

Executive Summary

Delancey Street Partners is pleased to present our Outsourced Pharmaceutical Services Sector Review for the year ended 2021. In 2021, the industry continued to attract strong interest from investors, resulting in a high level of M&A activity and robust public stock performance. Two large publicly traded CROs were acquired (PRA Health Sciences was acquired by ICON and PPD was acquired by Thermo Fisher). In addition, UDG Healthcare (public commercialization company) was taken private by Clayton, Dubilier & Rice. Other public companies utilized M&A to continue to fill in gaps in their portfolio of capabilities. A number of privately-held companies across clinical and commercialization services attracted institutional capital from private equity for the first time, while an increasing number of financial sponsors backed a broad array of existing platforms and aggressively pursued bolt-on acquisitions to enhance capabilities.



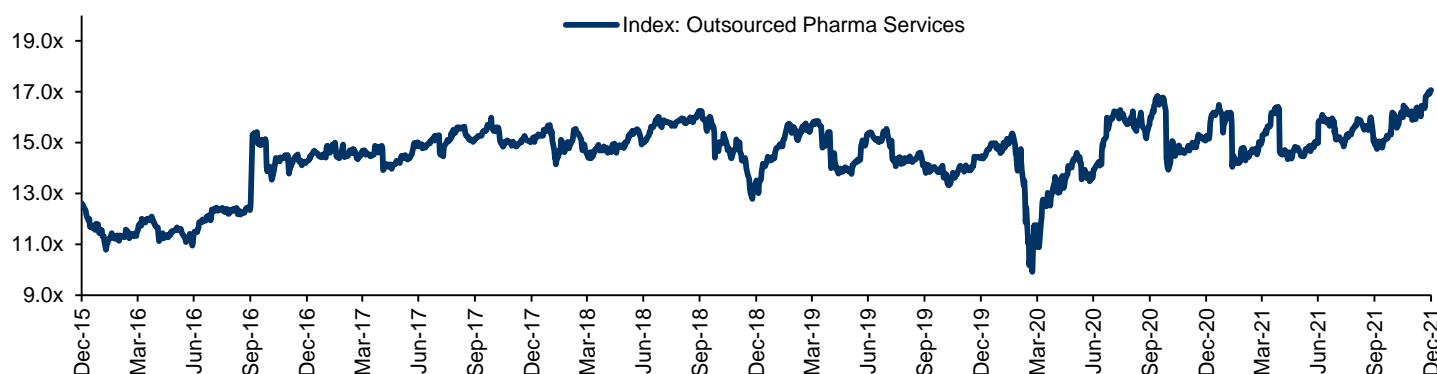
Topics of Discussion

- Review of public company stock performance
- Notable M&A activity
- DSP Spotlight Trend: Growing Number of Small Pharma & Biotechs Remaining Independent to Launch Products Creates Demand for Complete Commercialization Providers

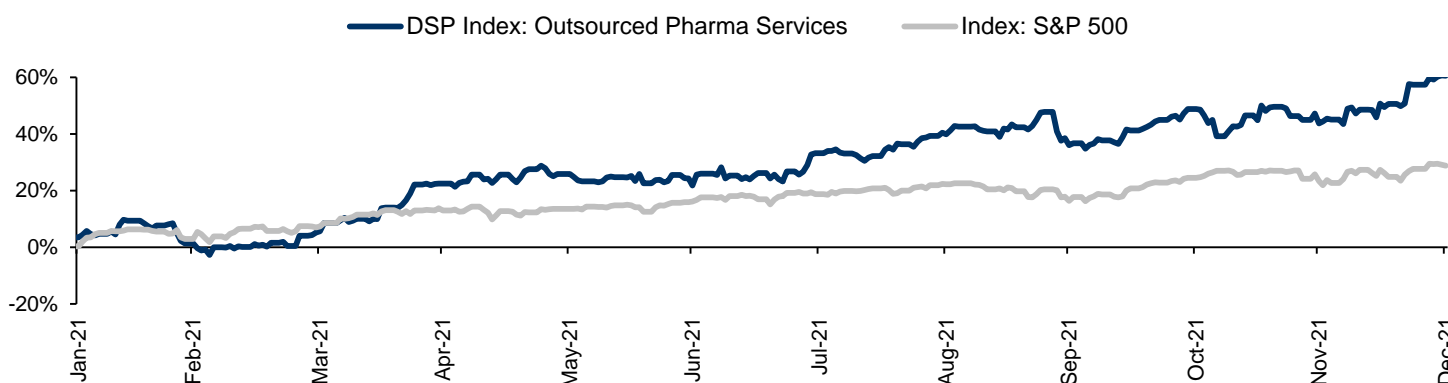
Review of Public Company Stock Performance

Outsourced Pharmaceutical Services stocks posted strong gains in 2021 with an average annual return of 55%, outperforming the S&P which returned 28%. Primary factors driving the performance of the sector included: (i) robust pharma and biotech funding; (ii) a record-high pipeline of late-stage molecules; and (iii) a growing number of clinical trials.

5-Year EV / LTM EBITDA Multiple ⁽¹⁾ ⁽²⁾



DSP Outsourced Pharmaceutical Services Index ⁽¹⁾



Comparable Company Analysis: Outsourced Pharmaceutical Services ⁽¹⁾

COMPANY	STOCK PERFORMANCE AND COMPANY DATA					MARGINS		VALUATION DATA		
	Price 12/31/2021	30 Day % Change	YTD % Change	Market Value (\$mm)	Enterprise Value (\$mm)	Gross Profit % Margin	EBITDA 2021 % Margin	EV / Rev 2021	EV / EBITDA 2021	P / E 2021
Company										
Charles River Laboratories International, Inc.	376.78	3.0%	50.8%	19,014.0	22,009.16	37.6%	28.4%	6.2x	21.9x	36.7x
ICON Public Limited Company	309.70	14.5%	58.8%	25,208.9	30,379.35	27.5%	16.7%	4.1x	24.3x	32.1x
IQVIA Holdings Inc.	282.14	8.9%	57.5%	53,899.9	64,858.88	33.5%	21.8%	4.7x	21.5x	31.7x
Laboratory Corporation of America Holdings	314.21	10.1%	54.4%	30,069.9	34,371.00	34.9%	26.3%	2.1x	8.1x	11.3x
Medpace Holdings, Inc.	217.64	4.9%	56.4%	7,781.5	7,526.32	28.7%	19.5%	6.6x	33.8x	43.1x
Syneos Health, Inc.	102.68	5.7%	50.7%	10,647.1	13,735.96	23.4%	14.7%	2.6x	17.9x	23.2x
Overall Group Mean		7.9%	54.8%	24,436.9	28,813.4	30.9%	21.2%	4.4x	21.3x	29.7x
Overall Group Median		7.3%	55.4%	22,111.4	26,194.3	31.1%	20.7%	4.4x	21.7x	31.9x
Overall Group Max		14.5%	58.8%	53,899.9	64,858.9	37.6%	28.4%	6.6x	33.8x	43.1x
Overall Group Min		3.0%	50.7%	7,781.5	7,526.3	23.4%	14.7%	2.1x	8.1x	11.3x

