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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**SCHEDULE TO**

**Tender Offer Statement under Section 14(d)(1) or 13(e)(1)  
of the Securities Exchange Act of 1934**

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**BIOTELEMETRY, INC.**

(Name of Subject Company (Issuer))

**DAVIES MERGER SUB, INC.**

a wholly owned subsidiary of

**PHILIPS HOLDING USA INC.**

a wholly owned subsidiary of

**KONINKLIJKE PHILIPS N.V.**

(Names of Filing Persons (Offerors))

**Common Stock, par value \$0.001 per share**  
(Title of Class of Securities)

**090672106**

(CUSIP Number of Class of Securities)

**Joseph E. Innamorati  
Davies Merger Sub, Inc.  
222 Jacobs St.  
Cambridge, MA 02141  
(978) 687-1501**

(Name, address and telephone number of person authorized to receive notices and communications on behalf of the filing person)

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*Copies to:*

**Matthew G. Hurd  
Rita-Anne O'Neill  
Sullivan & Cromwell LLP  
125 Broad Street  
New York, NY 10004**

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**CALCULATION OF FILING FEE**

<b>Transaction Valuation*</b>	<b>Amount of Filing Fee**</b>
N/A	N/A

\* Pursuant to General Instruction D to Schedule TO, a filing fee is not required in connection with this filing as it relates solely to preliminary communications made before the commencement of a tender offer.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not applicable                      Filing Party: Not applicable  
Form of Registration No. Not applicable                      Date Filed: Not applicable

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

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This filing relates solely to preliminary communications made before the commencement of a tender offer for the outstanding shares of Common Stock, par value \$0.001 per share, of BioTelemetry, Inc. (“BioTelemetry”) by Davies Merger Sub, Inc. (“Purchaser”), a wholly owned subsidiary of Philips USA Holding Inc. (“Parent”), a wholly owned subsidiary of Koninklijke Philips N.V. (“Philips”).

#### **Additional Information**

The tender offer described in this communication (the “Offer”) has not yet commenced, and this communication is neither an offer to purchase nor a solicitation of an offer to sell any shares of the common stock of BioTelemetry or any other securities. On the commencement date of the Offer, a tender offer statement on Schedule TO, including an offer to purchase, a letter of transmittal and related documents, will be filed with the United States Securities and Exchange Commission (the “SEC”) by Philips and a Solicitation/Recommendation Statement on Schedule 14D-9 will be filed with the SEC by BioTelemetry. The offer to purchase shares of BioTelemetry common stock will only be made pursuant to the offer to purchase, the letter of transmittal and related documents filed as a part of the Schedule TO. **INVESTORS AND SECURITY HOLDERS ARE URGED TO READ BOTH THE TENDER OFFER STATEMENT AND THE SOLICITATION/RECOMMENDATION STATEMENT REGARDING THE OFFER, AS THEY MAY BE AMENDED FROM TIME TO TIME, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** The tender offer statement will be filed with the SEC by Davies Merger Sub, Inc., a wholly owned subsidiary of Philips Holding USA Inc., which is a wholly owned subsidiary of Philips, and the solicitation/recommendation statement will be filed with the SEC by BioTelemetry. Investors and security holders may obtain a free copy of these statements (when available) and other documents filed with the SEC at the website maintained by the SEC at [www.sec.gov](http://www.sec.gov) or by directing such requests to the Information Agent for the Offer, which will be named in the tender offer statement.

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**Item 12. Exhibits**

- Exhibit 99.1 Investor Call Presentation, dated December 18, 2020.
- Exhibit 99.2 Investor Call Script, dated December 18, 2020.
- Exhibit 99.3 Connected Care Town Hall Presentation, dated December 18, 2020.
- Exhibit 99.4 Wire Call Script, dated December 18, 2020.
- Exhibit 99.5 Social Media Posts, dated December 18, 2020.
- Exhibit 99.6 Form of Email to Philips Employees, dated December 18, 2020.
- Exhibit 99.7 Form of Letter to Customers, dated December 18, 2020.
- Exhibit 99.8 Email to Connected Care Employees, dated December 18, 2020.
- Exhibit 99.9 Philips Intranet Post, dated December 18, 2020.
- Exhibit 99.10 Email to Philips NA Employees, dated December 18, 2020.
- Exhibit 99.11 Talking Points for Calls with Customers, Suppliers and Distributors, dated December 18, 2020.
- Exhibit 99.12 FAQs, dated December 18, 2020.
- Exhibit 99.13 Leadership Talking Points, dated December 18, 2020.
- Exhibit 99.14 Email to Connected Care Leadership Team, dated December 18, 2020.
- Exhibit 99.15 Email to Integration Team, dated December 18, 2020.
- Exhibit 99.16 Email to Connected Care Leaders, dated December 18, 2020.
- Exhibit 99.17 Email to NAM Leadership Team, dated December 18, 2020.
- Exhibit 99.18 CC Global BM&S Leaders, dated December 18, 2020.
- Exhibit 99.19 Social Media Post, dated December 18, 2020.

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**LEANDRO:**

**Thank you and good morning, ladies and gentlemen. Welcome to today's conference call to update you on our agreement to acquire BioTelemetry Inc. We appreciate that you could join our call on such short notice.**

**I am here with our CEO, Frans van Houten, our CFO, Abhijit Bhattacharya, and the Business Leader for Connected Care, Roy Jakobs. Our press release and the related information slide deck were published at 7:00 a.m. CET this morning. Both documents are available on our investor relations website. A full transcript of this conference call will be made available by end of today on our website.**

**On today's call, Frans will take you through some opening remarks and after that, we will take your questions. Before we start, I would like to draw your attention to the forward-looking statements and additional legal information at the beginning of the presentation on slide 2.**

**With that, I would like to hand over to Frans.**

**FRANS:**

Thanks Leandro, and good morning to all of you. I hope that you and your families are keeping safe and well. I am excited to share some insights and the strategic rationale of our agreement to acquire BioTelemetry, the number 1 provider of ambulatory cardiac diagnostic and monitoring services.

As we explained during our recent Capital Markets Day, we have a clear strategy to be successful and to transform care along the health continuum combining smart systems, devices, informatics, data and services. This strategy strongly resonates with customers and has been further validated during the COVID-19 crisis. Moreover, we see increased interest in solutions which can help virtual working of care professionals as well as move care into the community. The acquisition of BioTelemetry is a strong fit with this strategy.

As depicted on slide 3 of the presentation published on our website, the combination of Philips' leading patient monitoring position in the hospital with BioTelemetry's leading cardiac diagnostics and monitoring position outside the hospital will result in a global leader in patient care management solutions for the hospital and ambulatory care for cardiac and other patients. Leveraging our collective expertise we will be in an optimal position to improve patient care across care settings for multiple diseases and medical conditions.

