

# Industry **BlueBook**

## **Pharma Services: Development**

February 2019

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

# EXCEEDING INDUSTRY BENCHMARKS

Crosstree serves as a trusted advisor to founders, investors and operators of leading Health Sciences companies.

Our commitment to your industry enables us to provide unique, expert advice to clients contemplating mergers & acquisitions, recapitalizations or growth financings.

## RECENT DEALS



[www.crosstreecapital.com](http://www.crosstreecapital.com)



# 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	0%	6.1x	0%	44.5x	0%	25.4x	0%
Clinical Services	3.3x	0%	2.3x	0%	15.5x	0%	12.4x	(3%)
Laboratory Services	3.4x	0%	2.7x	0%	20.5x	0%	12.4x	(6%)

## M&A DEALS / FINANCINGS

	DEAL COUNT				VOLUME (\$MM)			
	M&A	%Δ	Financings	%Δ	M&A	%Δ	Financings	%Δ
Technology & Information Systems	2	NM	2	NM	0	0%	107	NM
Clinical Services	4	(20%)	0	0%	0	NM	0	0%
Laboratory Services	6	20%	1	NM	567	NM	15	NM

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

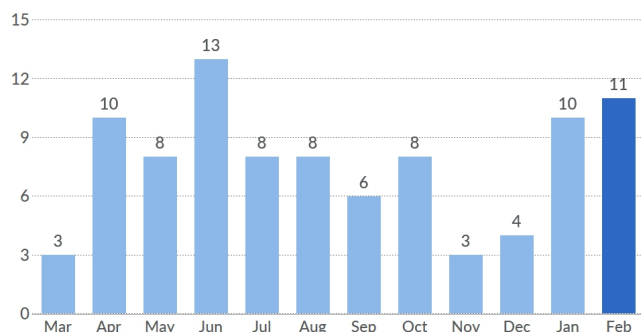
<sup>2</sup> Deals counted once in total if included in multiple segments

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

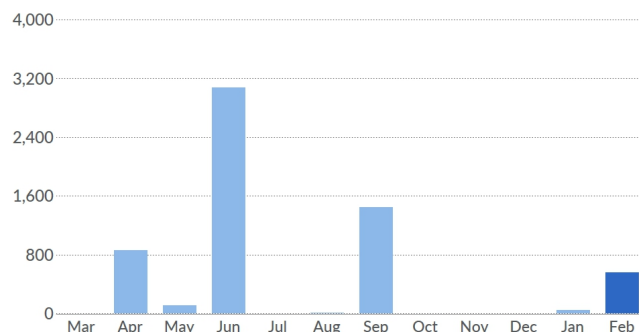
<sup>4</sup> % Δ - percent change month over month

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

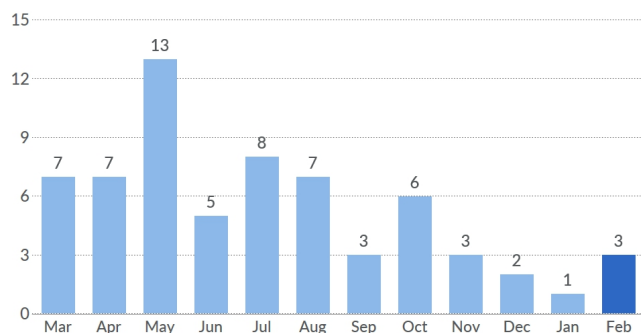
12 MONTH DEAL COUNT M&A



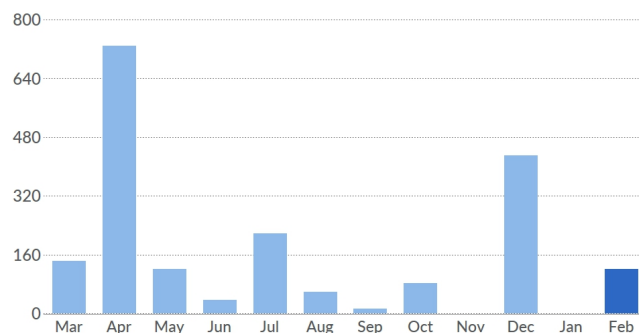
12 MONTH VOLUME M&A (\$MM)



