
Income before income taxes	21,436	7,248
Income tax provision (benefit)	4,819	(21,105)
Net income	$ 16,617	$ 28,353
Earnings per share:		
Basic	$ 0.38	$ 0.74
Diluted	$ 0.37	$ 0.72
Weighted average common shares outstanding:		
Basic	43,767	38,234
Diluted	45,471	39,150

Other Operating Data[(3)]		
Non-GAAP Adjusted Income from Operations	$ 39,434	$ 31,555
Non-GAAP Adjusted Net Income	$ 33,332	$ 27,176
Non-GAAP Adjusted EBITDA	$ 44,956	$ 35,105
Non-GAAP Adjusted Earnings Per Share (Diluted)	$ 0.73	$ 0.69

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Balance Sheet Data:	As of December 31, 2018	2017
	(Amounts in thousands)	
Cash and cash equivalents	$ 193,822	$ 173,759
Working capital	145,897	217,571
Total assets	774,621	743,519
Long-term obligations	29,211	126,760
Accumulated deficit	(15,568)	(31,508)
Total stockholders equity	615,568	591,548

(1) Includes the full year impact of the acquisition of Spectrum Lifesciences, LLC on August 1, 2017.
(2) Includes the full year impact of the acquisition of Atoll GmbH on April 1, 2016 and the acquisition of TangenX Corporation on December 14, 2016.
(3) For a discussion of, and definitions for, Non-GAAP Adjusted Income From Operations, Non-GAAP Adjusted Net Income, and Non-GAAP Adjusted EBITDA and Non-GAAP Adjusted Earnings Per Share (Diluted), see Presentation of Non-GAAP Financial Information. See Reconciliation of Non-GAAP Financial Measures for GAAP reconciliation of these measures.

Reconciliation of Non-GAAP Financial Measures

This prospectus supplement contains certain financial measures that have been prepared other than in accordance with GAAP. These measures include Non-GAAP Adjusted Income From Operations, Non-GAAP Adjusted Net Income, Non-GAAP Adjusted EBITDA and Non-GAAP Adjusted Earnings Per Share (Diluted). We include this financial information because we believe these measures provide a more accurate comparison of our financial results between periods and more accurately reflect how management reviews its financial results. We excluded the impact of certain acquisition related items because we believe that the resulting charges do not accurately reflect the performance of our ongoing operations for the period in which such charges are incurred. The following tables present a reconciliation of such financial measures to the most comparable measures calculated in accordance with GAAP.

Reconciliation of GAAP Income from Operations to Non-GAAP Adjusted Income from Operations

	For the Years Ended December 31, 2018	2017
	(Amounts in thousands)	
GAAP income from operations	$ 25,988	$ 14,005
Non-GAAP adjustments to income from operations:		
Acquisition and integration costs	2,928	7,519
Inventory step-up charges		3,816
Intangible amortization	10,518	6,215
Non-GAAP adjusted income from operations	$ 39,434	$ 31,555

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Reconciliation of GAAP Income to Non-GAAP Adjusted Net Income

	For the Years Ended December 31,	
	2018	2017
	(Amounts in thousands)	
GAAP net income	$ 16,617	$ 28,353
Non-GAAP adjustments to net income:		
Acquisition and integration costs	2,928	7,519
Inventory step-up charges		3,816
Intangible amortization	10,518	6,215
Non-cash interest expense	4,248	3,977
Tax effect of intangible amortization and acquisition costs	(979)	(882)
Release of valuation allowance on deferred tax assets		(12,236)
Net impact of tax reform legislation		(9,586)
Non-GAAP adjusted net income	$ 33,332	$ 27,176

Reconciliation of GAAP Net Income to Non-GAAP Adjusted EBITDA

	For the Years Ended December 31,	
	2018	2017
	(Amounts in thousands)	
GAAP net income	$ 16,617	$ 28,353
Non-GAAP EBITDA adjustments to net income:		
Investment income	(1,895)	(371)
Interest expense	6,709	6,441
Tax provision	4,819	(21,105)
Depreciation	5,213	4,237
Amortization	10,565	6,215
EBITDA	42,028	23,770
Other non-GAAP adjustments:		
Acquisition and integration costs	2,928	7,519
Inventory step-up charges		3,816
Adjusted EBITDA	$ 44,956	$ 35,105