**Moving to slide 4. BioTelemetry has a market leading cardiac diagnostics and monitoring solution, comprised of wearable connected heart monitors, AI-based data analytics and state-of-the-art monitoring and services center. These clinically validated solutions are focused on the diagnosis and monitoring of heart rhythm disorders. With over 30,000 unique referring physicians, BioTelemetry provides services for over one million patients per year and has built the world’s largest remote cardiac monitoring services network. Additionally, BioTelemetry has a clinical research business that provides testing services for clinical trials.**

**On slide 5 of the presentation, you can see that BioTelemetry serves a USD 3+ billion market, growing high-single-digits. This growth is driven by an increasing prevalence of chronic diseases, the adoption of home monitoring and shift to out-of-hospital, and the acceleration of outcome oriented payment models.**

**On slide 6, you will find the main transaction highlights. Following the agreement, Philips will commence a tender offer to acquire all the issued and outstanding shares of BioTelemetry for 72.0 US dollars per share, to be paid in cash upon completion. This represents a 16.5% premium to BioTelemetry’s closing price on 17th December 2020. The implied enterprise value is approximately 2.3 billion euros, inclusive of BioTelemetry’s cash and debt.**

**The Board of Directors of BioTelemetry has approved the transaction and recommends the offer to its shareholders. Upon completion of the transaction, BioTelemetry and its approximately 1,900 employees will become part of Philips’ Connected Care business segment.**

The acquisition will be accretive to sales growth and adjusted EBITA margin in 2021. We target significant revenue synergies driven by channel cross-selling, geographical expansion and portfolio innovation synergies such as access to Philips' HealthSuite digital platform. We will also drive expansion of BioTelemetry products and commercialization opportunities in new, adjacent therapeutic areas. Additionally, Philips will drive operational performance improvements through its proven productivity programs. The BioTelemetry business is expected to continue to grow double-digits and to improve Adjusted EBITA margin to over 20% by 2025.

Ladies and gentlemen, to wrap it up, BioTelemetry is a great strategic fit with the Philips' Connected Care business. With this acquisition, we strengthen our presence in the large and growing cardiac monitoring market outside the hospital with a #1 position and with potential for further expansion. Moreover, we are building on our successful track record of integrating acquisitions, and rapidly improving growth and profitability.

We would also like to use this opportunity to welcome all the employees of BioTelemetry to Philips. Together, we will ensure the best possible future on our great journey to grow leadership in Health Technology.

With that, I am happy to take your questions along with Abhijit and Roy. Thank you.

**Tweet:**

.@Philips to become a global leader in patient care management solutions for the hospital and the home through the acquisition of BioTelemetry. Read more:

**LinkedIn:**

Philips will acquire BioTelemetry Inc., a leading provider of remote cardiac diagnostics and monitoring services. By combining Philips' leading patient monitoring position in the hospital with BioTelemetry's leading cardiac diagnostics and monitoring position outside the hospital, we will become a global leader in patient care management solutions for the hospital and home for cardiac and other patients. Read more:

Email: Philips broadcast / BioTelemetry Acquisition News from Frans & Roy

**Subject line:** Growing our Connected Care business with acquisition of BioTelemetry

Dear [name],

We are excited that, late yesterday evening Eastern Time, we signed an agreement to acquire BioTelemetry Inc., a leading remote cardiac diagnostics and monitoring company in the U.S. that monitors over one million patients per year.

The acquisition is a strong fit with our strategy to transform the delivery of healthcare along the health continuum. It will complement our leadership position in integrated patient monitoring solutions for the hospital, and together, we will become a global leader in patient care management solutions for the hospital and the home. We will start the tender offer next week, and expect this transaction to close in the first quarter of 2021. Here is a link to the press release we shared today.

This is such an important investment in our Connected Care business cluster. The COVID-19 pandemic has accelerated the adoption of telehealth and growth of ambulatory care. Leveraging our collective expertise, we will be in an optimal position to improve patient care across care settings for multiple diseases and medical conditions.

What an exciting way to begin our holiday season! We look forward to soon welcoming the 1,900 employees from BioTelemetry to the Philips family.

**Frans van Houten**  
Chief Executive Officer, Royal Philips

**Roy Jakobs**  
Chief Business Leader, Connected Care

***Important: Social Media Guidance***

*We are now in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws apply to what we say internally and externally. With this, we cannot post to social media on the topic of the acquisition.*

*We need to restrict and prohibit all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products.*

***Forward-looking statements***

*This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of Philips and certain of the plans and objectives of Philips with respect to these items. Examples of forward-looking statements include statements made about the strategy, estimates of sales growth, future EBITA, future developments in Philips' organic business and the completion of acquisitions and divestments. By their nature, these statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these statements.*

# PHILIPS

December xx, 2020

Dear [Insert First Name or 'Philips Customers'],

As one of our most valued Philips customers, I want to personally inform you of an exciting strategic development in our business. Today, Philips announced that it signed an agreement indicating its intention to acquire BioTelemetry to expand our global leadership in patient care management solutions for the hospital and the home. BioTelemetry, Inc. is a leading remote medical technology company focused on the delivery of health information to improve quality of life and reduce cost of care. This acquisition is expected to be completed in the first quarter of 2021.

The acquisition of BioTelemetry will enable Philips to expand its global leadership in patient care management solutions from the hospital to the home. BioTelemetry provides remote cardiac monitoring, centralized core laboratory services for clinical trials, remote blood glucose monitoring and original equipment manufacturing that serves both healthcare and clinical research customers.

Our expanded Connected Care business will bring even more value, innovative technology and market leading solutions to our customers. I look forward to sharing more about our portfolio of solutions and our combination with BioTelemetry once the transaction closes and we begin to integrate.

You can read more about our acquisition [in the press release](#).

We value our relationship with you, and we are pleased to serve your connected care needs with our expanded solutions. I look forward to sharing more with you once this transaction has closed.

With warm regards,

*Philips employee's name here*





Dear Connected Care Colleagues,

I am excited to share with you that we signed an agreement with BioTelemetry to expand our global leadership in patient care management solutions for the hospital and the home. The acquisition is a strong fit with Philips' strategy to transform the delivery of healthcare; combination of Philips' leading patient care management position in the hospital with BioTelemetry's leading cardiac diagnostics and monitoring position outside the hospital. Together we will become the global leader in patient care management solutions for the hospital and the home.