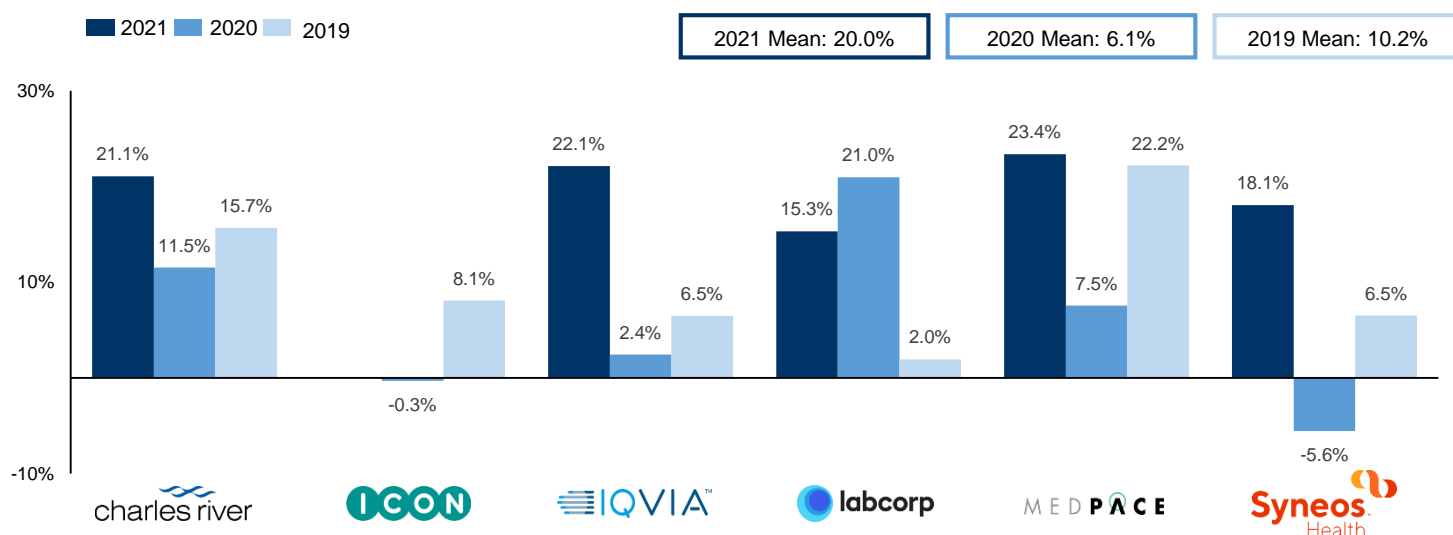
In prior Year in Review publications, DSP has grouped the Outsourced Pharmaceutical Services comparable companies into two categories (End-to-End Providers and Commercialization) to better understand the value characteristics associated with these sub-sectors. We had noted that the Commercialization comps traded at a discount to the End-to-End Providers (as of year-end 2019 Commercialization comps traded at a median LTM EBITDA multiple of 12.1x compared to a 16.1x median for End-to-End Providers). Not surprisingly, in 2020 and 2021, all three public Commercialization companies were taken private. Huntsworth plc was taken private on May 1, 2020 by Clayton, Dubilier & Rice, Cello Health was taken private on August 11, 2020 by Pharma Value Demonstration, a portfolio company of Arsenal Capital Partners, and UDG Healthcare was taken private by Clayton, Dubilier & Rice on August 16, 2021.

Additionally, two other Outsourced Pharmaceutical Services compset companies were acquired in 2021. PRA Health Sciences was acquired by ICON on July 2, 2021 and PPD was acquired by Thermo Fisher on December 8, 2021. For the purposes of this year's report, these companies have been removed from the Outsourced Pharmaceutical Services compset.

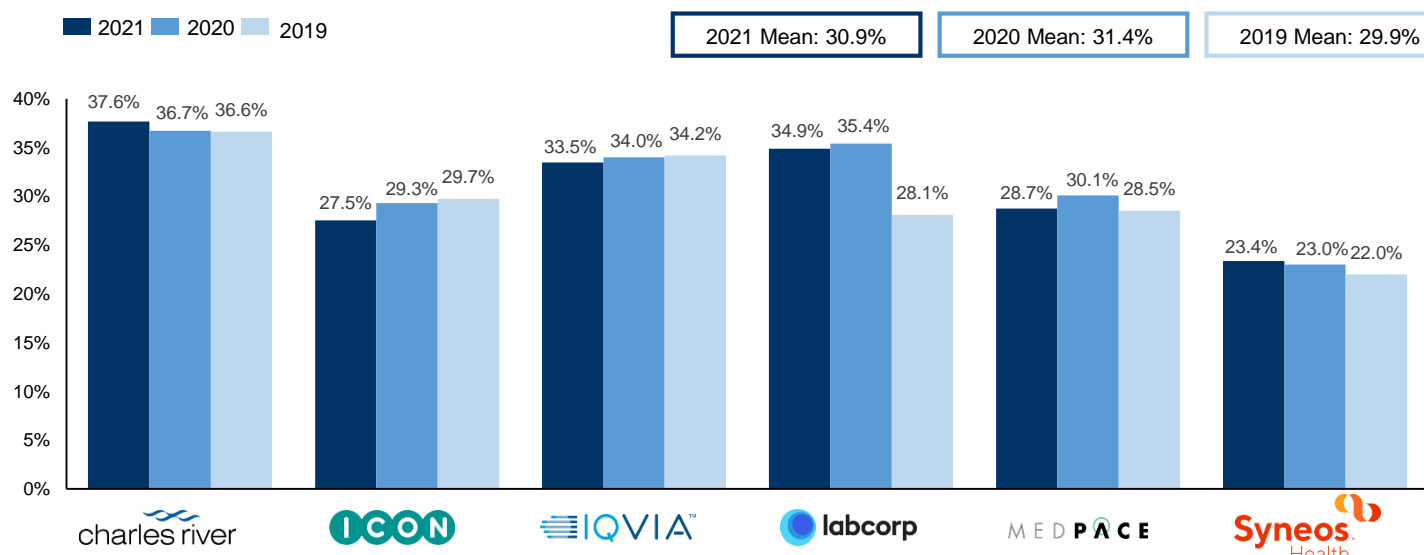
In terms of the individual stock performance of the Outsourced Pharmaceutical Services companies:

- **Charles River (NYSE: CRL)** rose 51% supported by strong bookings in its Safety Assessment segment during Q3 and Q4 and cross-selling benefits from the acquisitions of cell and gene therapy companies (Cognate Bioservices, Vigene Biosciences, and Retrogenix).
- **ICON (NAS: ICLR)** gained 59% due to strong bookings, double digit growth in RFP volumes, and a positive response to the PRA acquisition from both its clients and investors.
- **IQVIA (NYSE: IQV)** rose 58% due to growth in its Technology & Analytics Services ("TAS") and R&D segments and margin expansion realized through SG&A leverage.
- **LabCorp (NYSE: LH)** increased 54% due to strong performance across both its Diagnostics and Drug Development segments with 9% and 8% growth, respectively. In particular, management noted growing bookings and margin expansion in its Drug Development segment (formerly Covance) as well as a positive response to recent tuck-in acquisitions of Toxikon, and Omniseg. Historically, LabCorp has traded at a discount from an EV / EBITDA perspective to the rest of the Outsourced Pharma Services comps as medical diagnostics providers typically trade at a discount the outsourced pharmaceutical services companies. As of 2021, LabCorp's non-clinical Diagnostic division generated the majority of revenue for the consolidated entity (64% of 2021 revenue compared to 36% for LabCorp Drug Development). Recently, the decline in COVID-19 testing during Q4 led to a decline in revenues for LabCorp's diagnostic division, putting pressure on the company's stock price.
- **Medpace (NAS: MEDP)** rose 56% as a result of organic backlog growth from biotechnology firms and strong revenue growth due to high RFP win-rates.
- **Syneos (NAS: SYNH)** gained 51% due to several consecutive quarters of accelerating growth in its clinical and commercial segments. Growth was supported by a 19% increase in net awards, further penetration of new and existing large pharma accounts, and capture of greater wallet share via bolt-on acquisitions of tech-enabled services (RxDataScience, StudyKIK, etc.).