Reconciliation of GAAP Net Income Per Share to Non-GAAP Adjusted Earnings Per Share (Diluted)

	For the Years Ended December 31, 2018	2017
GAAP net income per share	$ 0.37	$ 0.72
Non-GAAP adjustments to net income:		
Acquisition and integration costs	0.06	0.19
Inventory step-up charges		0.10
Intangible amortization	0.23	0.16
Non-cash interest expense	0.09	0.10
Tax effect of intangible amortization and acquisition costs	(0.02)	(0.02)
Release of valuation allowance on deferred tax assets		(0.31)
Net impact of tax reform legislation		(0.24)
Non-GAAP adjusted earnings per share (diluted)	$ 0.73	$ 0.69

Note that earnings per share amounts may not add due to rounding.

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SUMMARY FINANCIAL DATA OF C TECHNOLOGIES

The following tables set forth summary financial data of C Technologies as of and for the periods presented. The summary financial data as of and for the years ended December 31, 2018 and December 31, 2017 were derived from C Technologies audited financial statements and related notes incorporated by reference in this prospectus supplement.

	Years Ended December 31,	
Statement of Operations Data	**2018**	**2017**
Revenue:		
Revenue, net	$ 23,707,000	$ 19,392,000
Costs and expenses:		
Cost of revenue	8,172,000	6,960,000
Research and development	649,000	360,000
Selling, general and administrative	4,299,000	6,045,000
Total operating expenses	13,120,000	13,365,000
Operating income	10,587,000	6,027,000
Other income	75,000	18,000
Net income	$ 10,662,000	$ 6,045,000

	As of December 31,	
Balance Sheet Data	**2018**	**2017**
Cash and cash equivalents	$ 7,693,000	$ 7,732,000
Working capital	2,566,000	3,741,000
Total assets	12,827,000	13,448,000
Long-term liabilities	92,000	145,000
Stockholder s equity	10,228,000	11,373,000

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RISK FACTORS

Investing in our common stock involves a high degree of risk. In addition to the other information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein and therein and any free writing prospectus we authorize for use in connection with this offering, you should carefully consider the risks discussed below and under the heading Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the SEC on March 1, 2019, before making a decision about investing in our securities. The risks and uncertainties discussed below and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 may not be the only ones we face. Additional risks and uncertainties not presently known to us, or that we currently see as immaterial, may also harm our business. If any of these risks occur, our business, financial condition and operating results could be harmed, the trading price of our common stock could decline and you could lose part or all of your investment. The risks discussed below also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. See Special Note Regarding Forward-Looking Statements.

Risks Related to the Acquisition

C Technologies may have unknown liabilities or liabilities which exceed our estimates. Any such liabilities could adversely affect the financial position of the combined company.

C Technologies business activities may have associated with them various potential liabilities relating to the conduct of its business prior to the Acquisition, including, but not limited to, potential contract claims, export control matters, historical tax matters and other potential liabilities that could adversely affect the financial position of the combined company. Upon consummation of the Acquisition, we will assume these potential liabilities. While we continue to evaluate what we believe to be the most significant of these potential liabilities, it is possible that these liabilities may exceed our expectations or that other liabilities, whether currently known or unknown to us, result in substantial losses to us. The Seller s obligations to indemnify us for general representations and warranties and certain special and fundamental representations and warranties under the Acquisition Agreement are limited to specified maximum dollar amounts and subject in certain instances to our inability to recover first from the escrow account and subsequently under the representation and warranty insurance policy we obtained in connection with the Acquisition, or the R&W Policy. If any issues arise post-closing, we may not be entitled to sufficient, or any, indemnification or recourse from the Seller or under the R&W Policy, which could have a materially adverse impact on our business and results of operations.

The Acquisition, if consummated, will create numerous risks and uncertainties, which could adversely affect our financial condition and operating results.

