

# Industry BlueBook

## Pharma Services: Drug Development

March 2024

The industry's authoritative information resource for  
valuations, M&A transactions, and Financings

# DASHBOARD<sup>1,2,3,4,5</sup>

## EV MULTIPLES

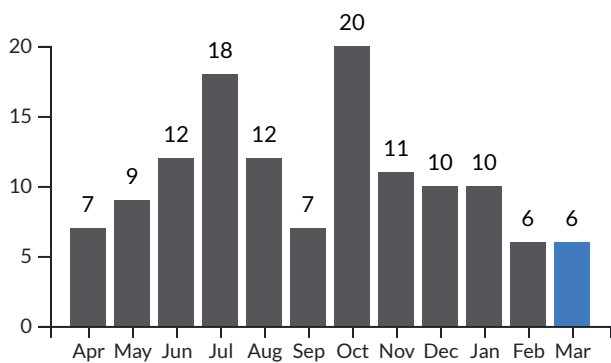
|                                       | REVENUE |      |      |     | EBITDA |      |       |    |
|---------------------------------------|---------|------|------|-----|--------|------|-------|----|
|                                       | LTM     | %Δ   | FTM  | %Δ  | LTM    | %Δ   | FTM   | %Δ |
| Development Technology & Info Systems | 7.5x    | -4%  | 7.5x | 1%  | 36.6x  | 27%  | 23.3x | 1% |
| Development Clinical Services         | 3.4x    | -7%  | 3.6x | 5%  | 16.6x  | 7%   | 15.9x | 4% |
| Development Laboratory Services       | 3.2x    | -10% | 2.7x | -6% | 12.5x  | -10% | 11.5x | 0% |

## M&A DEALS & FINANCINGS

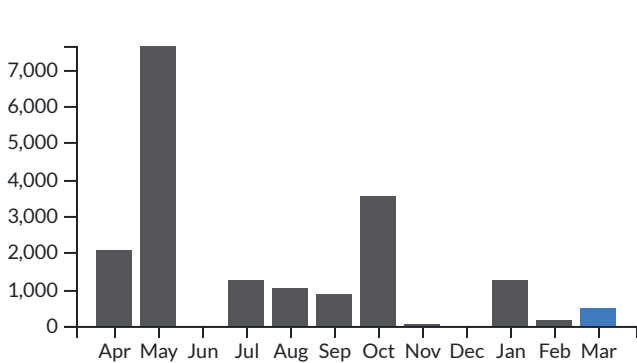
|                                       | DEAL COUNT |      |            |      | VOLUME (\$MM) |     |            |      |
|---------------------------------------|------------|------|------------|------|---------------|-----|------------|------|
|                                       | M&A        | %Δ   | FINANCINGS | %Δ   | M&A           | %Δ  | FINANCINGS | %Δ   |
| Development Technology & Info Systems | 3          | -40% | 7          | -30% | 345           | 88% | 35         | -68% |
| Development Clinical Services         | 1          | -75% | NM         | NM   | 24            | NM  | NM         | NM   |
| Development Laboratory Services       | 2          | NM   | 6          | 200% | 130           | NM  | 56         | -78% |

- 1. Enterprise value (EV) equals equity market value (market capitalization) plus debt, plus preferred stock, minus cash and cash equivalents
- 2. Deals counted once in total if included in multiple segments
- 3. LTM = last twelve months; FTM = forward twelve months
- 4. %Δ – percent change month over month
- 5. NM – Not Meaningful