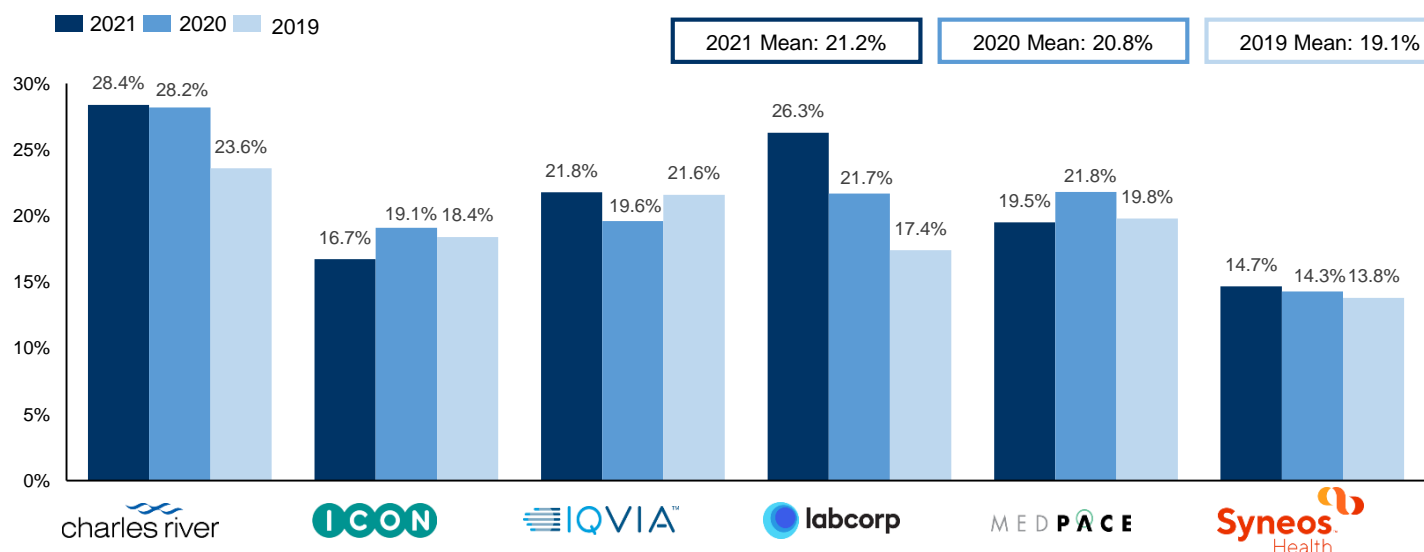
Revenue Growth of Outsourced Pharmaceutical Services Companies ^{(1) (3)}



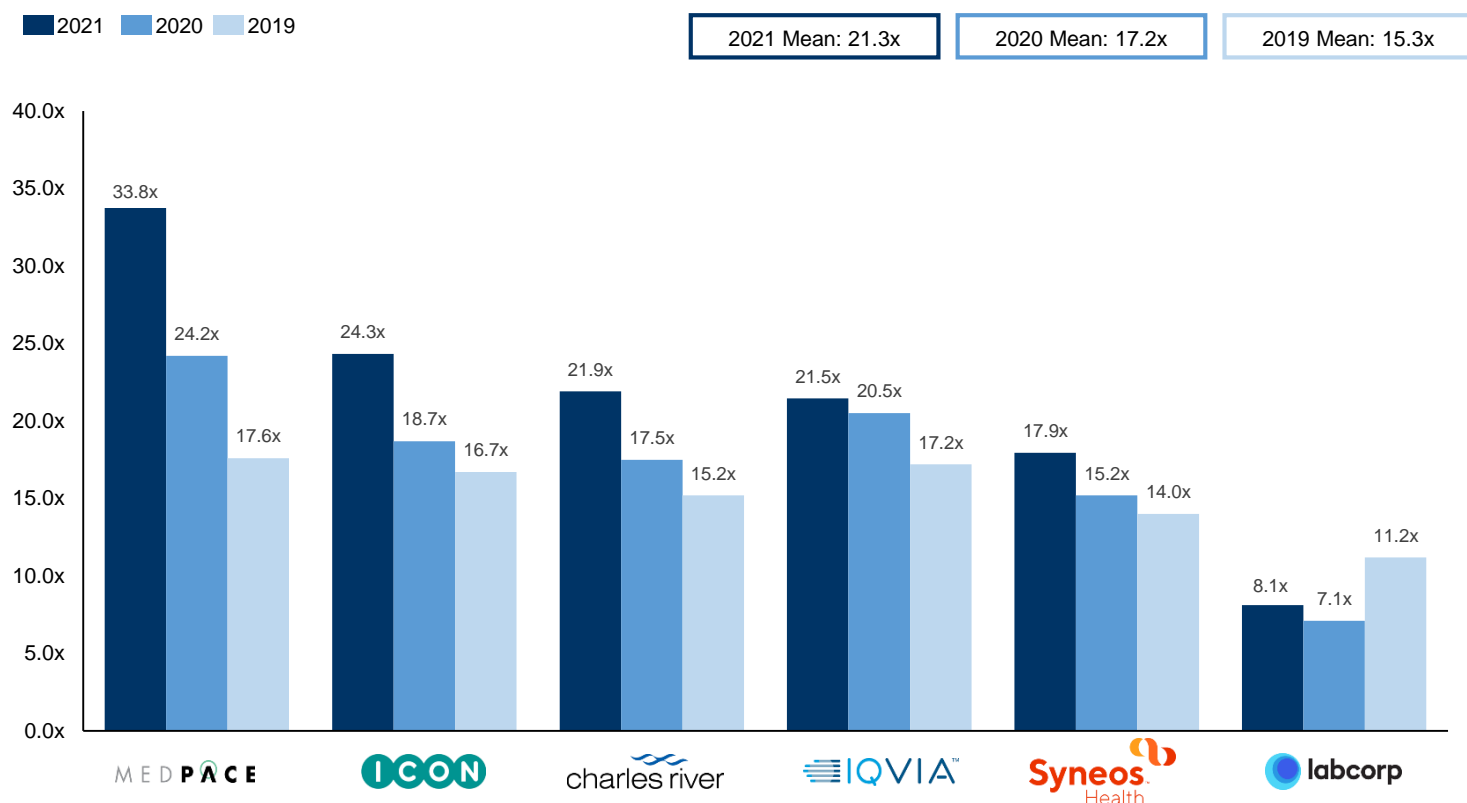
Gross Margins of Outsourced Pharmaceutical Services Companies ^{(1) (3)}