BioTelemetry was founded in 1994 and its team of approximately 1,900 employees are annually monitoring over one million cardiac patients remotely, resulting in a 2019 sales of USD 439 million. Today, the Company provides wearable monitors, AI-based data analytics and services for cardiac care and clinical research sectors. BioTelemetry's employees are based around the world, with headquarters outside Philadelphia (in Malvern, PA). Here is a link to the press release we shared today [insert link to PR here](#).

Why is Philips strategically interested in adding BioTelemetry to our portfolio?

Our Strategy to Win by Connecting Care is designed to help broaden the reach and deepen the impact of healthcare with solutions that leverage and unite devices, data, technology and most importantly, people across true networks of care to deliver on the quadruple aim. The acquisition of BioTelemetry will further in expand and strengthen Philips' position to support clinicians, providers and payers in patient care management, especially through their portfolio of wearable sensors, AI data analytics and services platform. It builds on the trend of providing care anytime, anywhere which was further strengthened in these challenging COVID times.

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Tell me more about BioTelemetry...

As a leader in wearable cardiac diagnostic monitoring, BioTelemetry focuses on the diagnosis and monitoring of heart rhythm disorders. The company's offering in this area - which represent 85% of the company sales - comprises solutions for cardiac diagnostics and hospital- to-home monitoring through wearable sensors and AI-based data analytics and services. With over 30,000 unique referring physicians per month, BioTelemetry provides cardiac monitoring and reporting services for over one million patients per year. Additionally, BioTelemetry has a nascent clinical trials testing service for research. Leveraging our collective expertise, we will be in an optimal position to improve patient care across care settings for multiple diseases and medical conditions.

Where will BioTelemetry fit organizationally into Philips?

Once BioTelemetry is a part of Philips at the close of the transaction, it will form a new business in the Connected Care cluster, reporting directly to me. I will share more details on the new business at the close.

When will the transaction close and what is the plan to integrate BioTelemetry into Philips?

BioTelemetry is a publicly traded company. With this, Philips has tendered an offer to acquire all the issued and outstanding shares of BioTelemetry. The board of directors of BioTelemetry has approved the transaction and the next step is to recommend the offer to its shareholders. This process, including customary closing conditions and certain regulatory clearances, can take several weeks and we anticipate the transaction will close in the first quarter of 2021.

Who will lead the integration of BioTelemetry into Philips?

To help guide the process of integration at close, we have appointed Nick Wilson to serve as the Business Integration Leader (BIL) for the transition. In time, Nick will form an Integration Management office (IMO) to bring our two organizations together. More to come at the close!

Is there overlap between the BioTelemetry solutions / offerings and Philips?

BioTelemetry's leading remote cardiac monitoring portfolio for the home is highly complementary to Philips' integrated patient care management portfolio comprising real-time monitoring, therapeutic devices, telehealth and informatics in the hospital, as well as Philips' cardiac care portfolio. The combination of Philips and BioTelemetry is expected to accelerate Philips' sales growth in remote patient monitoring across care settings driven by channel cross- selling, geo expansion and portfolio and innovation.

Why are we acquiring BioTelemetry in the midst of COVID-19?

As we are all acutely aware, COVID-19 has acted as catalyst to the much-needed transformation of delivery of the healthcare system in the hospital and in the home. Our customers are now asking for and embracing more digital and disruptive innovation, such as care management and telehealth to drive better outcomes across care settings. BioTelemetry leadership in the ambulatory cardiac monitoring space will strengthen Philips' offering and accelerate the development of a scalable out-of-hospital monitoring services. Leveraging our collective expertise, we will be in an optimal position to address the key healthcare need of extending patient care in and beyond the hospital care setting, at a time when telehealth and virtual care are becoming the standard in improving care across the health continuum.

Who will sell and support the BioTelemetry offering?

As part of the integration, we will have a commercial and services team who will evaluate the offerings and identify cross-selling synergies to be deployed as soon as possible in alignment with the markets. There is an important global opportunity to unlock. Post-close, the sales teams will stay within their current organizations and there will be critical alignment between BioTelemetry and the Connected Care business, markets and functions. We will evaluate our channel partners, our go-to-market model and sales teams to not only strategize on how to leverage each other's strengths and growth opportunities, but to also immediately address any overlap within the organizations. We anticipate that the BioTelemetry service organization, processes and systems will remain as they are today at the close of the transaction with Philips, to allow for the continued focus on BioTelemetry platform and customers. In time with the integration, we will transition to the Philips structure, processes and systems.

Can I share this news over social media?

We are now in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws apply to what we say internally and externally. With this, we cannot post to social media on the topic of the acquisition.

We need to restrict and prohibit all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products.

When will we learn more?

I welcome you to join the Global Townhall later today to Thank You for 2020 and further elaborate on this very exciting news. In early 2021, we will hold further team town halls and calls to share additional details. In the meantime, if you have any questions, please reach out to us at: [ConnectedCare@Philips.com](mailto:ConnectedCare@Philips.com).

What a better way than closing this year through this major investment in the future of Connected Care! I look forward to welcoming the BioTelemetry team to Philips! I wish you happy holidays and look forward to an exciting 2021!

**Roy Jakobs**

Chief Business Leader Connected Care

***Forward-looking statements***

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**Acquisition to boost our patient care management solutions**

We have signed an agreement to acquire BioTelemetry, the leading provider of remote cardiac diagnostics and monitoring – a strong fit with our strategy to transform the delivery of care along the health continuum with integrated solutions.

“The acquisition of BioTelemetry fits perfectly with our strategy to be a leading provider of patient care management solutions for the hospital and the home,” said CEO Frans van Houten. “BioTelemetry’s leadership in the large and fast growing ambulatory cardiac diagnostics and monitoring market complements our leading position in the hospital. Leveraging our collective expertise, we will be in an optimal position to improve patient care across care settings for multiple diseases and medical conditions.”

BioTelemetry, based in Pennsylvania in the US, primarily focuses on the diagnosis and monitoring of heart rhythm disorders. Growth of this multi-billion-dollar market is driven by an increasing prevalence of chronic diseases, and the adoption of remote monitoring and outcome-oriented models.

BioTelemetry’s clinically validated offering includes wearable heart monitors that detect and transmit abnormal heart rhythms wirelessly, AI-based data analytics and services. With over 30,000 unique referring physicians per month, BioTelemetry provides services for over one million patients per year.

“Through continued innovation, we have developed the world’s largest remote cardiac monitoring services network,” said Joseph H. Capper, President and CEO of BioTelemetry. “We are delighted to become part of Philips and continue on our journey to deliver health information to improve the quality of life and reduce the cost of care. Combined with Philips’ current patient care management portfolio, innovation strength and global scale, we are perfectly equipped to address the rising demand for telehealth and remote monitoring solutions.”