Strategic transactions like the Acquisition create numerous uncertainties and risks. Upon consummation of the Acquisition, C Technologies will become our wholly owned subsidiary, which will broaden our operations. However, we expect that the Acquisition will result in a loss per share on a GAAP basis for Repligen in 2019. Further, the addition of C Technologies to our business will entail many changes, including the integration of C Technologies and certain of its personnel, and changes in systems and employee benefit plans. These transition activities are complex and we may encounter unexpected difficulties, incur unexpected costs or experience business disruptions, including as a result of:

disruption of our ongoing businesses and increased commitments for the management team, including the need to divert management s attention to integration matters, particularly if we are unable to recruit, hire and retain key personnel;

difficulties in retaining C Technologies key personnel;

difficulties in integrating C Technologies products, systems, internal controls over financial reporting and technologies;

- difficulties in continuing to obtain adequate supplies and materials to meet C Technologies manufacturing needs;
- changes in market demand for C Technologies products;
- risks associated with maintaining and acquiring intellectual property;
- difficulties in operating C Technologies business profitably;
- difficulties in transitioning and maintaining key manufacturer, customer, distributor and supplier relationships;
- our inexperience with C Technologies customers and our ability to meet or exceed such customers service level expectations and C Technologies contractual obligations with respect to such customers;
- difficulties realizing the revenue projections, growth prospects, financial benefits, synergies, market position and other strategic opportunities anticipated in connection with the Acquisition;
- potential disputes regarding C Technologies intellectual property;
- potential disputes with the Seller; and
- difficulties in the assimilation and retention of employees, including key personnel responsible for the success of C Technologies operations.

If any of these factors limits our ability to integrate C Technologies into our operations successfully or on a timely basis, the expectations of future results of operations, including certain synergies expected to result from the Acquisition, might not be met. As a result, we may not be able to realize the expected benefits that we seek to achieve from the Acquisition, which could result in declines in the market value of our common stock. In addition, we may be required to spend additional time or money on integration that otherwise would be spent on the development and expansion of our business, including efforts to further expand our product portfolio.

We will be subject to business uncertainties while the Acquisition is pending, which could adversely affect our business.

In connection with the pendency of the Acquisition, it is possible that certain persons with whom we or C Technologies have a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with us or C Technologies, as the case may be, as a result of the Acquisition, which could negatively affect our revenues, earnings and cash flows, regardless of whether the Acquisition is completed.

The unaudited pro forma financial information included elsewhere in this prospectus supplement may not be representative of our results of operations or financial condition as an integrated company, and accordingly, you have limited financial information on which to evaluate the financial prospects for the combined company.

We and C Technologies operated as separate, unrelated companies and will continue to do so until the closing of the Acquisition. Accordingly we have had no history as a combined entity and our operations have not previously been managed on a combined basis. The pro forma financial information is not necessarily indicative of the financial position or results of operations that would have actually occurred had the Acquisition been completed as of the dates indicated, nor is it indicative of the future operating results or financial position of the combined company. The pro forma financial information does not reflect future nonrecurring charges resulting from the Acquisition or potential changes in C Technologies accounting methodologies following the closing of the Acquisition. The pro forma financial information does not reflect future events that may occur after the Acquisition, including the potential realization of operating cost savings, the incurrence of costs related to the planned integration, the reactions of our and C Technologies customers and competitors or the termination or renegotiation of the terms of certain of C Technologies key contracts, and does not consider potential impacts of current market conditions on revenues or expenses.

We have made certain assumptions relating to the Acquisition that may prove to be materially inaccurate.

The pro forma financial information presented in this prospectus supplement is based in part on certain assumptions regarding the Acquisition that we believe are reasonable under the circumstances, but we cannot assure you that our assumptions will prove to be accurate over time. For example, we may incur higher than expected transaction and integration costs, and general economic and business conditions could adversely affect the combined company. Because the purchase price for C Technologies is significantly more than C Technologies net book value as of December 31, 2018, we will record a substantial amount of goodwill and other intangible assets as a result of the Acquisition. In the event that industry, competitive or technological factors become unfavorable, we may incur future impairment of the value of goodwill and other intangible assets acquired through the Acquisition. Under GAAP, we are not allowed to amortize goodwill or other indefinite-lived intangible assets. Instead, we are required to periodically determine if our goodwill and other indefinite-lived intangible assets have become impaired, in which case we would write down the impaired portion of our goodwill and/or other indefinite-lived intangible assets. If we were required to write down all or part of our goodwill or other indefinite-lived intangible assets, our net income (loss) and stockholders equity could be materially and adversely affected.