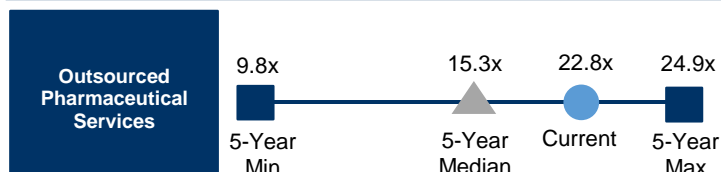
EBITDA Margins of Outsourced Pharmaceutical Services Companies ⁽¹⁾



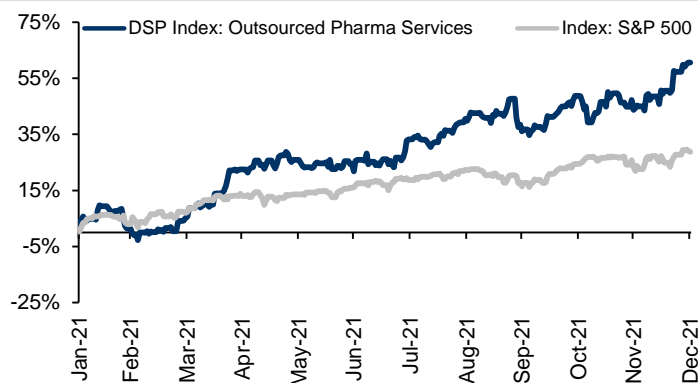
EV / EBITDA of Outsourced Pharmaceutical Services Companies ^{(1) (4)}



5-Year Trading Statistics (EV / EBITDA) ^{(1) (2) (4)}



DSP Outsourced Pharmaceutical Services Index ⁽¹⁾



OUTSOURCED PHARMACEUTICAL SERVICES SECTOR REVIEW

Chart 1: Drug R&D Spend by the Top 500 Pharma and Biotech Companies (2002 – 2026E) ⁽⁵⁾