12 MONTH DEAL COUNT FINANCINGS



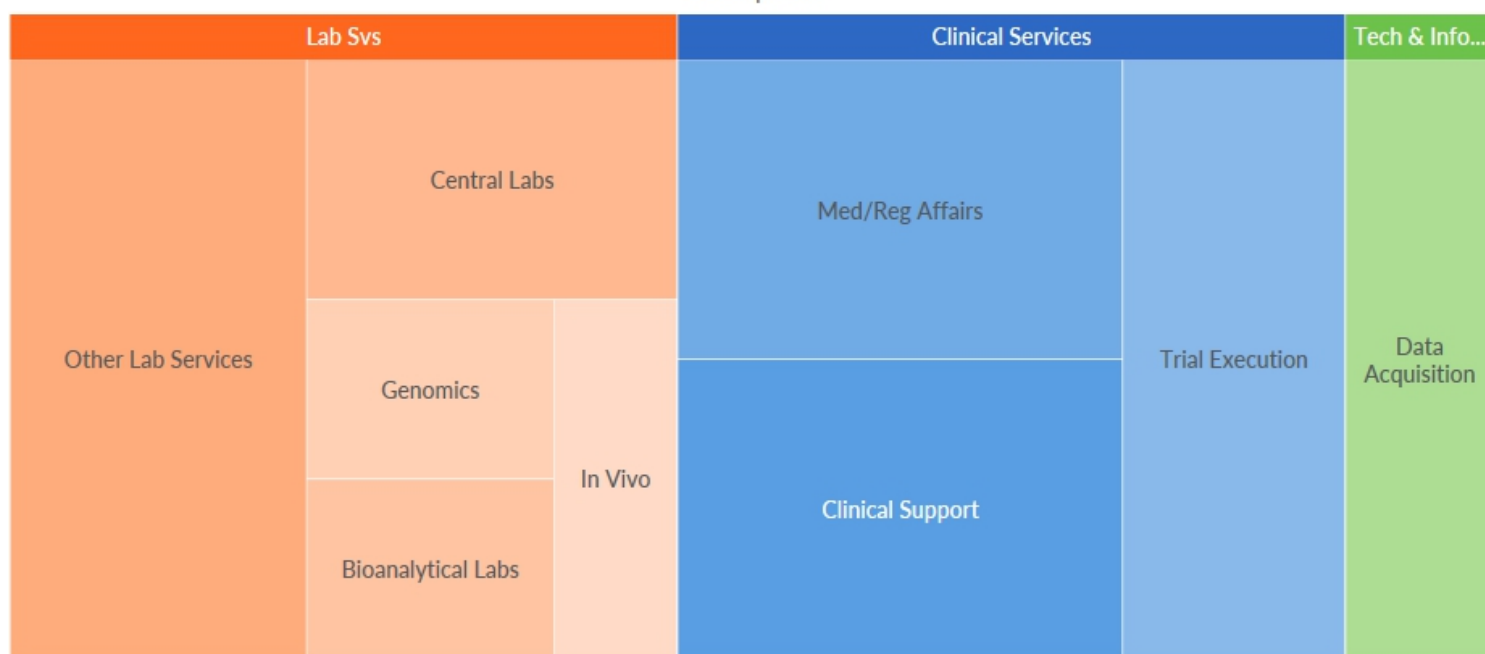
12 MONTH VOLUME FINANCINGS (\$MM)