In addition, the historical financial information of C Technologies incorporated by reference in this prospectus supplement may not be representative of the future financial results of the C Technologies business.

The consummation of the Acquisition is subject to a number of closing conditions, some of which are out of our control. We cannot assure you that the Acquisition will be consummated on a timely basis or at all.

The completion of the Acquisition is subject to certain conditions contained in the Acquisition Agreement, some of which are beyond our control, and we can make no assurances that the transaction will close in a timely manner or at all. Such conditions include, among other things, obtaining prior consent from certain third-party contract counterparties, the accuracy of the representations and warranties made by C Technologies, compliance in all respects by all of the parties with their respective obligations under the Acquisition Agreement and the absence of any injunction or order that prohibits or restrains the consummation of the Acquisition. There can be no assurance that the conditions to closing of the Acquisition will be satisfied or waived or that other events will not intervene to delay or result in the failure to close the Acquisition. The Acquisition Agreement may be terminated by the parties thereto under certain circumstances, including, without limitation, if the Acquisition has not been completed by July 24, 2019, subject to extension under certain circumstances. Delays in closing the Acquisition or the failure to close the Acquisition may result in our incurring significant additional costs in connection with such delay or termination of the Acquisition Agreement. Any delay in closing or a failure to close the Acquisition could have a negative impact on the market price of our common stock. If we are unable to consummate the Acquisition, we will have incurred significant due diligence, legal, accounting and other transaction costs in connection with the Acquisition without realizing the anticipated benefits.

Risks Related to the Business of C Technologies

Once the Acquisition is completed, the combined company will be subject to the risks described above and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as well as additional risks, such as those below, which arise from C Technologies business. References to C Technologies below refer to the acquired C Technologies business within the combined company.

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C Technologies operating results and financial condition may fluctuate.

C Technologies operating results and financial condition may fluctuate from quarter to quarter and year to year for a number of reasons. The following events or occurrences, among others, could cause fluctuations in its financial performance from period to period:

- development of new competitive products by others;
- changes in the amount it spends to promote its products and develop new technologies;
- changes in technology that may render its products obsolete;
- increases in the cost of raw materials used to manufacture its products;
- manufacturing and supply interruptions, including failure to comply with manufacturing specifications;
- the impact of third-party patents and other intellectual property rights which C Technologies may be found to infringe, or may be required to license, and the potential damages or other costs it may be required to pay as a result of a finding that it infringes such intellectual property rights;
- the loss of any third-party distributor of C Technologies products in any territory;
- lower than expected demand for its products;
- its response to price competition;
- expenditures as a result of any potential legal actions;
- the impairment and write-down of goodwill or other intangible assets;
- general economic and industry conditions, including changes in interest rates affecting returns on cash balances and investments that affect customer demand;
- impairment or write-down of investments or long-lived assets;

- costs and outcomes of any tax audits;

- fluctuations in foreign currency exchange rates; and

- risks related to C Technologies sales of products across numerous countries world-wide and the inherent international economic, regulatory, political and business risks.

As a result, the period-to-period comparisons of C Technologies results of operations are not necessarily meaningful, and these comparisons should not be relied upon as an indication of future performance. The above factors may cause its operating results to fluctuate and adversely affect its financial condition and results of operations.

C Technologies business is subject to cybersecurity risks that could disrupt its operations and adversely affect its and our business.

Certain of C Technologies products incorporate software created by C Technologies or in-licensed from contract counterparties pursuant to reseller agreements. C Technologies devices, servers and computer systems, and those of its contract counterparties that we use in our operations are vulnerable to cybersecurity risks, including cyber-attacks such as viruses and worms, denial-of-service attacks, and similar disruptions from unauthorized tampering with its servers and computer systems or those of its contract counterparties, which could lead to interruptions, delays, loss of critical data, and loss of customer confidence. Any cyber-attacks on C Technologies systems, or those of its contract counterparties, if successful, could adversely affect C Technologies and our business, operating results, and financial condition, and be expensive to remedy.

