

# Industry **BlueBook**

## **Pharma Services: Development**

January 2019

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



# KEY INSIGHTS GLOBAL INDUSTRY EXPERTISE FOCUSED APPROACH

We work with companies involved in global research, development, and commercialization of biopharmaceutical, diagnostic and device products, diagnostic services, and the delivery of health care products and services.

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

## EV MULTIPLES

	REVENUE				EBITDA			
	LTM	%Δ	FTM	%Δ	LTM	%Δ	FTM	%Δ
Technology & Information Systems	7.3x	11%	6.1x	13%	44.6x	7%	25.5x	18%
Clinical Services	3.3x	22%	2.3x	(4%)	15.5x	(4%)	12.8x	(1%)
Laboratory Services	3.4x	6%	2.7x	4%	20.5x	22%	13.2x	2%

## M&A DEALS / FINANCINGS

	DEAL COUNT				VOLUME (\$MM)			
	M&A	%Δ	Financings	%Δ	M&A	%Δ	Financings	%Δ
Technology & Information Systems	1	0%	1	NM	0	0%	0	0%
Clinical Services	5	67%	0	NM	27	NM	0	0%
Laboratory Services	5	NM	0	NM	26	NM	0	NM

<sup>1</sup> Enterprise value (EV) equals equity market value (market capitalization) plus debt, plus preferred stock, minus cash and cash equivalents

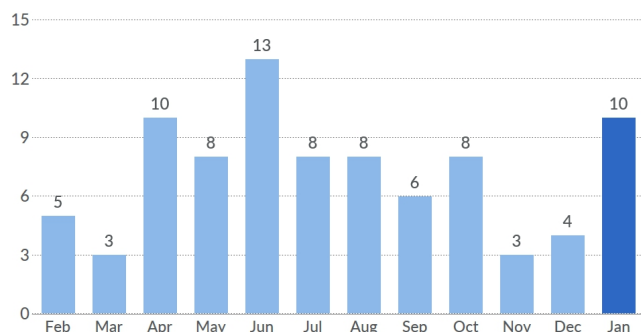
<sup>2</sup> Deals counted once in total if included in multiple segments

<sup>3</sup> LTM = last twelve months; FTM = forward twelve months

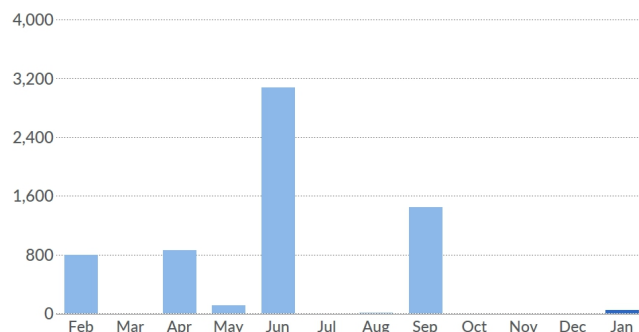
<sup>4</sup> % Δ - percent change month over month

<sup>5</sup> NM - Not Meaningful

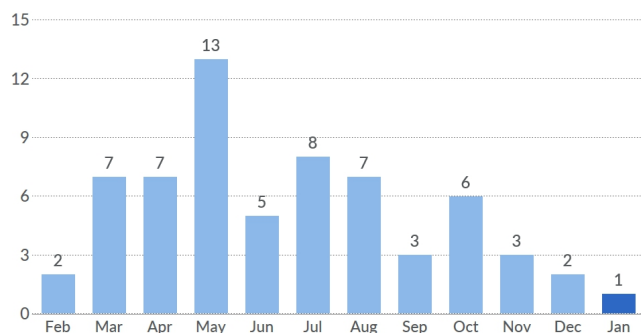
12 MONTH DEAL COUNT M&A



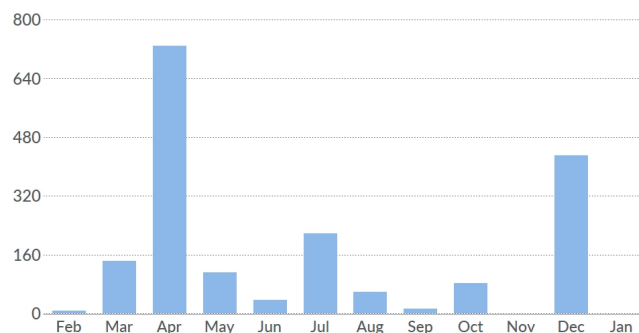
12 MONTH VOLUME M&A (\$MM)