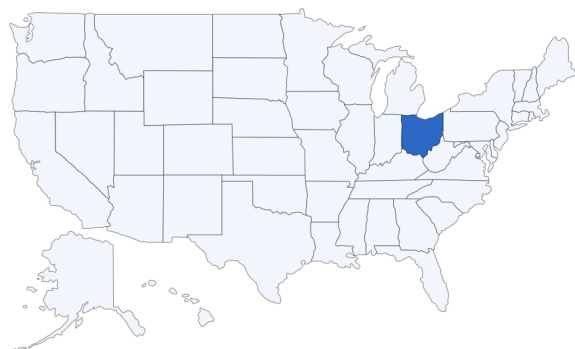
# M&A ACTIVITY

## DEALS BY SEGMENT

### Development



### U.S. DEALS BY STATE



### WORLDWIDE DEALS BY COUNTRY



## SELECTED TRANSACTIONS

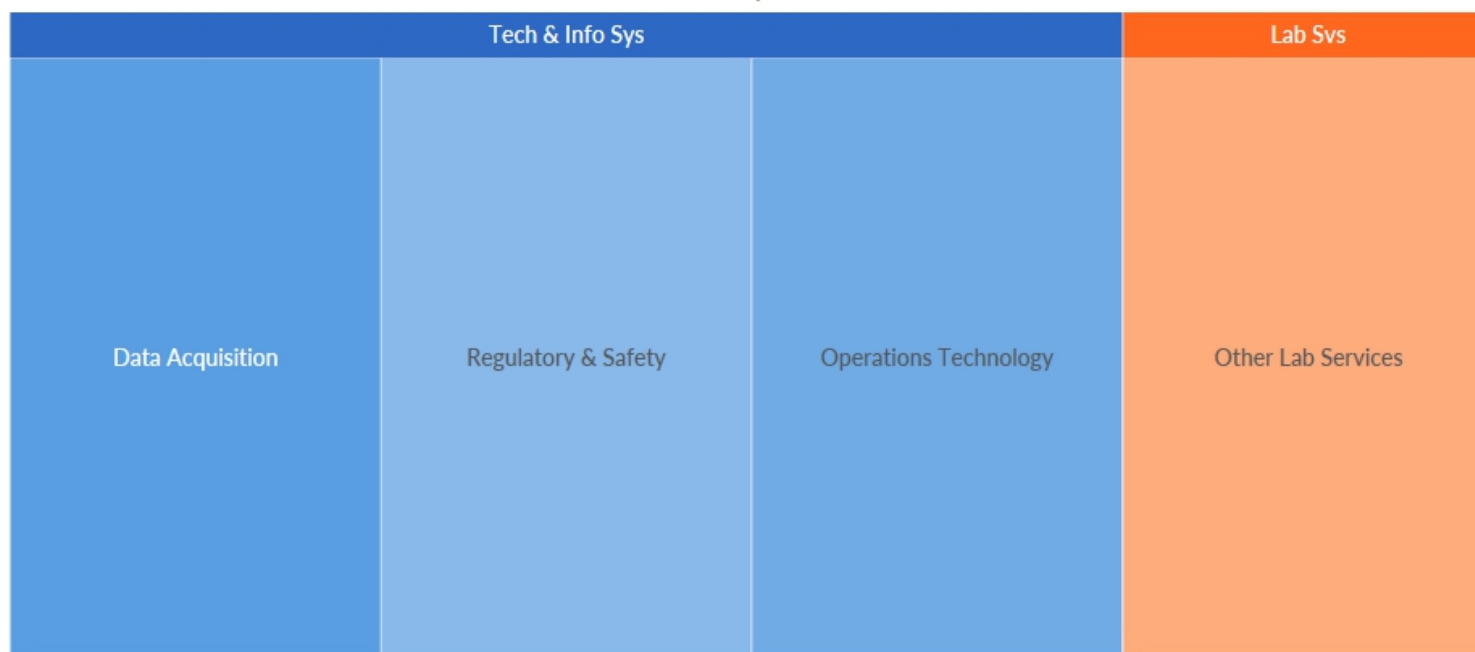
Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Buyers	Size (\$mm)
2/22/2019	Clinical Services	Trial Execution	Bell24 Cell Products	Japan	Site Support Institute Co., Ltd.	-
2/21/2019	Laboratory Services	Central Labs Genomics	MolecularMD Corp.	United States	ICON plc.	-
2/18/2019	Laboratory Services	Other Lab Services	Chemical Analysis Pty Ltd	Australia	Undisclosed	8.9
2/13/2019	Laboratory Services	In Vivo Other Lab Services	Citoxlab	France	Charles River Laboratories International (NYS: CRL)	522.0
2/13/2019	Laboratory Services	Other Lab Services	Sofia Bio	Bulgaria	Water Street Healthcare Partners, Discovery Life Sciences	-
2/12/2019	Technology & Information Systems	Data Acquisition	Linguamatics	United States	IQVIA	-

Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Buyers	Size (\$mm)
2/11/2019	Technology & Information Systems	Data Acquisition	DataEmerge	United States	Silversmith Capital Partners	-
2/7/2019	Laboratory Services	Other Lab Services	Bioscreen Testing Services, Inc./MARRS International	United States	ALS Limited (ASX:ALQ)	36.2
2/7/2019	Clinical Services	Clinical Support Medical & Regulatory Affairs	Denothex AG	Switzerland	OPTIMAPHARM d.d	-
2/4/2019	Clinical Services Laboratory Services	Trial Execution Clinical Support Medical & Regulatory Affairs Bioanalytical Labs Central Labs	Simbec Orion Group (Slough)	United Kingdom	CBPE Capital	-
2/4/2019	Clinical Services	Trial Execution Clinical Support Medical & Regulatory Affairs	AC Medical	Japan	EPS Holdings, Inc. (TSE:4282)	-

