

DEAL PROFILE Charles River Laboratories | Explora BioLabs

**Charles River Laboratories International, Inc. (NYSE: CRL)**

Based in Wilmington, MA, Charles River Laboratories is a leading provider of drug discovery and development services for pharmaceutical and biotechnology companies, government agencies, and academic institutions around the globe.

TEV: \$16.9B

LTM Revenue: \$3.5B

LTM EBITDA: \$900.0M

**Explora BioLabs Holdings, Inc.**

Based in San Diego, CA, Explora BioLabs is a leading provider of contract vivarium operation services, providing biopharmaceutical clients with turnkey *in vivo* vivarium facilities, management, and related services across 15 facilities in the United States.

TEV: \$295.0M

LTM Revenue: \$38.0M¹

of Employees: 100

VALUES

\$295.0M

Implied Enterprise Value

7.8x

LTM Revenue Multiple¹

25+

Facilities Expected
by Year-End

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 6, 2022, Charles River Laboratories International, Inc. (NYSE: CRL) announced that it had acquired Explora BioLabs Holdings, Inc., a premier provider of contract vivarium research services. The all-cash acquisition values Explora BioLabs at ~\$295 million and is expected to complement and expand the Charles River Accelerator and Development Lab (CRADL™) operation which is a part of Charles River's Insourcing Solutions business. The combined operation is expected to have over 25 vivarium facilities by the end of 2020 consisting of over 300k sq. ft. of space in the United States and internationally. James C. Foster, Chairman, President and Chief Executive Officer of Charles River Laboratories, commented, "With its presence in West Coast biohubs, the acquisition of Explora BioLabs complements our existing CRADL™ footprint and offers incremental opportunities to partner with an emerging, high-growth client base, many of which are engaged in cell and gene therapy development."

HIGHLIGHTS

The deal, which is not expected to have a material impact on Charles River's GAAP or non-GAAP earnings per share in 2022, further establishes Charles River's position as a leading, full-service provider of contract research services for the life sciences industry. Further, this acquisition is Charles River's first for the year, suggesting a continued trend in the company's growth strategy of acquiring additional capacity and capabilities.