Upon completion of the transaction, which is expected to take place in the first quarter of 2021, BioTelemetry and its approximately 1,900 employees will become part of our Connected Care business segment. More details on this pending acquisition can be found in the press release.

**Important: Social Media Guidance**

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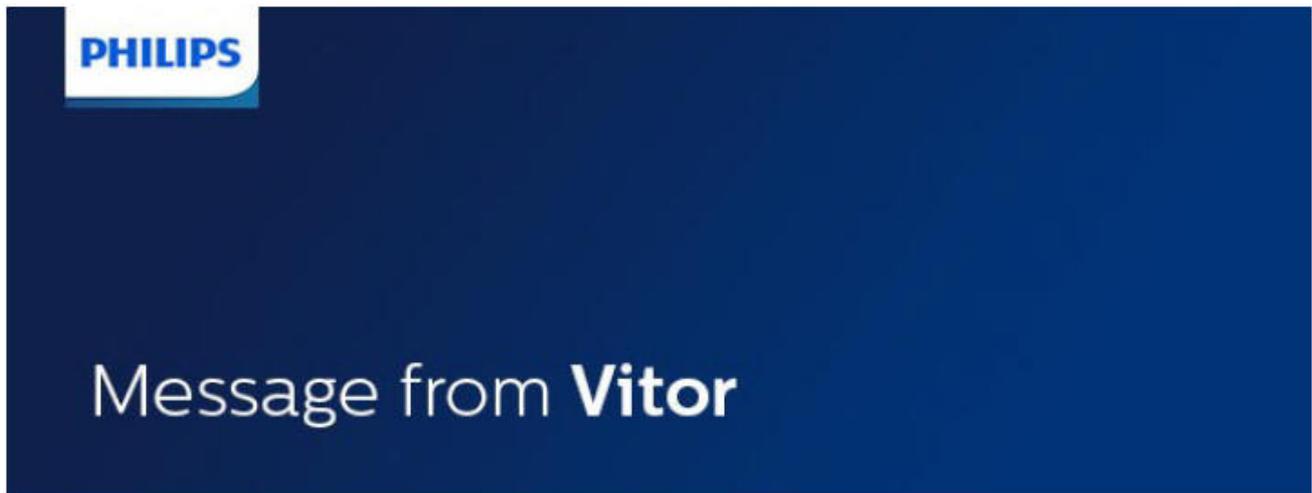
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*estimates of sales growth, future EBITA, future developments in Philips' organic business and the completion of acquisitions and divestments. By their nature, these statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these statements*

Company Confidential

**From:** Harpster, Noah <Noah.Harpster@philips.com>  
**Sent:** Friday, December 18, 2020 12:33 PM  
**To:** Harpster, Noah <Noah.Harpster@philips.com>  
**Subject:** A Message from Vitor Rocha: BioTelemetry Acquisition

Having trouble reading our message? Click [here](#) to view the web version



Dear NA team,

As you may have seen, Philips has signed an agreement to acquire BioTelemetry, Inc., a leading remote cardiac diagnostics and monitoring company that monitors over one million patients per year, primarily in the U.S.

This acquisition complements the Philips Connected Care strategy by expanding our leadership in patient care management solutions for the hospital and the home. Leveraging our collective expertise, especially through BioTelemetry's portfolio of wearable sensors, AI data analytics and services platform, we are in an optimal position to unite devices, data, technology and, most importantly, people across true networks of care to deliver on the quadruple aim. At a point when COVID-19 has accelerated the need for telehealth and virtual care, their leadership in the ambulatory, or outpatient, care monitoring space will also strengthen Philips' current offering and accelerate the development of scalable out-of-hospital monitoring services.

While we are excited to share and celebrate the good news, we have now entered a critical transition period, between the signing of the agreement and the close of the deal, that restricts what we can say and do related to this transaction. This requires us to abide by very strict legal rules, governed by U.S. securities laws, which apply to what we say internally and externally.

**To assist you during this transitional period, we have outlined what this means to employees, and the guidelines everyone is asked to follow, below:**

- *Do not post to social media on the topic of the acquisition. This includes all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products. Between sign and close, we will continue to operate as two separate companies.*
- *We cannot assist, communicate, engage, team up or help sell any BioTelemetry products at this time, nor can you speak to any of their representatives about Philips.*
- *Once the transaction is closed, we will begin the process of engaging the BioTelemetry team. Then – and only then – will we look to find ways to accelerate our collaboration in the market.*
- *If you receive questions from customers: please use the talking points provided here. Do not speculate on technology, deal dynamics or structure.*
- *Until close, we need to stay focused on our own business goals.*

At this time, all communications surrounding the acquisition, beyond what is covered in the press release, are strictly confidential as these details may be commercially sensitive. The exchange of commercially sensitive information with a competitor amounts to a violation of the antitrust rules, for which both Philips and individual employees can be held liable. We are relying on your professionalism and ethics to not discuss any aspect of this transaction with any non-Philips employee or industry colleagues, throughout the duration of sign to close period. Protecting Philips and the customers of both companies is critical in ensuring the success of this transaction.

Despite a changing world and unprecedented times, with all of your contributions, we've had a strong 2020. We need to keep this momentum going and make 2021 a record year. We have great things ahead of us with this acquisition and I appreciate your focus and commitment – and abiding by these critical rules of engagement.

We look forward to updating you more once the deal closes and we formally begin the integration process.

A handwritten signature in black ink that reads "VITOR". The letter "V" is stylized with a long vertical stroke that extends upwards and curves slightly to the left.

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Talking Points: Calls with Customers,

Suppliers, Distributors, KOLs...

- Philips has signed an agreement to acquire BioTelemetry, a leading remote medical technology company focused on the delivery of health information to improve quality of life and reduce cost of care.
- BioTelemetry provides remote cardiac monitoring, centralized core laboratory services for clinical trials, remote blood glucose monitoring and original equipment manufacturing that serves both healthcare and clinical research customers.
- This acquisition is a strategic complement to the Philips Connected Care portfolio and expands our global leadership in patient care management solutions for the hospital and the home.
- Philips and BioTelemetry remain two separate businesses until the acquisition closes. During this period, we will continue to keep our customers first and do not change our focus or ways of working.
- We know that you are counting on us and we will continue to maintain our obligations and commitments to you. *If needed:* any offers and proposals we've made to you remain and will stay their course.
- BioTelemetry's approximately 1,900 employees who will join Philips are based around the world, with headquarters outside Philadelphia (in Malvern, PA) and offices across the United States, Sweden, Belgium, UK and in North Macedonia.
- Once BioTelemetry is a part of Philips at the close of the transaction, it will form a new business in the Connected Care cluster, reporting to Roy Jakobs, Chief Business Leader, Connected Care, Philips.
- BioTelemetry is a publicly traded company. With this, Philips has tendered an offer to acquire all the issued and outstanding shares of BioTelemetry. The board of directors of BioTelemetry has approved the transaction and the next step is to recommend the offer to its shareholders. This process, including customary closing conditions and certain regulatory clearances, can take several months and we anticipate the transaction will close in the first quarter of 2021.