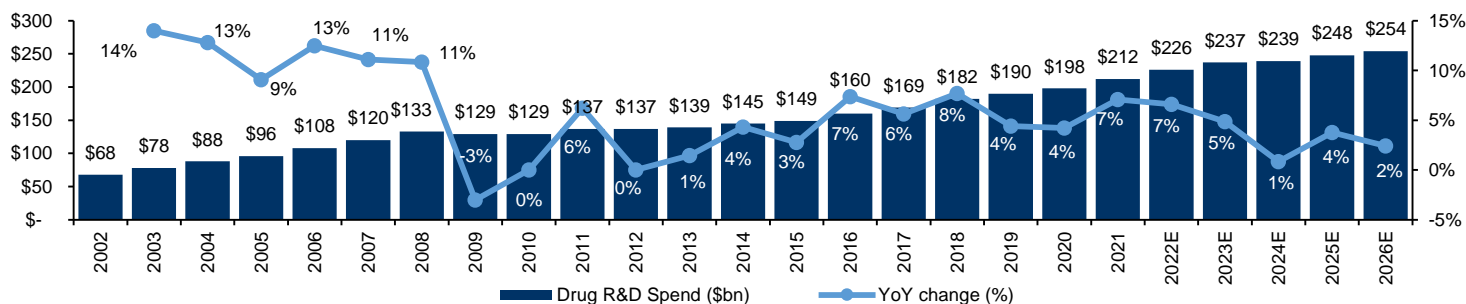


Chart 2: Biotech Drug Sales (2002 – 2026E) ⁽⁵⁾

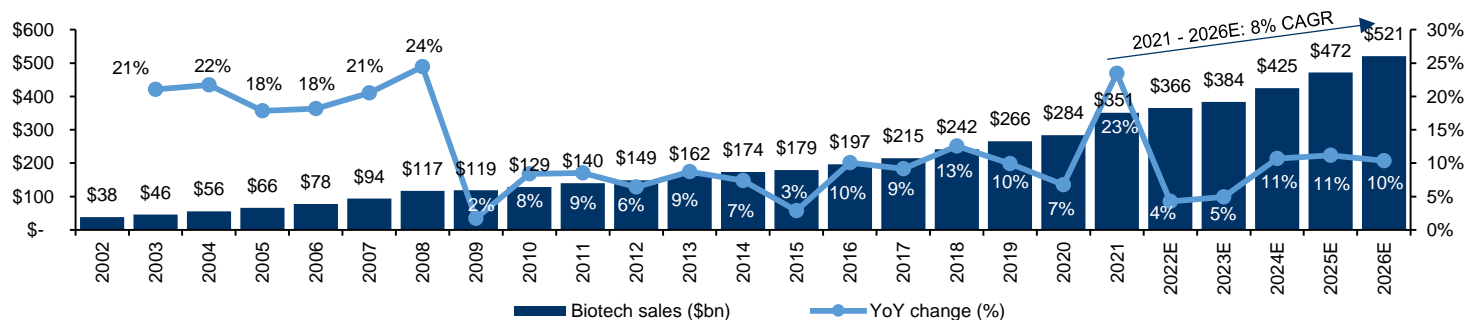


Chart 3: Pharma Companies with Active Pipelines (2001 – 2021) ⁽⁶⁾

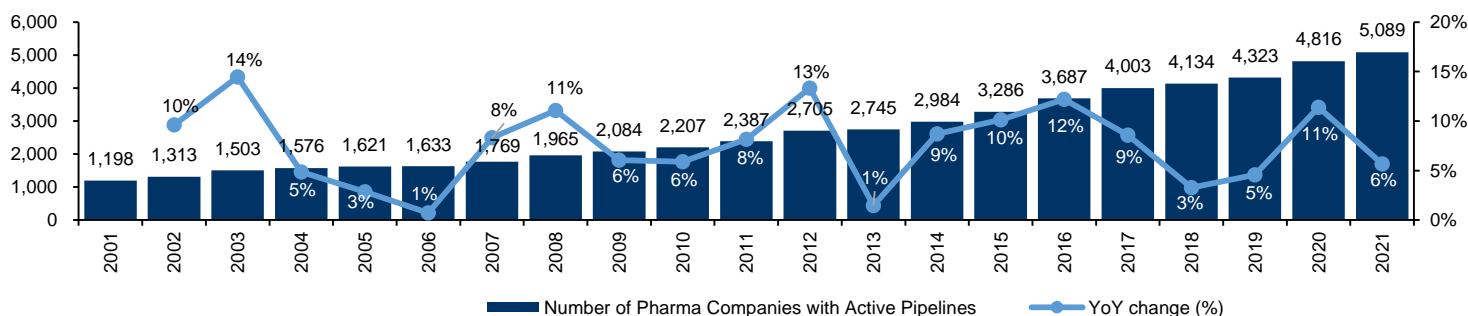


Chart 4: Drug Pipeline (2001 – 2021) ⁽⁶⁾

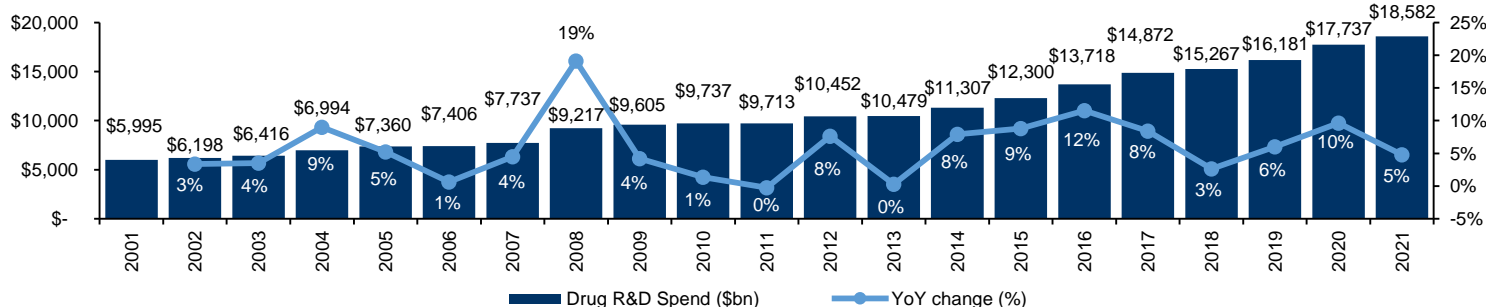
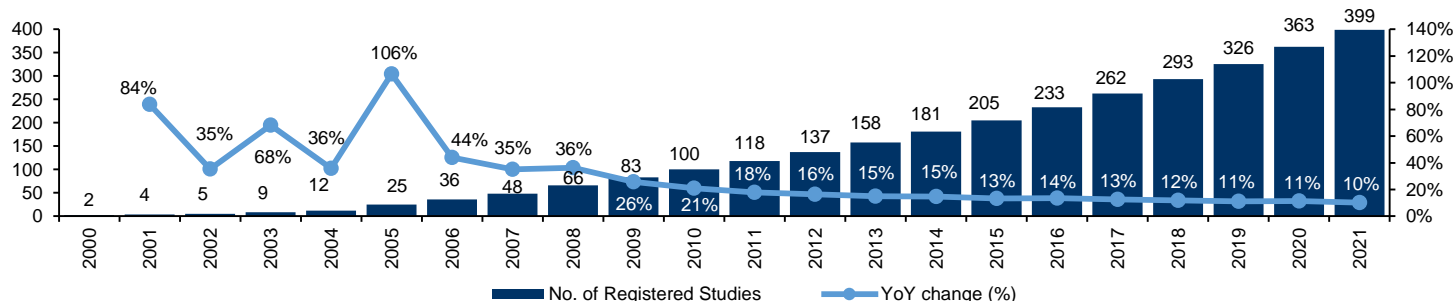


Chart 5: Number of Registered Studies (2000 – 2021) ⁽⁷⁾






Notable M&A Activity ⁽¹⁾

In the past few years, Outsourced Pharmaceutical Services companies have actively used M&A to acquire additional capabilities and specialized expertise. Multiple mega mergers and acquisitions have occurred leading to consolidation in the industry. Several noteworthy transactions included:

- 2021:** Clayton, Dubilier & Rice's acquisition of UDG Healthcare
- 2021:** EQT Private Equity and Goldman Sachs Asset Management's acquisition of Parexel
- 2021:** ICON's acquisition of PRA Health Sciences
- 2021:** Thermo Fisher's acquisition of PPD
- 2020:** Arsenal Capital Partners' acquisition of Cello Health (Pharma Value Demonstration)
- 2020:** Clayton, Dubilier & Rice's acquisition of Huntsworth
- 2017:** Merger of INC Research and inVentiv Health, forming Syneos Health
- 2017:** Pamplona take private of PAREXEL
- 2016:** Merger of Quintiles and IMS Health, forming IQVIA
- 2015:** Labcorp's acquisition of Covance






Representative transactions that were made by each of the large public and private Outsourced Pharmaceutical Services companies in 2021 are detailed below:

Company Name	# of 2021 Transactions	Description
	3	<ul style="list-style-type: none"> • Vigene Biosciences (\$350.0 million) – Provider of contract development and manufacturing viral vector-based gene delivery services and products for research and clinical applications • Retrogenix (\$51.3 million) – Developer of cell microarray technology designed for detecting ligand-receptor interactions • Cognate Bioservices (\$876.0 million) – Provider of comprehensive manufacturing solutions for cell therapies, as well as for production of plasmid DNA and other inputs in the CDMO value chain
	2	<ul style="list-style-type: none"> • MedEvoke – Provider of aligned, evidence-based product narrative development services and analytics
	1	<ul style="list-style-type: none"> • PRA Health Sciences (\$12.0 billion) – Operator of a contract research organization intended to support the pharmaceutical, biotechnology and medical device industries in the form of research services outsourced on a contract basis

Notable M&A Activity ⁽¹⁾

Company Name	# of 2021 Transactions	Description
	6	<ul style="list-style-type: none"> • DAVASO – Provider of general administration, human resource management, accounting, and procurement services • Myriad Genetics (\$198.0 million) – Provider of contract research services for the pharmaceutical industry including genetic testing and screening clinical samples, diseased and non-diseased, against a broad array of biomarkers • DMD Marketing – Provider of medical and healthcare marketing solutions to pharmaceutical and medical device companies intended to reach, report and respond to physicians and nurse practitioners • Evigraide, Health Care Research and Consulting – Provider of health care research and consulting services • Q2 Solutions (\$760.0 million) – Provider of comprehensive testing, project management, supply chain, biorepository and biospecimen and consent tracking solutions for clinical trials • Kairos – Developer of a holistic biomedical research platform designed to enable hospitals and research centers to recognize disease patterns and to counteract them with effective treatment pathways and therapies
	2 (non-diagnostic)	<ul style="list-style-type: none"> • Toxikon – Provider of preclinical contract research services to pharmaceutical, biotechnology and medical device customers • Omniseq – Operator of a molecular diagnostic laboratory that specializes in the development of drugs for the treatment of cancer
	-	<ul style="list-style-type: none"> • No identified disclosed acquisitions in 2021
 <p>Pharma Value Demonstration</p>	2	<ul style="list-style-type: none"> • Cyan Health – Provider of consulting services specializing in strategic planning, market research insight generation, customer engagement, and training and empowerment for the healthcare industry • Guidemark Health – Operator of a healthcare communications agency specializing in advertising, audience engagement, medical communications, and education services for the scientific, medical, and patient communities

Notable M&A Activity ⁽¹⁾

Company Name	# of 2021 Transactions	Description
	-	<ul style="list-style-type: none"> Acquired by EQT Private Equity and Goldman Sachs Asset Management on November 15, 2021 for \$8.5 billion
	-	<ul style="list-style-type: none"> Acquired by Thermo Fisher Scientific (NYSE: TMO) on April 15, 2021 for \$17.4 billion
	-	<ul style="list-style-type: none"> Acquired by ICON (NAS: ICLR) on July 1, 2021 for \$12.0 billion
	3	<ul style="list-style-type: none"> RxDataScience – Developer of data analytics software and consulting services for pharma companies StudyKIK (\$202.7 million) – Provider of patient recruitment and retention technology services designed to increase awareness for clinical trials Persol Pharma Partners – Provider of clinical development support services in drug development including pharmacovigilance, information management systems, and drug safety management
	2	<ul style="list-style-type: none"> Acquired by Clayton, Dubilier & Rice on August 16, 2021 for \$3.7 billion Nuvera Life Sciences (\$36.0 million) – Provider of advisory services on the strategy and execution of patient and HCP support programs for pharmaceutical companies PHMR Limited (\$43.7 million) – Provider of commercialization advisory and consulting services