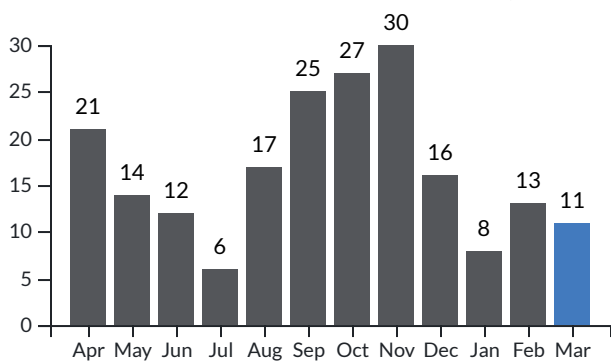
12 Month Deal Count M&A



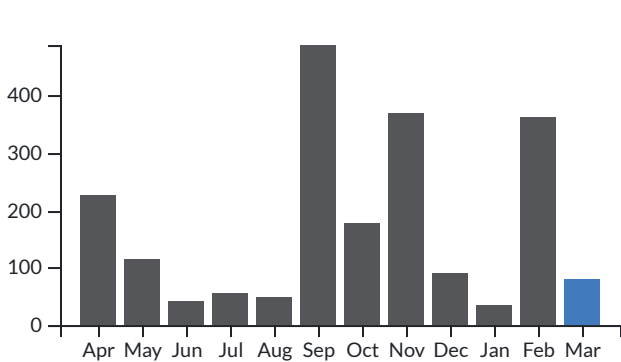
12 Month Volume M&A (\$MM)