BioTelemetry: FAQs

### **About the announcement**

What was announced? What does this mean?

On December 18, 2020, Philips signed an agreement to acquire BioTelemetry. At the close of the transaction, it will form a new business in the Connected Care cluster, reporting to Roy Jakobs, Chief Business Leader, Connected Care, Philips.

This acquisition will be an important enhancement to Philips' connected care portfolio. With this transaction, Philips will expand our global leadership in patient care management solutions for the hospital and the home.

In the immediate term, we will operate 'business as usual.' Today we are announcing only that Philips and BioTelemetry have reached an agreement for an acquisition; we expect the acquisition closing to take place in the first quarter of 2021, following the completion of shareowner

approval, as well as customary closing conditions and certain regulatory clearances. Until then, BioTelemetry and Philips continue to operate as separate businesses. The integration of BioTelemetry into Philips will begin after the acquisition closes.

Can I share this news over social media?

We are now in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws apply to what we say internally and externally. With this, we cannot post to social media on the topic of the acquisition.

We need to restrict and prohibit all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products.

### **About BioTelemetry and the product**

Who is BioTelemetry?

BioTelemetry was founded in 1994 and is committed to leading the mobile and wireless medical technology industry. The team of approximately 1,900 employees focus on the delivery of health information to save and improve lives, while reducing the cost of care. Today, the Company provides cardiac and mobile blood-glucose monitoring, centralized medical imaging and original equipment manufacturing serving the healthcare and clinical research sectors.

BioTelemetry's employees are based around the world, with headquarters outside Philadelphia (in Malvern, PA) and offices across the United States, Sweden, Belgium, UK and in North Macedonia.

Is Philips acquiring all BioTelemetry?

Philips signed to acquire all BioTelemetry, including its approximately 1,900 employees.

What is BioTelemetry's product? How does this strategically fit into our portfolio?

The acquisition of BioTelemetry will further expand and strengthen Philips' position to support clinicians in patient care management. The acquisition is also a strategic fit with Philips' cardiac care portfolio to support precision diagnosis and minimally invasive image-guided treatments. As a leader in wearable cardiac diagnostic monitoring, BioTelemetry focuses on the diagnosis and monitoring of heart rhythm disorders. The company's offering in this area - which represent 85% of the company sales - comprises solutions for cardiac diagnostics and hospital-to-home monitoring through wearable sensors and AI-based data analytics. With over 30,000 unique referring physicians per month, BioTelemetry provides cardiac monitoring and reporting services for over one million patients per year.

BioTelemetry's portfolio includes a sophisticated wearable platform for mobile cardiac outpatient telemetry and holter monitoring, a convenient heart monitor that detects and transmits abnormal heart rhythms wirelessly for clinical arrhythmia detection and diagnostic accuracy. Combined with an advanced cardiac data platform, clinical analysis, and services to streamline workflows, BioTelemetry provides cardiologists and electrophysiologists a single source for cardiac monitoring services. Additionally, BioTelemetry has a clinical research business - representing 13% of the company sales - that provides centralized cardiovascular and imaging testing services in clinical trials. The company is recognized as an industry pioneer, top quality service provider and a leader in expert scientific consulting in this market.

### **Aligning BioTelemetry to Philips**

What will Philips acquire as part of this agreement?

Today, we announced that Philips signed an agreement to acquire BioTelemetry. BioTelemetry is a publicly traded company. With this, Philips has tendered an offer to acquire all the issued and outstanding shares of BioTelemetry. The board of directors of BioTelemetry has approved the transaction and the next step is to recommend the offer to its shareholders. This process, including customary closing conditions and certain regulatory clearances, can take several months and we anticipate the transaction will close in the first quarter of 2021.

Why is Philips making this kind of acquisition / investment in the middle of COVID-19?

Despite the numerous challenges posed by the COVID-19 pandemic, we remained focused on executing our strategy. Philips is committed to making a difference in healthcare. Throughout COVID, our focus has been strongly aligned to our triple duty of care: employee safety, patient care and business continuity. The acquisition of BioTelemetry is a prime example of business continuity focus. We are on the frontlines of Coronavirus with solutions and services to support the prevention, treatment and care of patients and, after this pandemic has passed, Philips will continue to be in the connected care space with our expanded portfolio to support patients in need.

BioTelemetry leadership in the ambulatory cardiac monitoring space will strengthen Philips' offering and accelerate the development of a scalable out-of-hospital monitoring and telehealth platform. Leveraging our collective expertise, we will be in an optimal position to address the key healthcare need of extending patient care in and beyond the hospital care setting, at a time when telehealth and virtual care are becoming the standard in improving care across the health continuum.

We continue to augment our operational and clinical Artificial Intelligence capabilities, which are enhancing scalability and improving efficiencies across the enterprise, while improving clinical outcomes for patients and insights for clinicians. Telehealth and remote monitoring will continue to play an integral role in a post-COVID-19 marketplace. As one of the largest, fastest growing and most profitable connected health companies, we are perfectly positioned to capitalize on these opportunities.

Where will the BioTelemetry offering fit into our organization structure / solutions?

The BioTelemetry offering will form a new business in the Connected Care cluster, reporting to Roy Jakobs, Chief Business Leader, Connected Care, Philips.

Will there be an integration team?

Yes. We want to ensure the success of this acquisition, so we are already forming an experienced integration team to bring the people, assets and technology of BioTelemetry together within Connected Care.

At close, we will leverage our experiences from other recent Philips integrations as we form this team. We will implement a strong integration team, led by Nick Wilson.

We will assign integration work streams with participants from both Philips and BioTelemetry so that we can ensure a smooth introduction and strong employee engagement, while keeping a core group focused on coming together, so that the rest of our organization can continue to drive the critical day-to-day work within our businesses.

Do we expect any delay in the close or integration due to the Coronavirus (COVID-19) outbreak?

The Coronavirus is near top-of-mind for all our employees and friends across the globe, but at the same time, we must continue with our business as healthcare and access has never been more important. We were able to sign the acquisition amid the outbreak and we are prepared to welcome the BioTelemetry team once we close. That stated, we are delaying the face-to-face meetings we had considered to meet each other and, instead, will leverage technology to ensure that we connect virtually to begin to communicate with each other as we close and then integrate.