Recent M&A and Strategic Commentary ⁽¹⁾



"Strategic acquisitions continue to be our preferred use of capital. We've built a very broad portfolio, principally through M&A which is a distinguishing feature of the company. We have a fair number of assets that we're looking at in the large molecule space as well as cell and gene therapy. In addition, we're looking at the research model space and lab services capabilities. We will continuously build out, enhance, and expand our portfolio to fill gaps. For example, we had no CDMO capabilities a year ago, so we filled that gap. We aim to continue to strengthen the portfolio principally through M&A." *(James Foster, Chairman, CEO and President, 2/16/22)*



"Ashfield and Huntsworth are highly complementary businesses which CD&R intends to combine to create a differentiated set of global solutions to support pharma and biotech clients across the life cycle of a drug, from development to launch and beyond patent expiry, across all therapeutic areas." *(Huntsworth Mid-Year Update, 09/21/21)*



"I think we're certainly not being hurt by the consolidation that we're putting together. We've increased our backlog since the closing of the acquisition. We've seen RFPs are up double digits over the year. We had a very good quarter, not just in terms of new business wins, but our RFP numbers coming in. So I think our customers haven't necessarily expressed to me any concerns about the industry and the consolidation going on in the industry, so I don't get too worried about that. I think we're focusing on what we're doing and we're not hearing any concerns. I think the evidence in terms of the data suggests that our customers are not concerned either." *(Steve Cutler, CEO and Director, 09/30/21)*



"We haven't been that active over the past couple of years in terms of numbers of acquisitions, but we've done more in dollars this year, largely driven by our largest ever deal. As you know, the multiple valuations in the health care technology information space are very high. The reason for that increase is because private equity is trading those assets from one private equity firm to another and bumping up the valuations. We are always going to continue to be very reasonable and conservative. If we see value that we can create, then we will certainly look at these assets." *(Ari Bousbib, Chairman, President & CEO, 2/15/22)*



"We continue to be excited about our robust M&A pipeline and expect more activity in the coming months. We pursued numerous opportunities throughout the year that have long-term and high-growth potential. We did this through tuck-in deals and strategic acquisitions, including: OmniSeq; Ovia Health; PGDx; and Myriad Autoimmune's Vectra test, which analyzes biomarkers to measure rheumatoid arthritis. The acquisitions that we've done have been targeted in the higher-growth areas within ED and central lab - or in late stage rather. Our acquisition of Ovia Health enhanced our position as an important source of information for women's health, which we support through diagnostic, genetic and specialty testing expertise as well as clinical trials. We will continue to identify opportunities to enhance Ovia Health's innovative platform that provides family planning, pregnancy and parenting support." *(Adam Schechter, President and CEO, 2/10/22)*

Recent M&A and Strategic Commentary ⁽¹⁾



"While the CRO industry has grown primarily through mergers and acquisitions, Medpace has expanded through disciplined organic growth. We have systematically added specialized medical, regulatory and operational experts, and refined and enhanced custom-built technologies and processes to best serve the needs of our clients. The result is a culture built on quality that has not been disrupted by acquisitions, and that delivers ongoing efficiencies and stability." (3/15/2021)



"We have enjoyed our partnership with Pamplona, and thank them for their leadership and support in helping to transform Parexel under their ownership. Over the past months, our ability to pivot and adapt have fostered new ways of working while developing a strong track record of quality and delivery for customers around the world. As we continue in this new era of clinical development and focus aggressively on meeting our customers' needs for innovation in such areas as real world evidence, decentralized clinical trials, biostatistics and data management — and in key regions such as Asia/Pacific where we're among the largest and longest-tenured CROs — we're excited to be partnering with EQT and Goldman Sachs. We look forward to benefitting from their strong industry experience and to further accelerating Parexel as one of the world's leading and fastest-growing CROs." (Jamie Macdonald, CEO, 6/2/2021)



"We continue to successfully execute our disciplined strategy for capital deployment, which is a combination of strategic M&A and return capital to our shareholders. In terms of M&A, we are super excited for the acquisition of PPD. As a reminder, PPD will establish Thermo Fisher as a leader in the attractive and high-growth clinical research services industry and add highly complementary services for our fastest-growing end market." (Marc Casper, Chairman, President, and CEO at Thermo Fisher, 9/27/2021)



"We are building a market-leading global company that will develop new and transformative approaches to help demonstrate the value of, and optimize access to, new medical and technological advances that will have a transformative effect on patients' lives. We look forward to working with our new colleagues and building a company that better meets the needs of life sciences companies and the patients whom we collectively serve." (Jon Williams, CEO, 11/02/21)



"When we look at M&A and this pattern of tuck-ins that we've been doing, it's about differentiation. We invest around the patient and new services that bring us new entry points into customers. We recently acquired RxDataScience, a specialist organization that helps biopharma customers solve challenging problems via advanced analytics. RxDataScience is well aligned to our lab-to-life model, offering advanced analytic solutions across the entire product development spectrum, from clinical through real-world late phase and commercial. Combined with our existing data science and analytics capabilities, RxDataScience will allow us to accelerate delivery of cutting-edge analytical solutions for customers. In addition, we are very enthusiastic about the advanced patient engagement capabilities added by the acquisition of StudyKIK. Through their global network of patient communities and advanced technology platform, StudyKIK expands our ability to accelerate site start-up as well as patient enrollment engagement, helping to improve patient retention and access." (Alistar Macdonald, CEO, 11/03/21)

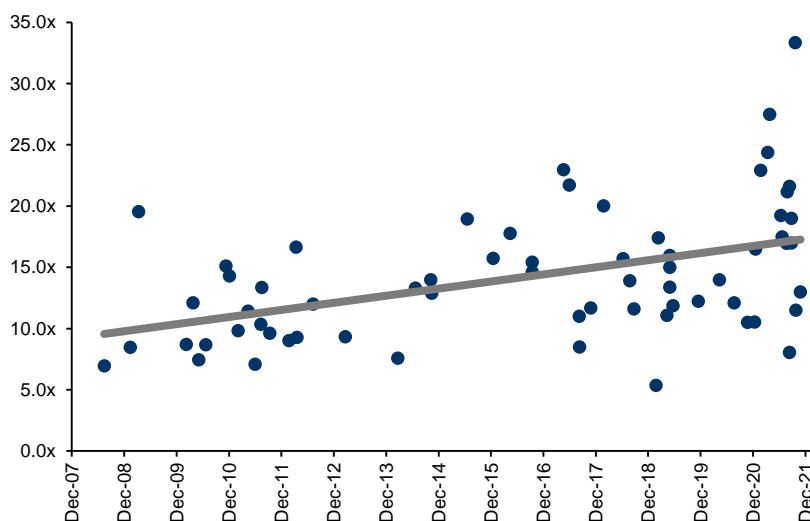


"UDG has transformed since disposing of its supply chain business in 2015, through a combination of sustained long term organic growth and strategic bolt on acquisitions, adding additional capabilities and expanding the UDG Group's geographic footprint into a leading healthcare services provider. While the UDG Board remains confident in the long term fundamentals of the Group, we believe the offer from CD&R is an attractive offer for UDG Shareholders, which secures the delivery of future value for shareholders in cash today. We believe that our people, our clients and our businesses will continue to prosper under the stewardship of CD&R." (Shane Cooke, Chairman, 5/12/21)

