

## DEAL PROFILE

CATALENT | PARAGON BIOSERVICES

## VALUES

\$1.2bn

11.9x

NA

TRANSACTION VALUE

2018 REVENUE MULTIPLE

LTM EBITDA MULTIPLE


**CATALENT, INC. (NYSE: CTLT)**

Catalent, Inc. ("Catalent") is a drug development, delivery, and supply partner. The company has four segments: Softgel Technologies, Oral Drug Delivery, Biologics and Specialty Drug Delivery, and Clinical Supply Services. Catalent serves pharmaceutical, biotechnology, and consumer health companies, as well as the animal health, medical device, and cosmetics industries. The company is headquartered in Somerset, New Jersey and was founded in 2007.

TEV: \$7.71bn

LTM EBITDA: \$519mm

LTM Revenue: \$2.49bn


**PARAGON BIOSERVICES, INC.**

Paragon Bioservices, Inc. ("Paragon Bioservices") is a contract development and manufacturing organization (CDMO) that develops and manufactures biopharmaceuticals. The company's customers includes global pharmaceutical companies, biotechnology companies, NGOs, and government agencies. The company was founded in 1990 in Baltimore, Maryland.

TEV: NA

LTM EBITDA: NA

2018 Revenue: \$101mm

## BOURNE PARTNERS MARKET RESEARCH

Bourne Partners provides strategic and financial advisory services to clients throughout the business evolution life cycle. In order to provide the highest level of service, we routinely analyze relevant industry trends and transactions. These materials are available to our clients and partners and provide detailed insight into the pharma, pharma services, OTC, consumer health, and biotechnology sectors.

## OVERVIEW

On April 15, 2019, Catalent announced that it had entered into a definitive agreement to acquire Paragon Bioservices from Camden Partners Holdings, LLC, NewSpring Capital, and others for \$1.2 billion in cash. This year, Paragon is expected to have revenue of \$200 million or more. Paragon's entire organization will remain under the leadership of Pete Buzy, with the management team and approximately 380 employees joining the Catalent team.

## HIGHLIGHTS

Paragon has an 80,000ft<sup>2</sup> facility in Baltimore City and a 150,000ft<sup>2</sup> facility in Maryland's Anne Arundel County. The strategic investment is set to expand Catalent's extensive expertise and capabilities in protein development, manufacturing and supply with Paragon's comprehensive development, manufacturing and analytical testing for gene therapies and next generation vaccines. When discussing the deal, Catalent CEO, John Chiminski, stated "We've been looking at the gene therapy space for almost two years now; it's been a huge strategic part of our plans going forward." The transaction is expected to close in the second quarter of 2019.