12 MONTH DEAL COUNT FINANCINGS



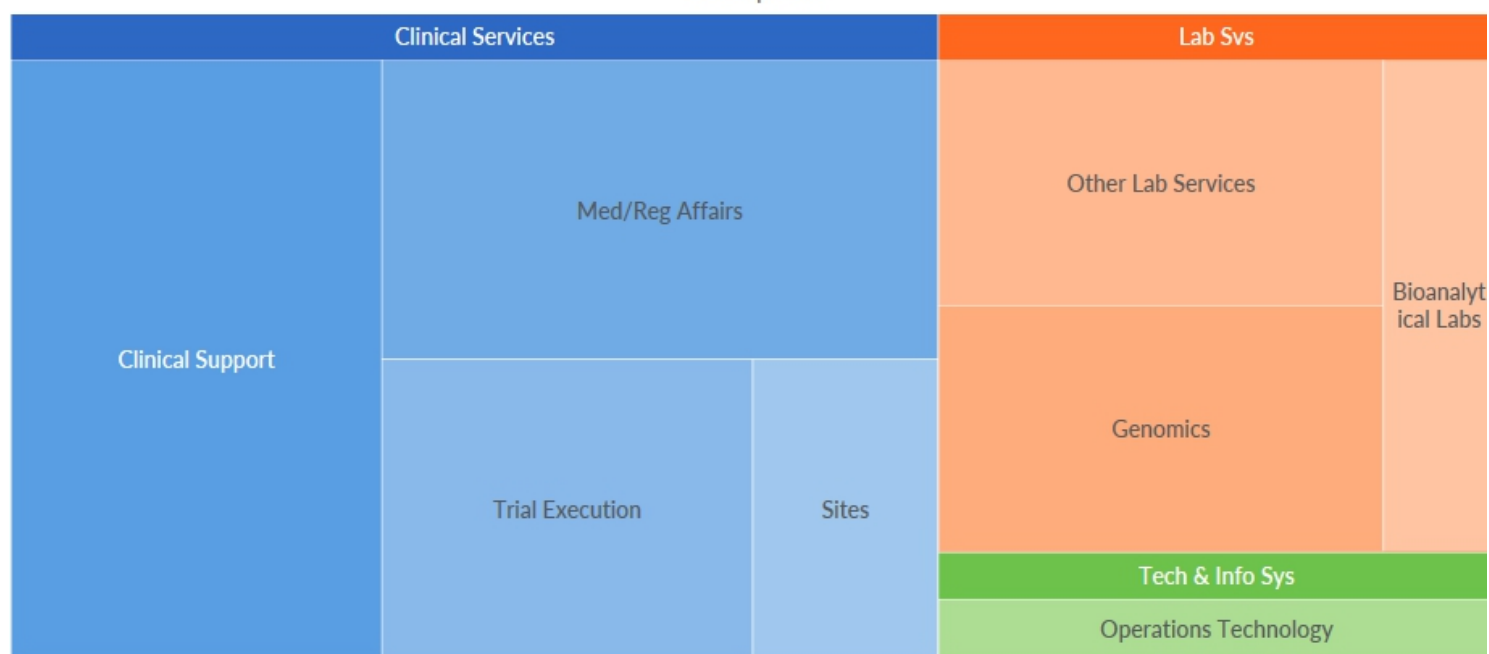
12 MONTH VOLUME FINANCINGS (\$MM)



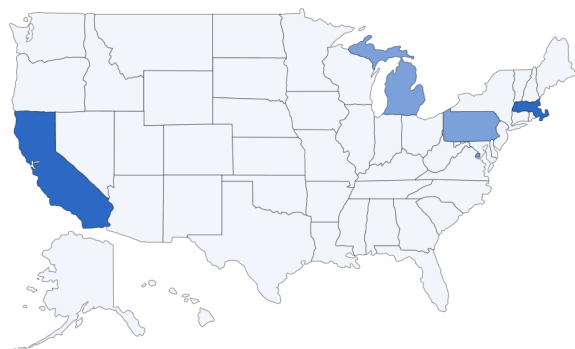
# M&A ACTIVITY

## DEALS BY SEGMENT

### Development



### U.S. DEALS BY STATE



### WORLDWIDE DEALS BY COUNTRY



## SELECTED TRANSACTIONS

Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Buyers	Size (\$mm)
1/30/2019	Clinical Services	Clinical Support	First Clinical Research	United States	WIRB-Copernicus Group, MSD Private Capital, Arsenal Capital Partners, Annox Capital	-
1/29/2019	Clinical Services	Clinical Support Sites	Novum Clinical Research	United States	Lambda Therapeutic Research	-
1/28/2019	Laboratory Services	Other Lab Services	Calico Biolabs	United States	Abcam (LON: ABC)	-
1/28/2019	Clinical Services	Medical & Regulatory Affairs	The Weinberg Group	United States	Linden Capital Partners, ProPharma Group	-