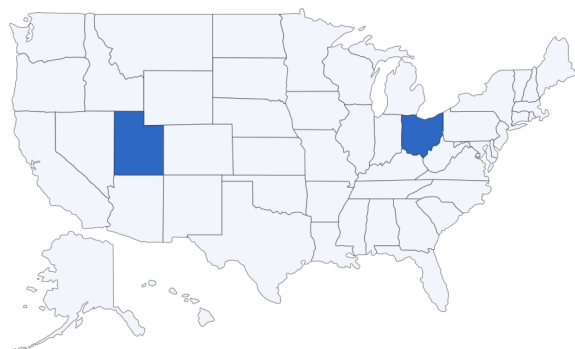
# FINANCINGS

## DEALS BY SEGMENT

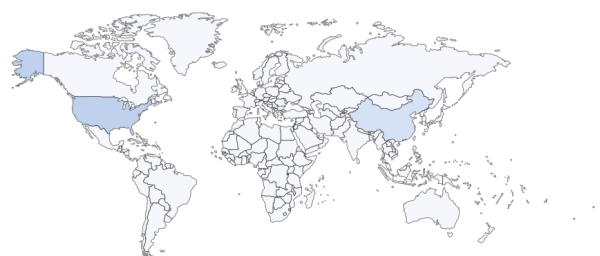
### Development



### U.S. DEALS BY STATE



### WORLDWIDE DEALS BY COUNTRY



## SELECTED TRANSACTIONS

Announced Date	Segment	Sub-Segment	Target Company	Geography	Selected Investors	Size (\$mm)
2/14/2019	Laboratory Services	Other Lab Services	Beiheng	China	Decheng Capital	14.6
2/13/2019	Technology & Information Systems	Regulatory & Safety Operations Technology	Complion	United States	JumpStart, Ohio Innovation Fund, Beringea, Ohio Tech Angels	7.0
2/7/2019	Technology & Information Systems	Data Acquisition	Health Catalyst	United States	Norwest Venture Partners, OrbiMed, Sequoia Capital, Sands Capital Ventures, Kaiser Permanente Ventures, UPMC Enterprises	100.0

# 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	30,104	3.2x	2.9x	20.2x	13.6x
Medidata Solutions	United States	3,858	7.3x	6.1x	44.5x	25.4x
Veeva Systems	United States	8,172	12.5x	9.5x	49.2x	26.1x
Mean		14,045	7.6x	6.1x	37.9x	21.7x
Median		8,172	7.3x	6.1x	44.5x	25.4x

## 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	30,104	3.2x	2.9x	20.2x	13.6x
Linical Company	Japan	303	3.9x	3.7x	17.1x	17.3x
Medpace	United States	1,462	3.4x	2.1x	14.4x	10.7x
PRA Health Sciences	United States	6,933	3.3x	2.4x	29.0x	15.1x
Shin Nippon Biomedical Laboratories	Japan	360	2.3x	NM	15.9x	NM
Syneos Health	United States	6,755	3.4x	1.5x	69.2x	11.4x
WuXi AppTec	China	NM	NM	NM	NM	NM
Mean		5,940	2.8x	2.2x	21.3x	12.4x
Median		3,721	3.3x	2.3x	15.5x	12.4x

## 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	12,380	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	1,462	3.4x	2.1x	14.4x	10.7x
PRA Health Sciences	United States	6,933	3.3x	2.4x	29.0x	15.1x
Quanterix	United States	561	24.4x	15.6x	NM	NM
Shin Nippon Biomedical Laboratories	Japan	360	2.3x	NM	15.9x	NM
Syneos Health	United States	6,755	3.4x	1.5x	69.2x	11.4x
WuXi AppTec	China	NM	NM	NM	NM	NM

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

# PUBLIC MARKETS<sup>1</sup>

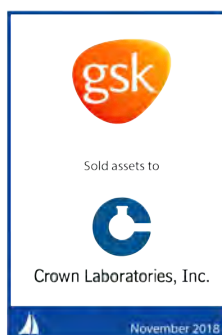
Mean	5,112	9.8x	7.4x	27.6x	13.4x
Median	6,014	3.4x	2.7x	20.5x	12.4x

<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.



## Contact Us

Shane Senior, CFA  
Head of Pharma Services  
813-774-4755  
shane.senior@crosstreecapital.com  
www.crosstreecapital.com

Stephen Tackney  
Vice President  
813-774-4260  
stephen.tackney@crosstreecapital.com  
www.crosstreecapital.com

Marc Costello  
Analyst  
813-774-4754  
marc.costello@crosstreecapital.com  
www.crosstreecapital.com

## Locations

Tampa (Headquarters)  
2701 North Rocky Point Dr  
Tampa, FL  
33607

New York  
420 Lexington Ave  
New York, NY  
10170