12 Month Deal Count Financings

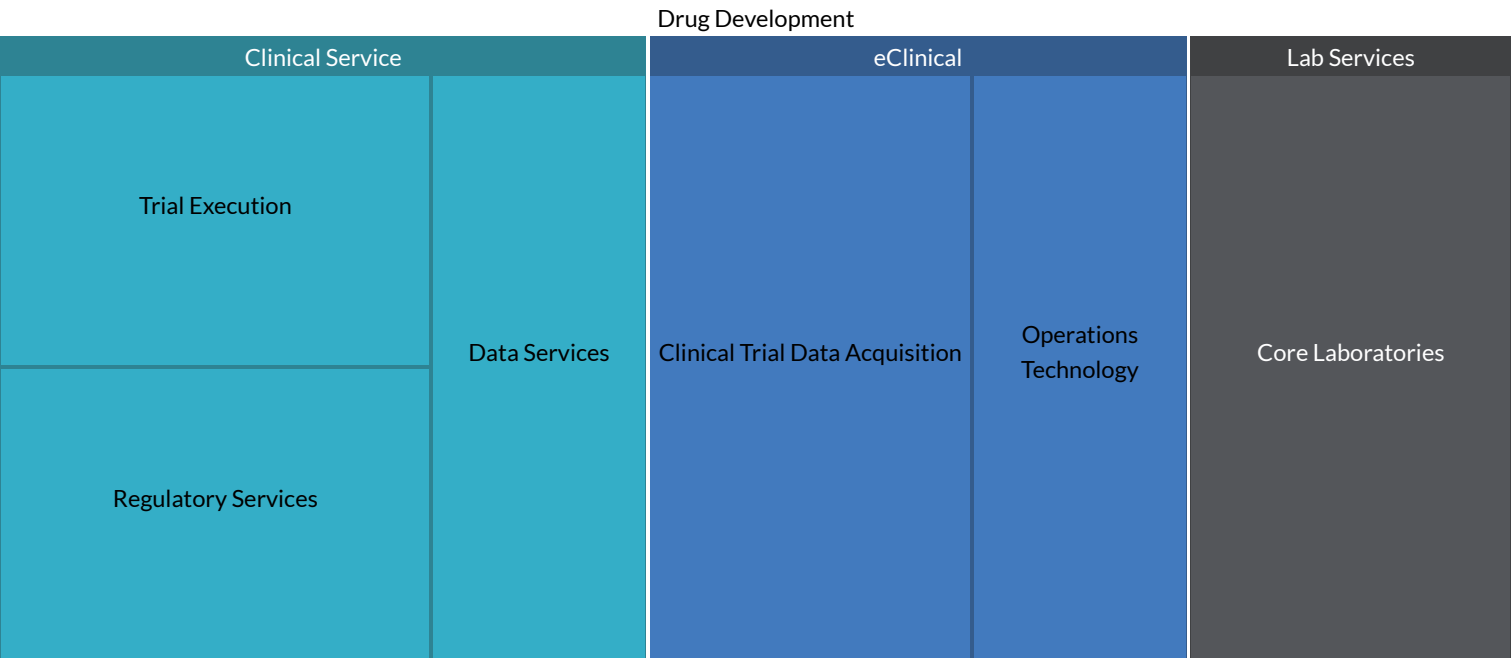


12 Month Volume Financings (\$MM)

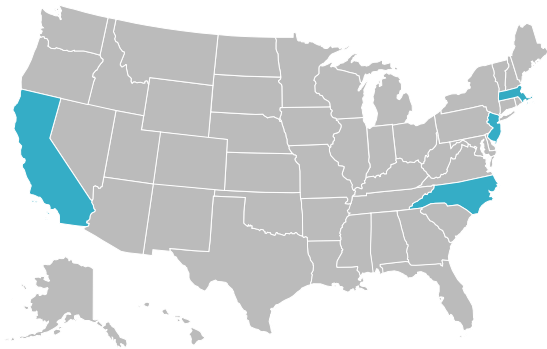


# M&A ACTIVITY

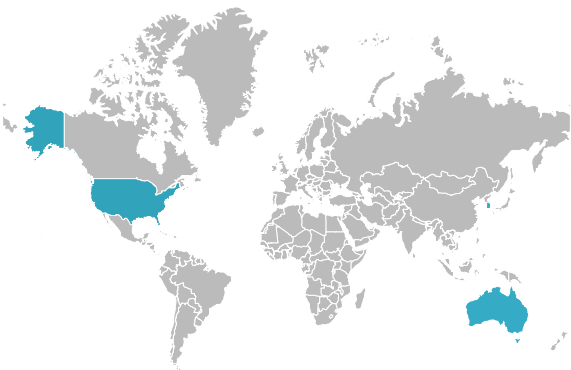
## DEALS BY SEGMENT



## U.S. DEALS BY STATE



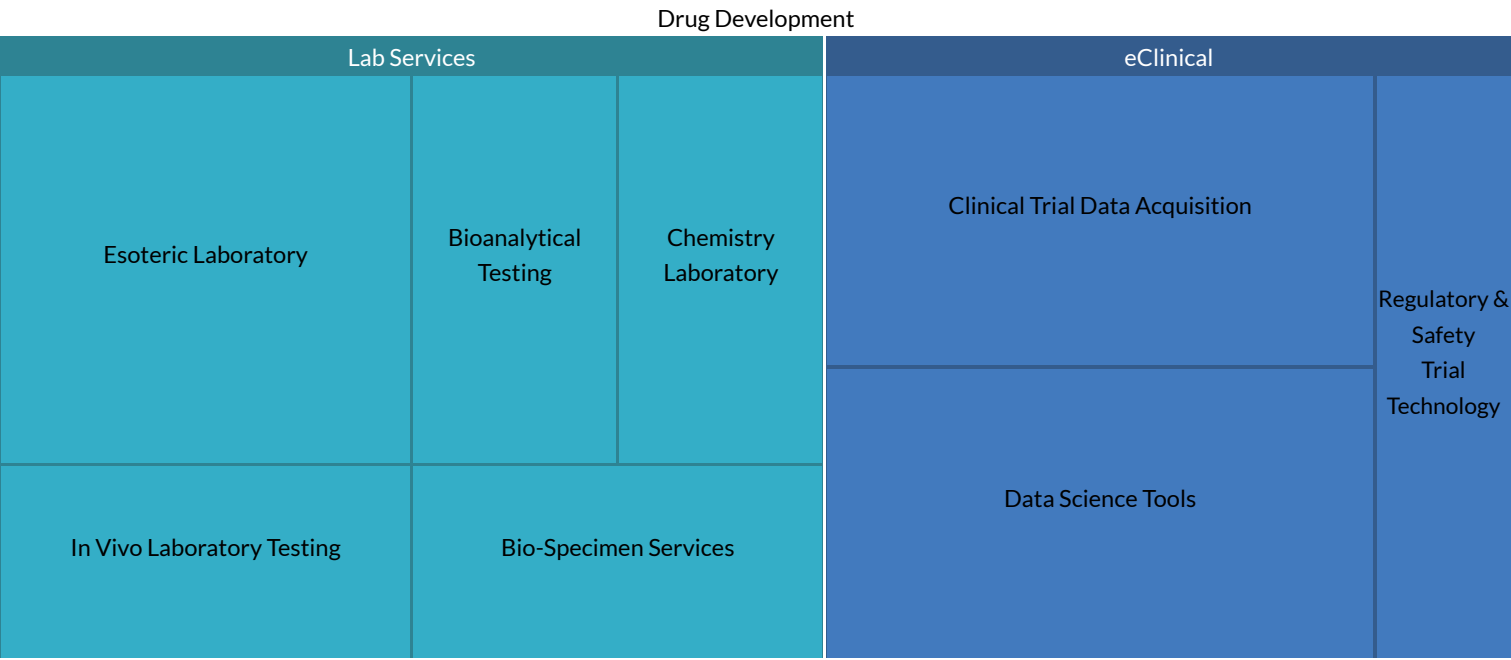
## WORLDWIDE DEALS BY COUNTRY



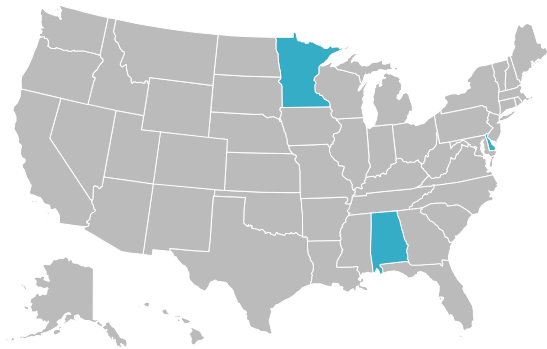
| SELECTED TRANSACTIONS |                  |   |  |                     |  |             |
|-----------------------|------------------|---|--|---------------------|--|-------------|
| Announced Date        | Segment          | Sub-Segment   | Target Company   | Geography           | Selected Buyers  | Size (\$mm) |
| 3/25/2024             | eClinical        | Data Acquisition  | Check-Cap Ltd. (NasdaqCM:CHEK)                             | Israel              | Nobul AI Corp  | -           |
| 3/22/2024             | eClinical        | Operations Tech   | Opin business  | Australia           | Trial Screen Pty Ltd   | -           |
| 3/11/2024             | Clinical Service | Trial Execution<br>Regulatory Services<br>Data Services | ADM Korea Inc.   | Korea (Republic of) | Hyundai Bioscience Co., Ltd. (KOSDAQ:A048410), CnPharm Co., Ltd. | 23.6        |
| 3/9/2024              | eClinical        | Data Acquisition  | Endpoint Clinical and Patient Access Businesses of Fortrea | United States       | Arsenal Capital Partners   | 345.0       |