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C Technologies business could suffer as a result of manufacturing difficulties or delays.

C Technologies business could suffer if certain manufacturing or other equipment were to become inoperable for a period of time or if historical suppliers to C Technologies are unwilling or unable to continue to supply following the closing of the Acquisition. This could occur for various reasons, including catastrophic events such as earthquake, monsoon, hurricane or explosion, unexpected equipment failures or delays in obtaining components or replacements thereof, as well as construction delays or defects and other events, both within and outside of our control. Any inability to timely manufacture its products could have a material adverse effect on C Technologies results of operations, financial condition and cash flows.

If C Technologies is unable to obtain or maintain its intellectual property, its operations may be adversely affected.

C Technologies endeavors to obtain and maintain the patents and trade secrets that it utilizes in its manufacturing process. Its commercial success will depend, in part, on its ability to:

- obtain and maintain patent protection for its products and manufacturing processes;
- preserve its trade secrets;
- operate without infringing the proprietary rights of third parties; and
- obtain any necessary licenses from others on acceptable terms.

C Technologies cannot be sure that any patent applications relating to its products that it files in the future or that any currently pending applications will issue on a timely basis, if ever. Even if patents are issued, the degree of protection afforded by such patents will depend upon the scope of the patent claims, the validity and enforceability of the claims obtained and C Technologies willingness and financial ability to enforce its patents.

The patent position of life sciences companies is often highly uncertain and usually involves complex legal and scientific questions. In some cases, litigation or other proceedings may be necessary to assert claims of infringement, to enforce patents issued to C Technologies. Such litigation could result in substantial cost to C Technologies and diversion of its resources. An adverse outcome in any such litigation or proceeding could have a material adverse effect on C Technologies business, financial condition and results of operations.

C Technologies global sales operations expose it to risks and challenges associated with conducting business internationally.

C Technologies books sales globally, including in Europe, Asia and North America. C Technologies faces several risks inherent in conducting business internationally, including compliance with international and U.S. laws and regulations that apply to its international operations. These laws and regulations include data privacy requirements, tax laws, anti-competition regulations, import and trade restrictions, export requirements, U.S. laws such as the Foreign Corrupt Practices Act, and other U.S. federal laws and regulations established by the office of Foreign Asset Control, or other local foreign laws which prohibit corrupt payments to governmental officials or certain payments or remunerations to customers. Given the high level of complexity of these laws, however, there is a risk that some provisions may be inadvertently breached by C Technologies, for example through fraudulent or negligent behavior of individual employees, its failure to comply with certain formal documentation requirements, or otherwise. Violations of these laws and regulations could result in fines, criminal sanctions against C Technologies, its officers or its employees, requirements to obtain export licenses, cessation of business activities in sanctioned countries, implementation of compliance programs, and prohibitions on the conduct of our business. Any such violations could include prohibitions on C Technologies ability to offer its products in one or more countries and could materially damage its reputation, brand and operating results.

C Technologies foreign operations may become less attractive if political and diplomatic relations between the United States and any country where it conducts business operations deteriorates.

The relationship between the United States and the foreign countries where C Technologies conducts business operations may weaken over time. Changes in the state of the relations between any such country and the United States are difficult to predict and could adversely affect C Technologies future operations. This could lead to a decline in its profitability. Any meaningful deterioration of the political and diplomatic relations between the United States and the relevant country could have a material adverse effect on C Technologies operations.

C Technologies may be exposed to liabilities under the Foreign Corrupt Practices Act, and any determination that it violated the Foreign Corrupt Practices Act could have a material adverse effect on our business.

C Technologies is subject to the Foreign Corrupt Practice Act, or the FCPA, and other laws that prohibit improper payments or offers of payments to foreign governments and their officials and political parties by U.S. persons and issuers as defined by the statute for the purpose of obtaining or retaining business. A significant portion of C Technologies sales are booked in jurisdictions outside of the U.S., some of which may experience corruption. C Technologies activities in jurisdictions outside of the U.S. create the risk of unauthorized payments or offers of payments by one of C Technologies employees, consultants, sales agents or distributors, because these parties have not always been subject to C Technologies control. Violations of the FCPA may result in severe criminal or civil sanctions, and C Technologies may be subject to other liabilities, which could negatively affect our business, operating results and financial condition.