What are the priorities for the integration?

At close, the plan will be to have the BioTelemetry team form a new business in the Connected Care cluster and, together, accelerate delivery of our quadruple aim of: improved patient experience, better health outcomes, improved staff experience, and lower cost of care. The priorities for integration are:

1. Customer first! Continuing to meet the needs of clinicians and the patients they serve

2. Driving strong employee engagement and retaining talent
3. Training our sales teams and expanding the reach of our combined offerings
4. Combining our strengths in connected care
5. Strategically positioning the BioTelemetry offerings to improve patient outcomes globally

When will BioTelemetry employees join Philips?

The BioTelemetry team will become part of Philips upon closing of the transaction, which is expected in the first quarter of 2021. It will take some time to integrate the BioTelemetry team to Philips benefits, tools and processes. After close, we will begin integration of the ~1,900 employees from BioTelemetry.

## **Commercial / Distribution Questions**

Who currently distributes BioTelemetry solutions?

For the most part, BioTelemetry contracts with payers in the USA and Europe and has a field team who work closely with Cardiologists for referrals to their diagnostic services.

What changes for the commercial team with this announcement?

At this point, Philips and BioTelemetry remain two separate businesses until the acquisition closes. While we are excited by this announcement and see a lot of curiosity about how it will work, it is important that we stay focused on our respective businesses. We have multiple critical goals and ambitious targets to reach and we need to continue selling what we have, exactly as we have it today. It is imperative that we keep our customers first and do not change our focus or ways of working. Our customers are counting on us and we need to maintain our obligations and commitments to them. Further, any offers and proposals we made to customers and prospects remain and will stay their course.

How soon will we engage in selling the BioTelemetry solutions?

At close, we expect the BioTelemetry sales team to remain focused on their 2020 / 2021 goals.

Given COVID-19, is the BioTelemetry team out in the market and selling now?

Yes, like Philips, BioTelemetry has implemented their own COVID-19 response plan and their commercial and service teams are actively - and safely - engaging with customers.

How will this affect Philips' sales and service organizations?

It is 'business as usual.' It is imperative that we keep our customers first and do not change any of our drive or ways of working. Our customers are counting on us and we need to maintain our obligations and commitments to them especially in the current challenging times regarding COVID-19. Further, any offers and proposals we made to customers and prospects remain and will stay their course. It is important that we stay focused as a team. We have some critical goals and ambitious targets to reach and we need to strategically stay focused on that and continue to sell what we have, exactly as we have it today.

How will BioTelemetry customer issues / complaints be handled?

The BioTelemetry business will continue to handle all customer requirements, questions and issues as they do today.

Will BioTelemetry's sales team be responsible for the sales of any Philips products?

At this point, Philips and BioTelemetry remain two separate businesses until the acquisition closes. While we are excited by this announcement and see a lot of curiosity about how it will work, it is important that we stay focused. We have multiple critical goals and ambitious targets to reach and we need to continue selling what we have, exactly as we have it today. It is imperative that we keep our customers first and do not change our focus or ways of working. Our customers are counting on us and we need to maintain our obligations and commitments to them. Further, any offers and proposals we made to customers and prospects remain and will stay their course.

I know someone who works at BioTelemetry; can I reach out to him / her?

We are currently in a very sensitive period between the sign and close of this transaction. It is imperative as an employee of Philips that you act with the utmost integrity and responsibility. If you are approached by anyone outside of Philips (someone from BioTelemetry, a competitor, a customer, a prospect, etc.), do not respond with any comments. At this time, all communications and details surrounding the acquisition, beyond what is covered in the [press release](#) that was distributed on December 18, are strictly confidential and these may be commercially sensitive. Philips and BioTelemetry need to continue to operate as two separate and independent organizations until the closing of this transaction. Once we are one organization, there will be many opportunities to bring our teams together and discuss what we can do together. In the meantime, if you have any questions, please direct them to [Nick Wilson](#), Business Integration Leader.

## Customer / Supplier Questions

What is the customer communication plan?

Our commercial team, under the direction of Mark Stoffels, is managing all customer outreach. They have lists of customers and prospects they are reaching out to. The team will reach out by email and with individual conversations, as necessary. Further, we are providing links to [customer talking points](#) and a [customer email template](#) to support you in any questions you may receive from customers. Please note, the talking point documents are **not for distribution outside of Philips** but should be referred to in conversation in order ensure consistency with our message about the transaction.

Will we be co-marketing at upcoming tradeshowes?

After the close of the transaction, the Connected Care and BioTelemetry marketing teams can meet as part of the integration to determine our shared collaboration points, including displaying our solutions at tradeshowes and events together. However, given the travel limitations and the cancellation of most events with the Coronavirus, we do not expect this to be a consideration in the near-term. Looking ahead, Philips and BioTelemetry do keep many of the same event



schedules so we will leverage the integration process after the acquisition closes, to see where we have overlapping shows and decide where we can combine forces. Further, Philips is planning to host many virtual events in Q4 and Q1 of 2021, such as customer education webinars, etc. and we will look to see how to include the BioTelemetry team in these events, after close.

Will the BioTelemetry brand remain?

At the close of the transaction, a branding integration team will be formed to determine the branding strategy for BioTelemetry.



Talking Points: Leadership Team for calls with Philips Employees

**What was announced...**

- **WHAT WILL BE ANNOUNCED DECEMBER 18, 2020 (8:15AM CET)**
  - o **Today, Philips announced that we have entered into an agreement** to acquire BioTelemetry. This is just the signing of an agreement to acquire; the transaction has not closed; we **expect the transaction to close in the first quarter of 2021.**
  - o Philips will acquire all of BioTelemetry's operations, including their approximately 1,900 employees in R&D, production and sales.
- **WHY / WHAT IS IT?**
  - o Our Strategy to Win by Connecting Care is designed to help broaden the reach and deepen the impact of healthcare with **solutions that leverage and unite devices, data, technology and most importantly, people** across true networks of care to deliver on the quadruple aim.
  - o The acquisition of BioTelemetry will further expand and strengthen Philips' position to **support clinicians in patient care management.** The acquisition is also a strategic fit with Philips' cardiac care portfolio to support precision diagnosis and minimally invasive image-guided treatments.
  - o As the leader in wearable cardiac diagnostic monitoring, BioTelemetry focuses on the diagnosis and monitoring of heart rhythm disorders. The company's offering in this area - which represent 85% of the company sales - comprises solutions for cardiac diagnostics and at-home monitoring through wearable sensors, AI-based clinical analytics, and clinical monitoring services. With over 30,000 unique referring physicians per month, BioTelemetry provides **cardiac monitoring and reporting services** for over one million patients per year.
  - o BioTelemetry's portfolio includes sophisticated mobile cardiac outpatient telemetry and holter platforms in a patient-friendly patch-form that **detects and transmits abnormal heart rhythms wirelessly** for arrhythmia detection and diagnostic accuracy. Combined with an advanced cardiac data platform, and analysis and support to streamline workflows, BioTelemetry provides cardiologists and electrophysiologists a single source for cardiac monitoring services. Additionally, BioTelemetry has a clinical research business - representing 13% of the company sales - that provides **centralized cardiovascular and imaging testing services in clinical trials.** The company is recognized as an industry pioneer, top quality service provider and a leader in expert scientific consulting in this market.
- **WHAT IS BioTelemetry?**