| 3/7/2024              | Lab Services     | Core Labs   | Invicro, LLC   | United States       | Perceptive Informatics LLC                                       | -           |
| 3/6/2024              | Lab Services     | Core Labs   | Invicro, LLC   | United States       | Calyx Services Inc.  | 130.0       |

# FINANCINGS

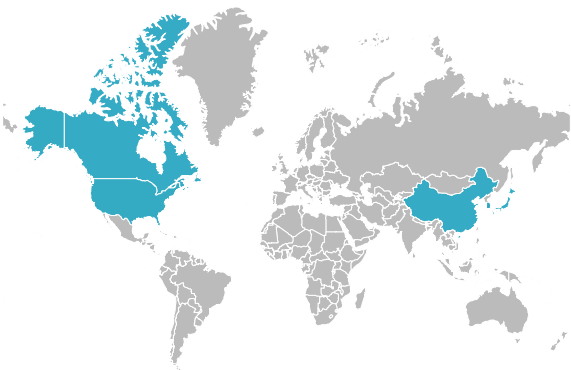
## DEALS BY SEGMENT



## U.S. DEALS BY STATE



## WORLDWIDE DEALS BY COUNTRY



| SELECTED TRANSACTIONS |                        |  |                                      |                     |  |             |
|-----------------------|------------------------|--|--------------------------------------|---------------------|--|-------------|
| Closed Date           | Segment                | Sub-Segment                            | Target Company                       | Geography           | Selected Investors   | Size (\$mm) |
| 3/28/2024             | eClinical Lab Services | Data Acquisition Bioanalytical Testing | Surge.care                           | -                   | Eurazeo SE (ENXTPA:RF)   | 8.1         |
| 3/26/2024             | eClinical              | Data Acquisition                       | Emerging Therapy Solutions, Inc.     | United States       | Undisclosed  | 5.0         |
| 3/26/2024             | Lab Services           | In Vivo Esoteric                       | CORESTEMCHEMON Inc. (KOSDAQ:A166480) | Korea (Republic of) | Samsung Securities Co., Ltd. (KOSE:A016360), NH Investment & Securities Co., Ltd. (KOSE:A005940) | 15.6        |