Outsourced Pharmaceutical Services M&A Transactions: Regression Analysis ^{(1) (13)}

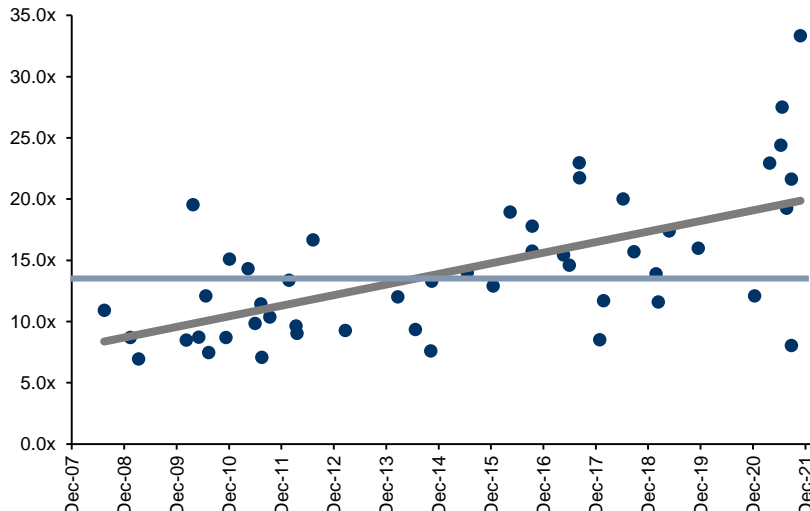
All Outsourced Pharma Services (67 Transactions)

Metric	Mean	Median
EV	\$2,087	\$360
EV / LTM Revenue	2.6x	2.2x
EV / LTM EBITDA	14.1x	13.3x
LTM Revenue	\$1,977	\$117
LTM EBITDA	\$140	\$20



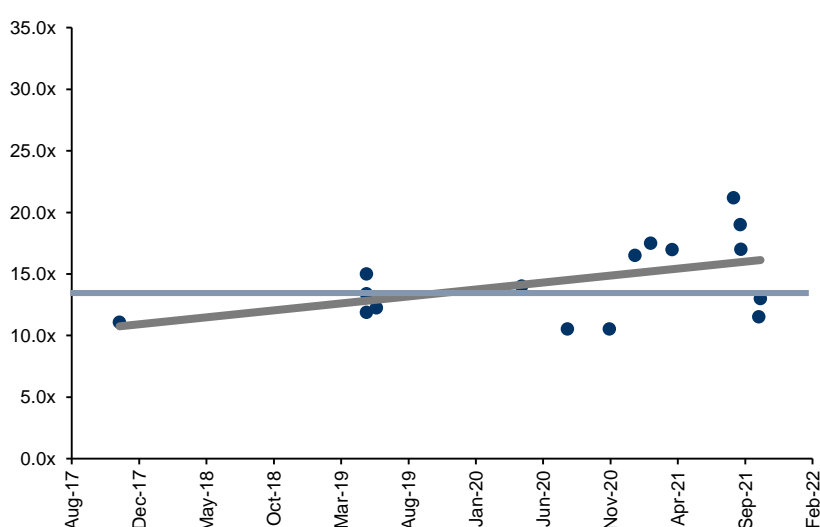
Clinical Research Services (49 Transactions)

Metric	Mean	Median
EV	\$2,626	\$381
EV / LTM Revenue	2.6x	2.1x
EV / LTM EBITDA	14.2x	13.3x
LTM Revenue	\$2,385	\$160
LTM EBITDA	\$176	\$22



Commercialization Services (18 Transactions)

Metric	Mean	Median
EV	\$538	\$259
EV / LTM Revenue	2.6x	2.5x
EV / LTM EBITDA	13.8x	13.2x
LTM Revenue	\$267	\$26
LTM EBITDA	\$39	\$20












2021 Private Equity Outsourced Pharmaceutical: New Private Equity Backed Platforms

In addition to strategic M&A activity, a number of privately-held outsourced pharmaceutical services companies attracted first-time institutional capital from private equity investors resulting in the formation of new platforms. The following are examples of companies that received private equity capital for the first time in 2021.

Financial Sponsor	Portfolio Company	Classification	Business Description
 ARES	 Lockwood	Commercialization	Operator of a scientific medical communications agency intended to help clients identify and execute holistic, effective communications strategies. The company specializes in communicating clinical and therapeutic advances to every variety of medical experts, healthcare practitioners and decision-makers.
 Baird Capital	 AZZUR GROUP	Clinical	Provider of consulting, facility solutions, engineering, validation, IT, technical, training, and laboratory services to pharmaceutical, biotechnology, medical device companies.
 BRIGHTON PARK CAPITAL  THE CARLYLE GROUP	 Indegene	Commercialization	Provider of product commercialization, enterprise marketing and customer experience services, enterprise data and analytics, commercial software, and R&D transformation solutions to the life sciences sector.
 charterhouse	 phastar	Clinical	Operator of a biometrics clinical research organization that provides statistical consulting, clinical trial reporting, data science, and data management solutions.
 DFW CAPITAL PARTNERS	 (*) Herspiegel Consulting	Commercialization	Provider of commercialization services to Fortune 100 pharmaceutical clients across a diverse array of offerings including product launch readiness, marketing, market access, medical affairs, and patient services.
 LEVINE LEIGHTMAN CAPITAL PARTNERS	 PRIME GLOBAL The Medical Communications People	Commercialization	Provider of healthcare strategy and consulting services, scientific and medical communications services, consumer health and patient services, and market access to biotech, pharma, and healthcare clients.
 LINDEN	 APTITUDE HEALTH	Commercialization	Provider of healthcare market insights and strategic services intended to help translate clinical development into commercial primarily for the oncology space. The company offers physician access, market insights through its proprietary network of over 2,200 community physicians, key opinion leaders, and market access experts.
 LVC LONGUEVUE CAPITAL	 KPS	Clinical	Provider of outsourced clinical trial services to pharmaceutical companies worldwide. The company's services include clinical monitoring, clinical oversight, clinical trial management, data management, eTMF and document management, vendor qualification and medical writing.
 H. I. G. CAPITAL	 NAVITAS LIFE SCIENCES	Clinical	Operator of a CRO intended to serve large blue-chip pharmaceutical and biotech clients across North America, Asia Pacific and Latin America. The company offers clinical research services, strategic regulatory and safety consulting, and data science and supply chain analytics to support clients with drug development needs.

(*) DSP served as the exclusive financial advisor in the transaction.

