

**DEAL PROFILE**

ICON | PRA Health Sciences

**VALUES**

~\$12bn

\$80.0

0.4125

**Transaction Value**

**Cash per Share of PRAH**

**Stock per Share of PRAH**

**ICON plc (NASDAQ: ICLR)**



ICON plc is a global provider of outsourced drug and device development and commercialization services to pharmaceutical, biotechnology, medical device and government and public health organizations. The company specializes in the strategic development, management and analysis of programs that support clinical development - from compound selection to Phase I-IV clinical studies. Headquartered in Dublin, Ireland, ICON employs approximately 16,000 employees in 93 locations in 41 countries as of December 31, 2020.

**PRA Health Sciences, Inc. (NASDAQ: PRAH)**



PRA is a world leading global CRO by revenue, providing outsourced clinical development and data solution services to the biotechnology and pharmaceutical industries. PRA's global clinical development platform includes more than 75 offices across North America, Europe, Asia, Latin America, Africa, Australia and the Middle East and approximately 19,000 employees worldwide. Since 2000, PRA has participated in approximately 4,000 clinical trials worldwide. In addition, PRA has participated in the pivotal or supportive trials that led to the FDA's regulatory approval of more than 95 drugs.

**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**

ICON has entered into a definitive agreement to purchase PRA for approximately \$12bn using a combination of cash and stock consideration with an anticipated Q3 2021 close. In exchange for each share of PRA stock, shareholders will receive \$80 in cash and 0.4125 shares of ICON stock, a ~30% premium to the PRA closing share price<sup>1</sup>. PRA shareholders will own ~34% of the combined business upon transaction close. The transaction is highly accretive with double-digit first year accretion and +20% accretion thereafter.

**HIGHLIGHTS**

The acquisition of PRA by ICON brings together two global leaders in the outsourced research and development sector. The firms share similar cultures and both have emphasized high quality and efficient clinical trial execution from Phase 1 to post-approval studies. Customers are expected to benefit from broader service offerings, an increased geographic footprint, and growing technology and talent capabilities. Specifically, PRA's mobile and connected health platforms when partnered with ICON's Accellacare site network, home health services, and wearables expertise are expected to deliver differentiated decentralized and hybrid trial solutions to meet evolving customer needs. The expected accretion from this merger is driven by growth momentum, estimated annual run-rate cost synergies of \$150mm, and the combined effective tax rate decreasing to 14%, both of which are expected to be fully realized in approximately 4 years.

<sup>1</sup>As of February 23<sup>rd</sup>, 2021  
Source(s): S&P CapitalIQ; Businesswire