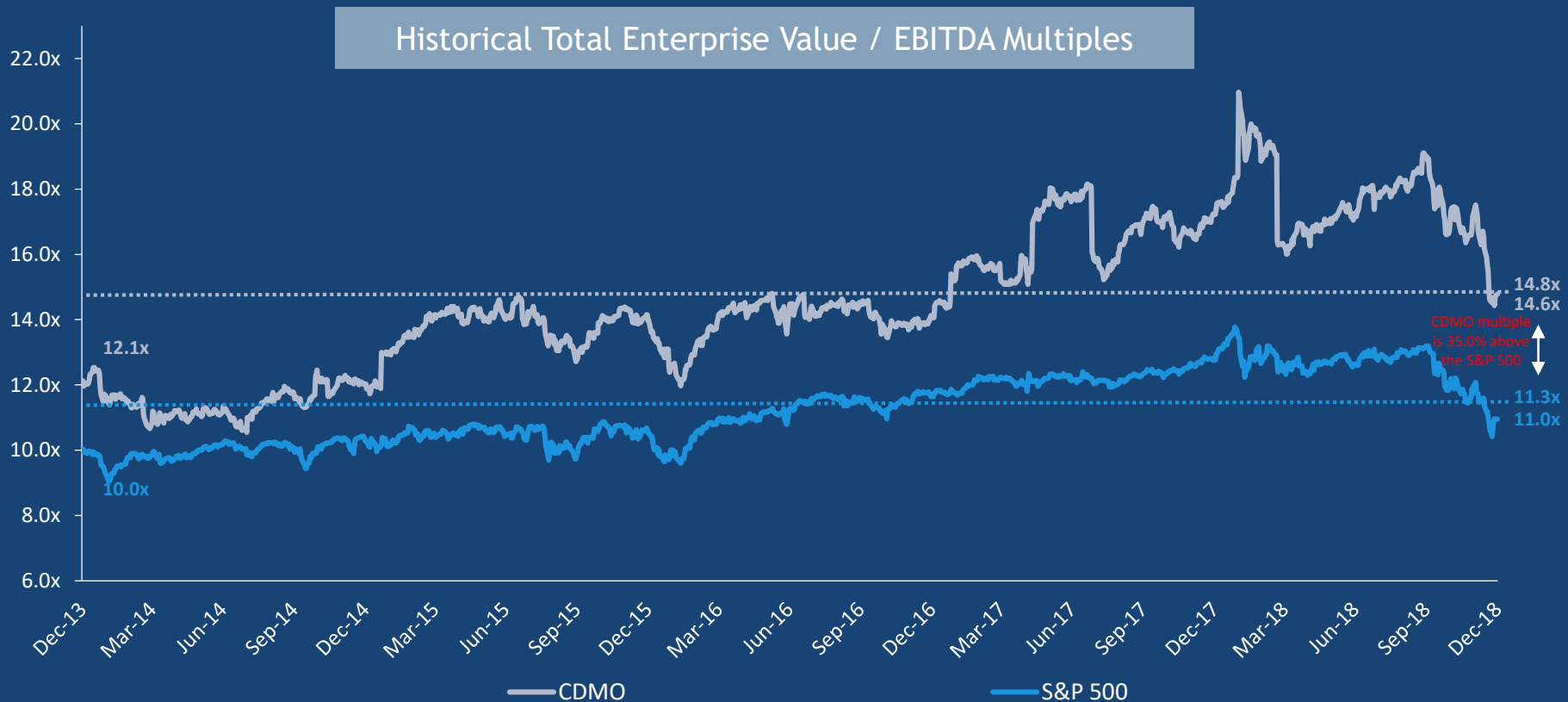




MARKET INSIGHT

## CDMO & CRO Industry: Valuation History

# CDMO - Valuation Trends (Last 5 Years)

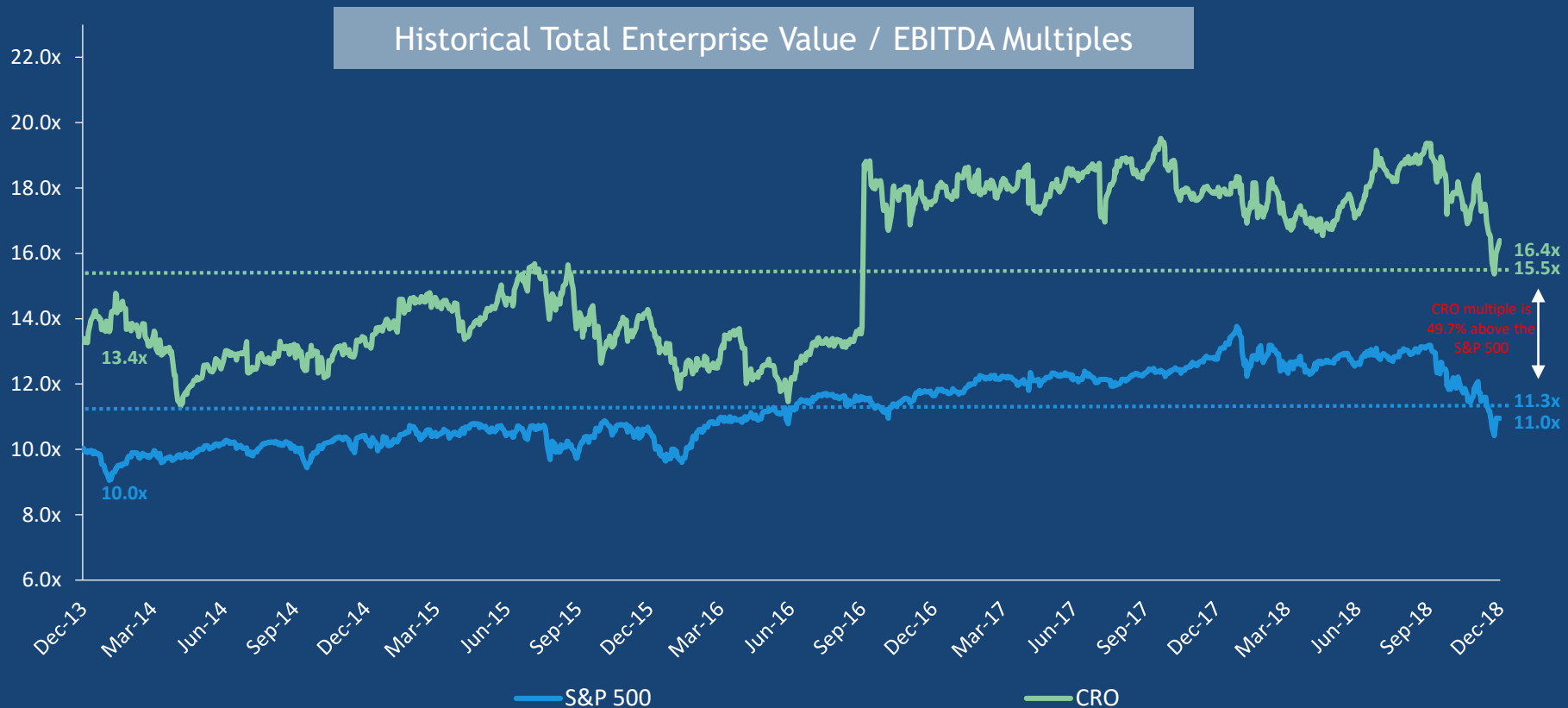


- The *current* TEV / EBITDA multiples for the CDMO sector and the S&P 500 are 14.8x and 11.0x, respectively.
  - The CDMO sector is 35.0% higher than the current S&P multiple
- The *current* CDMO multiple of 14.8x is 1.1% greater than the *average* CDMO multiple over the last 5 years of 14.6x
- In the last 5 years the CDMO multiple has increased by 21.8%

1) CDMO basket consists of the following: Bachem (SWX:BANB), Balchem (NasdaqGS:BCPC), Cambrex (NYSE:CBM), Catalent (NYSE:CTLT), Jubilant (BSE:530019), Lonza (SWX:LONN), Recipharm AB (OM:RECI B), Siegfried (SWX:SFZN), and West Pharmaceuticals (NYSE:WST)

2) Source: CapIQ as of December 31, 2018

# CRO - Valuation Trends (Last 5 Years)



- The *current* TEV / EBITDA multiples for the CRO sector and the S&P 500 are 16.4x and 11.0x, respectively.
  - The CRO sector is 49.7% higher than the current S&P multiple
- The *current* CRO multiple of 16.4x is 6.1% greater than the *average* CRO multiple over the last 5 years of 15.5x
- In the last 5 years the CRO multiple has increased by 22.4%

1) CRO basket consists of the following: Charles River (NYSE:CRL), ICON (NasdaqGS:ICLR), IQVIA (NYSE:IQV), Medpace (NasdaqGS:MEDP), PRA Health Sciences (NasdaqGS:PRAH), Syneos Health, Inc. (NasdaqGS:SYNH)

2) Source: CapIQ as of December 31, 2018