- o BioTelemetry will bring a complementary offering to the existing Philips product portfolio. Bringing BioTelemetry to Philips is an acquisition for growth and, at close, we plan to keep the BioTelemetry team and solutions operating as they are today with limited business interruption.
- o BioTelemetry was founded in 1994 and is committed to leading the mobile and wireless medical technology industry. The team of approximately 1,900 employees focus on the delivery of health information to save and improve lives, while reducing the cost of care. Today, the Company provides cardiac and mobile blood-glucose monitoring, centralized medical imaging and original equipment manufacturing serving the healthcare and clinical research sectors.
- **NEXT STEPS**
  - o The BioTelemetry **sales team will remain focused on their 2020 / 2021 goals.**
  - o At the close of the transaction, BioTelemetry will form a **new business in the Connected Care cluster**, reporting to Roy Jakobs, Chief Business Leader, Connected Care, Philips. We will share more details on the new business at the close.
  - o To ensure the success of the collaboration, we have appointed **Nick Wilson from Philips to serve as the business integration leader (BIL)** for the transition. In time, Nick will form an Integration Management office (IMO) to bring our two organizations together.

**It is extremely important that we make sure our team knows...**

- **Avoid “Gun Jumping”** (avoiding gun jumping simply means that prior to closing the transaction we must continue to act as two independent companies and not to commence any integration activities until the transaction is closed).
  - o During the period between sign and close, there are special guidelines for interacting with BioTelemetry, the company we intend to acquire. We need to **avoid “gun jumping” activities** or exchange of commercially sensitive information.
  - o **Until the close of the deal, no direct communications and interactions with BioTelemetry. Any communications will be done through Nick Wilson.**
  - o After close, communication and activities will be managed through the integration team. The **integration team is being assembled and will be fully in place by the close. All names are to be announced soon.**
  - o The following types of conduct can constitute gun-jumping...
    - o Sharing competitively sensitive information, such as current and future pricing or cost information
    - o Prematurely integrating or consolidating operations
    - o Attending management meetings of the target
    - o Negotiating new (customer or supplier) contracts or terms and conditions on behalf of the target
    - o Coordinating of marketing or sales strategies
    - o Influencing the conduct of the target
    - o Influencing the targets pricing or trading conditions

- **Social media guidance**

- o We are now in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws apply to what we say internally and externally. With this, we cannot post to social media on the topic of the acquisition.
- o We need to restrict and prohibit all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products.

## Questions

- Please take questions from your team – and, keep track of questions your team ask you – please send the questions you receive to Nick Wilson and, as Business Integration Leader, he will compile and use them to prepare for the close communications.

## CONFIDENTIAL – UNDER EMBARGO

Dear Connected Care Leadership Team:

I am excited to share with you that Philips just signed an agreement to acquire BioTelemetry, Inc., a leading remote medical technology company focused on the delivery of health information to improve quality of life and reduce cost of care. Shortly, we will issue a press release and I will share [this email with all Connected Care employees \[mailing.philips.com\]](#).

Once BioTelemetry is a part of Philips at the close of the transaction, it will form a new business in the Connected Care cluster, reporting directly to me. I will share more details on the new business at the close which is a few months away.

In the immediate term, we will operate ‘business as usual.’ Today we are announcing only that Philips and BioTelemetry have reached an agreement for an acquisition; we expect the acquisition closing to take place in the first quarter of 2021, following shareowner approval and other regulatory and transaction requirements. Until then, BioTelemetry and Philips continue to operate as separate businesses. The integration of BioTelemetry into Philips will begin after the acquisition closes.

To help guide the process of integration at close, we have appointed **Nick Wilson** from Philips to serve as the Business Integration Leader (BIL). Nick will work closely with Jason Herpel at BioTelemetry to ensure smooth and effective collaboration across the teams.

We are now in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws apply to what we say internally and externally. With this, we cannot post to social media on the topic of the acquisition.

We need to restrict and prohibit all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products.

### Looking ahead

With this agreement now signed, internal and external communications will begin tomorrow morning, CET. Linked below you will find copies of a few of the key communications (press release and internal FAQs). The linked documents and their contents should not be distributed; the Communications team will distribute relevant FAQs and talking points as appropriate. Further, Mark Stoffels, our Business Marketing & Sales Leader for Connected Care in North America, will be leading our customer communication efforts with a robust outreach plan.

Kind Regards,

Roy

More information:

- Read the press release [mailing.philips.com]
- Read the FAQ [mailing.philips.com]
- Reference talking points to use in your team discussions [mailing.philips.com]

### Forward-looking statements

*This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of Philips and certain of the plans and objectives of Philips with respect to these items. Examples of forward-looking statements include statements made about the strategy, estimates of sales growth, future EBITA, future developments in Philips’ organic business and the completion of acquisitions and divestments. By their nature, these statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these statements.*

Dear BioTelemetry diligence / BioTelemetry integration team,

To follow on the announcement of the pending acquisition of BioTelemetry, please find enclosed some important details and guidelines for the coming period until we officially close the deal. Closure is expected around the first quarter of 2021. Feel free to deploy these guidelines in your own teams.

- Until the close of the deal, no direct communications and interactions with BioTelemetry. Any communications will be done through Nick Wilson.
- After close, communication and activities will be managed through the integration team. The integration team is being assembled and will be fully in place by the close. All names are to be announced soon.