| Closed Date | Segment                | Sub-Segment                       | Target Company                                 | Geography           | Selected Investors  | Size (\$mm) |
|-------------|------------------------|-----------------------------------|--|---------------------|---|-------------|
| 3/19/2024   | eClinical              | Data Acquisition                  | Flosonics Medical                              | Canada              | Genesys Capital Partners Inc., Arboretum Ventures LLC, New Leaf Venture Partners, LLC, iGan Partners  | 20.0        |
| 3/18/2024   | eClinical              | Data Science Tools                | Frontier Field Co., Ltd.                       | Japan               | Terumo Corporation (TSE:4543)   | -           |
| 3/10/2024   | Lab Services           | Bio-Specimen Services             | Zhejiang Hengyu Biological Technology Co., Ltd | China               | Hongcheng Investment Co., Ltd., Hangzhou Qiantang New Area Industrial Development Group Co., Ltd, CMB International Capital Management (Shenzhen) Co, Ltd., Shanghai CS Capital Co., Ltd, Issuer of Yangtze River Delta Science&Tech Innovation Ent. 1st tranche collective commercial Paper, Hangzhou Qiantang Heda Health Venture Capital Fund Partnership. | 27.8        |
| 3/6/2024    | eClinical              | Data Science Tools                | Vivid Health Inc.                              | Korea (Republic of) | Kakao Ventures Corp.  | -           |
| 3/5/2024    | Lab Services           | Esoteric                          | Van Heron Labs, Inc.                           | United States       | Atlantic Food Labs Manager GmbH   | 1.1         |
| 3/5/2024    | eClinical Lab Services | Regulatory & Safety Tech Esoteric | Kolon Biotech, Inc.                            | Korea (Republic of) | Kolon Life Science Inc. (KOSDAQ:A102940)  | 1.5         |
| 3/3/2024    | eClinical              | Data Science Tools                | Aquiferre                                      | China               | Renai Group Co., Ltd  | -           |
| 3/1/2024    | Lab Services           | Chemistry Lab                     | Ayala Pharmaceuticals, Inc. (OTCPK:ADXS)       | United States       | Israel Biotech Fund   | 2.0         |

# PUBLIC MARKETS<sup>1</sup>

## DEVELOPMENT TECHNOLOGY & INFO SYSTEMS

| Company Name                          | Geography     | Enterprise Value<br>(\$mm) | xRevenue |        | xEBITDA |        |
|---------------------------------------|---------------|----------------------------|----------|--------|---------|--------|
|                                       |               |                            | LTM EV   | FTM EV | LTM EV  | FTM EV |
| Centogene N.V.                        | Germany       | 70                         | 1.3x     | 1.2x   | NM      | NM     |
| Certara                               | United States | 2,921                      | 8.2x     | 7.5x   | 38.9x   | 23.4x  |
| CogState Limited                      | Australia     | 127                        | 3.2x     | 2.7x   | 27.1x   | 15.9x  |
| Dassault Systèmes SE                  | France        | 58,285                     | 9.1x     | 8.4x   | 34.3x   | 23.1x  |
| IQVIA Holdings                        | United States | 58,815                     | 3.9x     | 3.8x   | 20.4x   | 15.6x  |
| Median Technologies SA                | France        | 60                         | 2.5x     | 1.9x   | NM      | NM     |
| Schrödinger, Inc.                     | United States | 1,617                      | 7.5x     | 7.8x   | NM      | NM     |
| Simulations Plus, Inc. (NasdaqGS:SLP) | United States | 709                        | 11.4x    | 10.2x  | 44.3x   | 31.0x  |
| Veeva Systems                         | United States | 33,403                     | 14.1x    | 12.2x  | 69.9x   | 30.4x  |
| Mean                                  |               | 17,334                     | 6.8x     | 6.2x   | 39.1x   | 23.2x  |
| Median                                |               | 1,617                      | 7.5x     | 7.5x   | 36.6x   | 23.3x  |