Prior to the Acquisition, C Technologies has been a private company and has not previously been subject to the Sarbanes-Oxley Act of 2002, the rules and regulations of the SEC or other corporate governance requirements.

Prior to its acquisition by us, C Technologies has been a private company and has not been subject to the Sarbanes-Oxley Act of 2002, the rules and regulations of the SEC, or other corporate governance requirements to which public reporting companies may be subject. As a result, we are required to implement the appropriate internal control processes and procedures over C Technologies financial accounting and reporting. We may incur significant legal, accounting and other expenses in efforts to meet these requirements, which may include additional staffing, infrastructure investments and improving C Technologies finance function systems and process. Implementing the controls and procedures at C Technologies that are required to comply with the various applicable laws and regulations may place a significant burden on our management and internal resources. The diversion of management s attention and any difficulties encountered in such an implementation could adversely affect our business, financial condition and operating results.

C Technologies is treated as an S corporation under Subchapter S of the Internal Revenue Code, and claims of taxing authorities related to its status as an S corporation could harm us.

C Technologies is currently treated as an S corporation for federal and applicable state income tax purposes. As an S corporation , C Technologies elects to pass corporate income, losses, deductions, and credits through to its sole stockholder for federal and applicable state income tax purposes. Pursuant to the Acquisition Agreement, we plan to make an election under Section 338 of the Internal Revenue Code with respect to the Acquisition to treat the Acquisition as an asset acquisition rather than a stock purchase for tax purposes. However, if C Technologies has failed to satisfy one or more of the many factors required to be met in order to qualify as an S corporation and the Internal Revenue Service or other applicable tax authority were to challenge C Technologies status as an S corporation, we may not be able to realize the intended tax benefits from the Acquisition. If C Technologies is determined in any such challenge not to have qualified, or to have violated its status as an S corporation, we may be obligated to pay back taxes for all relevant open tax years on all of C Technologies taxable income while it was an S corporation, interest, and possibly penalties.

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Furthermore, if C Technologies is determined in any such challenge not to have qualified as an S corporation at the time of the Acquisition, any tax benefits we realize as a result of the election under Section 338 of the Internal Revenue Code may be denied. Any such determination could result in additional costs to us and could have a material adverse effect on our results of operations and financial condition. While the Acquisition Agreement includes indemnification obligations for claims made following closing, including those related to C Technologies tax status, no assurance can be given that such indemnification obligations will cover all additional costs to us as a result of any such claims.

Risks Related to Our Business

Our preliminary first quarter financial results represent management s current estimates and are subject to change.

The preliminary financial results contained in Prospectus Supplement Summary First Quarter Preliminary Financial Results are only preliminary estimates and are based on information available to management as of the date of this prospectus supplement, and these expectations could change. Our actual financial results as of, and for the three months ended March 31, 2019 are subject to the completion of our financial statements as of, and for such period. Such actual financial results will not be available until after this offering is completed and, consequently, will not be available to you prior to investing in this offering. Our actual financial results as of, and for the three months ended March 31, 2019 may differ materially from the preliminary financial results we have provided as a result of the completion of our final adjustments, review by our independent registered public accountants and other developments arising between now and the time that our financial results for such period are finalized. Our independent registered public accountants have not audited, reviewed or performed any procedures with respect to such preliminary estimates and accordingly do not express an opinion or any other form of assurance with respect thereto. Complete results as of, and for the three months ended March 31, 2019 will be announced during our first quarter financial results earnings conference call and included in our Quarterly Report on Form 10-Q for the three months ended March 31, 2019. See the other risks described in this section and Special Note Regarding Forward-Looking Statements for additional information regarding factors that could result in differences between these preliminary and the actual financial results we will report for the three months ended March 31, 2019.

Our operating results may fluctuate significantly, our customers future purchases are difficult to predict and any failure to meet financial expectations may result in a decline in our stock price.

Our quarterly operating results may fluc