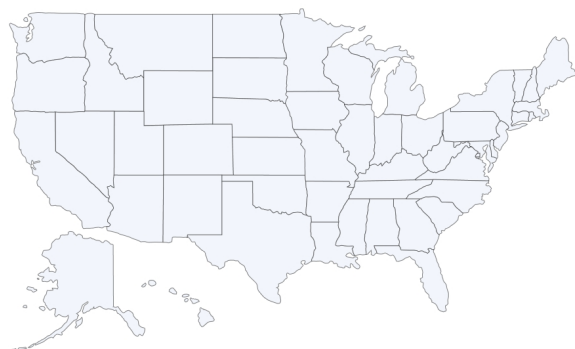
Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Buyers	Size (\$mm)
1/27/2019	Laboratory Services	Bioanalytical Labs	BioDuro	United States	Advent International	-
1/11/2019	Clinical Services	Trial Execution Clinical Support Medical & Regulatory Affairs	KAI Research	United States	TAKE Solutions (BOM: 532890)	27.0
1/10/2019	Laboratory Services	Genomics	Arbor Biosciences	United States	Chiral Technologies	-
1/7/2019	Laboratory Services Technology & Information Systems	Genomics Operations Technology	N-of-One	United States	QIAGEN (NYS: QGEN)	-
1/7/2019	Clinical Services	Trial Execution Clinical Support Medical & Regulatory Affairs	Boston Biomedical Associates	United States	Kester Capital, Factory CRO	-
1/7/2019	Laboratory Services	Other Lab Services	Exscientia	United Kingdom	Celgene (NAS: CELG), GT Healthcare Capital Partners, Evotec (ETR: EVT)	26.0

# FINANCINGS

## DEALS BY SEGMENT



## U.S. DEALS BY STATE



## WORLDWIDE DEALS BY COUNTRY



## SELECTED TRANSACTIONS

Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Investors	Size (\$mm)
1/7/2019	Technology & Information Systems	Operations Technology	Clinithink	United States	Merck Global Health Innovation Fund, TT Capital Partners	-

# PUBLIC MARKETS<sup>1</sup>

## Technology & Information Systems

Company Name	Geography	Enterprise Value (\$mm)	xRevenue		xEBITDA	
			LTM EV	FTM EV	LTM EV	FTM EV
IQVIA	United States	30,116	3.2x	2.9x	19.4x	13.6x
Medidata Solutions	United States	3,868	7.3x	6.1x	44.6x	25.5x
Veeva Systems	United States	8,173	12.5x	9.5x	49.2x	26.1x
Mean		14,052	7.6x	6.1x	37.7x	21.7x
Median		8,173	7.3x	6.1x	44.6x	25.5x

## Clinical Services

Company Name	Geography	Enterprise Value (\$mm)	xRevenue		xEBITDA	
			LTM EV	FTM EV	LTM EV	FTM EV
Charles River Laboratories International	United States	6,049	3.3x	2.7x	13.3x	11.7x
CMIC Holdings Company	Japan	490	0.8x	0.8x	8.3x	6.3x
EPS	Japan	964	1.8x	1.7x	10.9x	12.4x
Icon	Ireland	5,979	3.4x	2.3x	15.2x	13.2x
IQVIA	United States	30,116	3.2x	2.9x	19.4x	13.6x
Linical Company	Japan	303	3.9x	3.7x	17.1x	17.3x
Medpace	United States	1,463	3.4x	2.1x	14.4x	10.7x
PRA Health Sciences	United States	6,956	3.4x	2.4x	29.1x	15.1x
Shin Nippon Biomedical Laboratories	Japan	360	2.3x	NM	15.9x	97.5x
Syneos Health	United States	6,758	3.4x	1.5x	69.3x	11.4x
WuXi AppTec	China	NM	NM	NM	NM	NM
Mean		5,944	2.8x	2.2x	21.2x	20.9x
Median		3,721	3.3x	2.3x	15.5x	12.8x

## Laboratory Services

Company Name	Geography	Enterprise Value (\$mm)	xRevenue		xEBITDA	
			LTM EV	FTM EV	LTM EV	FTM EV
BGI	China	9,996	35.9x	26.1x	NM	NM
Charles River Laboratories International	United States	6,049	3.3x	2.7x	13.3x	11.7x
Eurofins Scientific	Luxembourg	12,404	4.2x	3.4x	25.1x	18.4x
Icon	Ireland	5,979	3.4x	2.3x	15.2x	13.2x
Joynn Laboratories	China	649	15.1x	10.6x	39.1x	NM
Medpace	United States	1,463	3.4x	2.1x	14.4x	10.7x
PRA Health Sciences	United States	6,956	3.4x	2.4x	29.1x	15.1x
Quanterix	United States	550	23.9x	15.3x	NM	NM
Shin Nippon Biomedical Laboratories	Japan	360	2.3x	NM	15.9x	97.5x
Syneos Health	United States	6,758	3.4x	1.5x	69.3x	11.4x
WuXi AppTec	China	NM	NM	NM	NM	NM

<sup>1</sup> NM - Not Meaningful

# PUBLIC MARKETS<sup>1</sup>

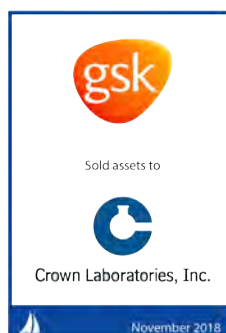
Mean	5,116	9.8x	7.3x	27.6x	25.4x
Median	6,014	3.4x	2.7x	20.5x	13.2x

<sup>1</sup> 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. Ten of our recent deals are highlighted below.



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