## DEVELOPMENT CLINICAL SERVICES

| Company Name  | Geography     | Enterprise Value<br>(\$mm) | xRevenue |        | xEBITDA |        |
|---|---------------|----------------------------|----------|--------|---------|--------|
|   |               |                            | LTM EV   | FTM EV | LTM EV  | FTM EV |
| Charles River Laboratories International, Inc. (NYSE:CRL) | United States | 16,825                     | 4.1x     | 4.0x   | 14.5x   | 15.9x  |
| CMIC HOLDINGS Co., Ltd.                                   | Japan         | 243                        | 0.4x     | NM     | 3.3x    | NM     |
| Fortrea Holdings Inc. (NasdaqGS:FTRE)                     | United States | 5,161                      | 1.7x     | 1.7x   | 24.4x   | 18.2x  |
| ICON  | Ireland       | 31,272                     | 3.9x     | 3.6x   | 18.7x   | 17.0x  |
| IQVIA Holdings  | United States | 58,815                     | 3.9x     | 3.8x   | 20.4x   | 15.6x  |
| Medpace   | United States | 12,350                     | 6.6x     | 5.7x   | 30.8x   | 29.5x  |
| Seiko Epson Corporation                                   | Japan         | 5,265                      | 0.6x     | 0.6x   | 6.9x    | 5.6x   |
| Shin Nippon Biomedical Laboratories                       | Japan         | 509                        | 2.9x     | 2.5x   | 9.0x    | 11.1x  |
| Thermo Fisher Scientific Inc. (NYSE:TMO)                  | United States | 250,364                    | 5.8x     | 5.8x   | 22.3x   | 23.3x  |
| WuXi AppTec   | China         | 16,908                     | 3.0x     | 3.1x   | 9.2x    | 8.8x   |
| Mean  |               | 39,771                     | 3.3x     | 3.4x   | 16.0x   | 16.1x  |
| Median  |               | 14,588                     | 3.4x     | 3.6x   | 16.6x   | 15.9x  |

## DEVELOPMENT LABORATORY SERVICES

| Company Name  | Geography           | Enterprise Value<br>(\$mm) | xRevenue |        | xEBITDA |        |
|---|---------------------|----------------------------|----------|--------|---------|--------|
|   |                     |                            | LTM EV   | FTM EV | LTM EV  | FTM EV |
| Evotec SE (XTRA:EVT)                                      | Germany             | 2,741                      | 3.1x     | 2.9x   | 25.5x   | 17.6x  |
| Champions Oncology, Inc.                                  | United States       | 70                         | 1.4x     | 1.3x   | NM      | NM     |
| Charles River Laboratories International, Inc. (NYSE:CRL) | United States       | 16,825                     | 4.1x     | 4.0x   | 14.5x   | 15.9x  |
| Eurofins Scientific SE                                    | Luxembourg          | 15,229                     | 2.2x     | 2.0x   | 10.5x   | 9.5x   |
| Frontage Holdings Corporation (SEHK:1521)                 | United States       | 465                        | 1.8x     | 1.4x   | 8.3x    | 8.0x   |
| HLB innoVation Co.,Ltd. (KOSDAQ:A024850)                  | Korea (Republic of) | 278                        | 7.1x     | NM     | NM      | NM     |

|   |               |        |      |      |       |       |
|---|---------------|--------|------|------|-------|-------|
| ICON                                      | Ireland       | 31,272 | 3.9x | 3.6x | 18.7x | 17.0x |
| Inotiv, Inc. (NasdaqCM:NOTV)              | United States | 689    | 1.2x | 1.2x | 9.8x  | 8.4x  |
| JOINN Laboratories (Delaware) Corporation | China         | 1,065  | 3.2x | 2.6x | 11.0x | 8.4x  |
| Medpace                                   | United States | 12,350 | 6.6x | 5.7x | 30.8x | 29.5x |
| Pharmaron Beijing Co., Ltd.               | China         | 5,068  | 3.2x | 2.9x | 14.0x | 11.9x |
| Selvita S.A.                              | Poland        | 351    | 4.0x | 3.3x | 22.9x | 15.3x |
| Shanghai Medicilon Inc.                   | China         | 684    | 3.5x | 2.4x | NM    | NM    |
| Shin Nippon Biomedical Laboratories       | Japan         | 509    | 2.9x | 2.5x | 9.0x  | 11.1x |
| WuXi AppTec                               | China         | 16,908 | 3.0x | 3.1x | 9.2x  | 8.8x  |
| Mean                                      |               | 6,967  | 3.4x | 2.8x | 15.4x | 13.4x |
| Median                                    |               | 1,065  | 3.2x | 2.7x | 12.5x | 11.5x |

1. NM - Not Meaningful

# RECENT CROSSTREE TRANSACTIONS

Crosstree Capital Partners provides mergers and acquisitions and financing advisory services exclusively to leading Health Sciences companies. Since inception, the firm has been a consistent leader within our focus areas, closing more than 100 successful transactions with companies ranging from private equity-backed consolidators to Fortune 500 publicly-traded companies. In the process, we have represented clients on five continents, and roughly 35% of our transactions have been cross-border.



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