We will establish a meeting drumbeat ASAP, and we will be working closely with the work stream leads on planning the items listed below. For any questions or guidance on the integration approach, please contact the integration team:

- Business Integration lead: Nick Wilson
- PMI lead: Letty Kurian

**!! Until the formal kick-off workshop, please sync any planned and unplanned communication with Nick. This in order not to overwhelm the BioTelemetry employees and avoid any gun-jumping or exchange of commercially sensitive information.**

In order to come to an ambitious, realistic and joint integration plan, our next steps for integration include:

- **Period between announcement and close (2-3 months)**
  - Completion of the integration teams (resourcing)
  - Kickoff of the different work streams and functional planning meetings (Philips side only)
  - Process Discovery Workshops and deep-dives
- **Closing of the deal (anticipated ~March 2021)**
  - Day One event
  - Integration Kick-off event
- **After close**
  - Commercial integration workshops per market with BioTelemetry (quick wins and long-term plans)
  - Functional integration workshops with BioTelemetry
  - Execution of growth and functional integration plans (two-year PMI program)

To ensure a **common approach, one way of working as a Philips team**, please read the linked documents carefully:

- Legal Dos and Don'ts for the period between announcement and close and information exchange. Non-compliance amounts to a violation of the GBP's and Antitrust law: [QRC Antitrust guidance between signing and closing \[share-intra.philips.com\]](#) and for detailed guidance [Antitrust Standards, Procedures and Guidelines for M&A \[share-intra.philips.com\]](#)
- Guidelines for exchange of information: [Dos and Don'ts for exchanging commercially sensitive information \[share-intra.philips.com\]](#)
- BioTelemetry product overview: [BioTelemetry, Inc. \(gobio.com\) \[eur01.safelinks.protection.outlook.com\]](#)

Looking forward to work with most of you to make this exciting acquisition and integration a success.

Thanks a lot for all your hard work and great support.

Regards,

Roy

#### **Forward-looking statements**

*This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of Philips and certain of the plans and objectives of Philips with respect to these items. Examples of forward-looking statements include statements made about the strategy, estimates of sales growth, future EBITA, future developments in Philips' organic business and the completion of acquisitions and divestments. By their nature, these statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these statements.*

Dear Connected Care Leaders,

As you may know, we have signed an agreement to acquire BioTelemetry, Inc., a leading remote medical technology company focused on the delivery of health information to improve quality of life and reduce cost of care. BioTelemetry provides remote cardiac monitoring, centralized core laboratory services for clinical trials, remote blood glucose monitoring and original equipment manufacturing that serves both healthcare and clinical research customers.

Once this transaction closes, it will be a tremendous asset to our Connected Care cluster, expanding our global leadership in patient care management solutions for the hospital and the home. Further, we anticipate BioTelemetry will accelerate Philips' sales growth in remote patient monitoring across care settings driven by portfolio and channel synergies, and global expansion.

As a follow-up to the [communication Roy sent today \[mailing.philips.com\]](mailto:mailing.philips.com), we want to make you aware that there are critical rules of engagement with the BioTelemetry team and offerings. Despite our clear enthusiasm about this acquisition, we are in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws and the antitrust laws apply to what we can say internally and externally. Please keep in mind:

- ***We are in a quiet period now – and, between sign and close, we need to operate as two separate companies.***
- ***We cannot assist, communicate, engage, team up or help sell any BioTelemetry products at this time – No exceptions!***
- ***Once the transaction is closed, we will begin the process of engaging the BioTelemetry team and then and only then will we look to find ways to accelerate our collaboration in the market.***
- ***Please use the speaking points provided if you get questions from customers. Do not speculate on technology, deal dynamics or structure.***
- ***Until close we need to stay focused on our own business goals.***

If you are approached by industry colleagues asking about the transaction, it is imperative that you do not comment. At this time, all communications and details surrounding the acquisition, beyond what is covered in the press release that was distributed on December 18, are strictly confidential, and these may be commercially sensitive. The exchange of commercially sensitive information with a competitor amounts to a violation of the antitrust rules, for which both Philips and individual employees can be held liable. We are relying on your professionalism and ethics to not discuss any aspect of this transaction with any non-Philips employee, throughout the duration of sign to close period. Protecting Philips and the customers of both companies is a pivotal point of the success of this transaction.

Despite a changing world and unprecedented times, with all of your contributions, we've had a strong 2020. We need to keep this momentum going and make 2021 a record year. We have great things ahead of us with this acquisition and I appreciate your focus and commitment – and abiding by these critical rules of engagement.

We look forward to updating you more once the deal closes and we formally begin the integration process.

One Team,

**Mark Stoffels**

***Forward-looking statements***

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## CONFIDENTIAL – UNDER EMBARGO

Dear NAM leadership team,

I am excited to share with you that Philips just signed an agreement to acquire BioTelemetry, Inc., a leading remote medical technology company focused on the delivery of health information to improve quality of life and reduce cost of care. BioTelemetry provides remote cardiac monitoring, centralized core laboratory services for clinical trials, remote blood glucose monitoring and original equipment manufacturing that serves both healthcare and clinical research customers.

Please [click here \[mailing.philips.com\]](#) to read the email that Roy just sent to his Leadership Team. I received special permissions to share this email / links with you, under embargo, so that you are prepared to manage any customer calls tomorrow once the press release crosses the wire.

We are now in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws apply to what we say internally and externally. With this, we cannot post to social media on the topic of the acquisition.

We need to restrict and prohibit all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products.

If you have any questions, please feel free to contact me.

Thank you all for your engagement and support of this transaction. I look forward to discussing more in our next team meeting.

Mark

## CONFIDENTIAL – UNDER EMBARGO

Dear CC Global BM&S Leaders,

I am excited to share with you that Philips just signed an agreement to acquire BioTelemetry, Inc., a leading remote medical technology company focused on the delivery of health information to improve quality of life and reduce cost of care. BioTelemetry provides remote cardiac monitoring, centralized core laboratory services for clinical trials, remote blood glucose monitoring and original equipment manufacturing that serves both healthcare and clinical research customers.

Please [click here \[mailing.philips.com\]](mailto:mailing.philips.com) to read the email that I just sent to my Connected Care Leadership Team. As our global BM&S leaders, I also wanted to be sure to share this email / links with you, under embargo, so that you are prepared to manage any customer calls tomorrow once the press release crosses the wire.

We are now in a critical period between the signing of the agreement and the close of the deal when very strict legal rules governed by U.S. securities laws apply to what we say internally and externally. With this, we cannot post to social media on the topic of the acquisition.

We need to restrict and prohibit all comments, opinions and reactions relating to the transaction publicly on social media including without limitation LinkedIn, Instagram, Twitter and Facebook. The world of social media is changing the way we communicate and it is imperative that you do not post or comment on this deal or anything related to BioTelemetry, their people, their customers or their products.

If you have any questions, please feel free to contact me.

Thank you all for your engagement and support of this transaction.

Roy