2021 Private Equity Outsourced Pharmaceutical: New Private Equity Platforms (cont'd)

Financial Sponsor	Portfolio Company	Classification	Business Description
		Commercialization	Provider of healthcare marketing agency services including strategic, creative, and engagement capabilities to US pharma and biotech companies.
		Commercialization	Provider of healthcare market insights and strategic services intended to help translate clinical development into commercial primarily for the oncology space. The company offers physician access, market insights through its proprietary network of over 2,200 community physicians, key opinion leaders, and market access experts.
	B I O S C R I P T	Clinical	Provider of outsourced clinical trial services to pharmaceutical companies worldwide. The company's services include clinical monitoring, clinical oversight, clinical trial management, data management, eTMF and document management, vendor qualification and medical writing.
		Commercialization	Provider of healthcare marketing services intended for pharmaceutical and biopharmaceutical sectors. The company offers multi-channel marketing, digital design, media buying and planning, salesforce integration, analytics and printing, and other services to its pharmaceutical customers.
		Commercialization	Provider of advertising and marketing consulting services intended for the healthcare sector. The company utilizes medical insights and creative communication techniques to offer strategic promotional advertising, consulting, medical education and digitization services, enabling clients to better communicate with their existing and potential customers.







(*) DSP served as the exclusive financial advisor in the transaction.

2021 Private Equity Outsourced Pharmaceutical Services: Existing Private Equity Platforms

In addition to newly formed platforms that received first-time institutional capital, private equity firms have also invested in existing Outsourced Pharmaceutical Services platforms as they continued to grow and gain critical scale. The following are examples of private equity owned platforms that were acquired by other financial sponsors in 2021.

Prior Financial Sponsor	Current Financial Sponsor	Portfolio Company	Classification	Business Description
DFW CAPITAL PARTNERS	LINDEN ⁷	RQM+	Clinical & Commercialization	Provider of regulatory & quality consulting and engineering services focused on medical devices and diagnostics. The company provides expertise in regulatory affairs in vitro diagnostics, post-market surveillance medical devices, performance evaluation reports, and design of quality engineering & manufacturing QA management systems.
First Analysis	Goldman Sachs	4G CLINICAL	Clinical	Developer of randomization and trial supply management software designed to accelerate clinical research. The company's cloud-based platform offers services focused on facilitating assigning patients to treatment groups, managing clinical supply and dispensing medicines, and supply forecasting optimization.
GHO CAPITAL	Cinven	BioAgilytix	Clinical	Operator of a leading global contract research organization focused on supporting pharmaceutical and biotech partners in all phases of drug development. The company offers assay development, validation, sample analysis, and quality control testing.
LDC	ICG	LUCiD GROUP Transforming lives. Always.	Commercialization	Provider of strategic medical communication services to the healthcare industry. The company offers medical education, medical communication, strategic consulting, digital services, and proprietary services to its clients.
NAVIMED CAPITAL	GHO CAPITAL	Velocity CLINICAL RESEARCH	Clinical	Provider of clinical trial data and clinical research services to biopharmaceutical and contract research organizations.
RLH Equity Partners	GHO CAPITAL	CLEARVIEW Healthcare Partners	Commercialization	Operator of a global strategy advisory firm serving the life sciences sector. The company provides consulting services across a range of therapeutic areas and diseases to a variety of biopharmaceutical, medical device and diagnostic companies.
STONE GOFF	AVESI PARTNERS	Danforth Advisors Knowledge. Discipline. Perspective.	Other	Provider of financial services to the life sciences industry that includes accounting and operational finance support, capital raising, financial planning and analysis, IPO preparation, post-public SEC compliance, clinical business operations management and strategic and operational human resources.

2021 Private Equity Outsourced Pharmaceutical Services: Existing Private Equity Platforms (cont'd)

Prior Financial Sponsor	Current Financial Sponsor	Portfolio Company	Classification	Business Description
	 SUMMIT PARTNERS	 Veranex	Clinical & Commercialization	Provider of tech-enabled services dedicated to the medical technology industry. The company offers a variety of commercialization services which includes design and engineering, regulatory, clinical and market access services for medical devices, diagnostics, companion diagnostics, digital health and drug delivery.
 Riverside.	 THOMABRAVO	 greenphire	Clinical	Developer of financial lifecycle management software for clinical trials designed to optimize trial performance by streamlining payment and logistical workflows from sponsors and contract research organizations to sites and patients in more than 70 countries.
 VARIANCE DEVELOPMENT PARTNERS	 WINDROSE HEALTH INVESTORS	 VERISTAT	Clinical	Provider of clinical research services for pharmaceutical, biotechnology and medical device companies. The company offers comprehensive clinical development services, including biostatistics, statistical programming, medical writing, clinical monitoring, project management and data management, for a single study or an entire clinical program.

Select 2021 Outsourced Pharmaceutical Services M&A Transactions

In addition to the strategic M&A activity and private equity platforms highlighted previously in this report, we have included a representative sample of other notable transactions that occurred in 2021.

Date	Target	Acquirer	Date	Target	Acquirer
December 2021	 MODUS OUTCOMES	 THREAD™	August 2021	 iSAFETY™ A Propharma Group Company	 PROPHARMA GROUP®
November 2021	 HURON (Life Sciences Practice)	 OliverWyman	August 2021	FORTIS.	BIOSCRIPT
October 2021	 thoughtfulsphere	 SIGNANTHEALTH	August 2021	 bioskin®	 eurofins
October 2021	 NETRAMARK	NÜROSENE	August 2021	 Spirit	 OPEN HEALTH
October 2021	 PROTEAN®	 EVERSANA™	August 2021	 EXPERIEN GROUP	 Veranex
October 2021	 LSNE CONTRACT MANUFACTURING	 pci PHARMA SERVICES	August 2021	 clinlogix	 ArchiMed
October 2021	 IMMR	 Veranex	July 2021	 NUVISAN Pharma Services	 ALS
October 2021	 INTOUCH GROUP*	 EVERSANA™	July 2021	 breakaway partners	 komodo HEALTH
October 2021	 CBPartners	 TRINITY	July 2021	 VeraSci	 wcg™
October 2021	 PHARMICA CONSULTING	 PROPHARMA GROUP®	July 2021	 Accelera Canada	 EVERSANA™
October 2021	 MedVal Scientific Information Services, LLC	 ClinicalMind®	July 2021	 VESTNUM HEALTH	 COREVITAS™ Excellence in Evidence
October 2021	 PINNACLE²¹	 CERTARA®	July 2021	 WATERMARK Research Partners	 ADVARRA advancing better research
September 2021	 panalgo	 MMIT	July 2021	 D-W L DORA WIRTH LANGUAGES	 BIG LANGUAGE SOLUTIONS
September 2021	 clinedge	 ELLIGO HEALTH RESEARCH™	July 2021	 FCBHEALTH McCANN HEALTH	 IPG
September 2021	 VITALINK RESEARCH	 Velocity CLINICAL RESEARCH	July 2021	 conisus™ A Global Communications Alliance	 medicalknowledgegroup.
September 2021	 Evaluate	 MMIT	June 2021	 FIORE Healthcare Advisors INC	 SSI Strategy
September 2021	 EXON GROUP	 clinscience the smart cro	June 2021	 imarc WE'LL EARN YOUR APPROVAL	 AVANIA ADVANCING YOUR MEDICAL TECHNOLOGY
September 2021	 BioPharma SERVICES INC.	 thinkresearch	June 2021	 SPLICE AGENCY	 fingerpaint
August 2021	 MME®	 Indegene	June 2021	 BOSTON HEALTHCARE Now a Part of Veranex	 Veranex
August 2021	 INSYS THERAPEUTICS, INC.	 RECRO™ PHARMA	June 2021	 QUARTESIAN	 Veranex
August 2021	 VALID INSIGHT™ STRENGTH. STRATEGY. SOLUTIONS.	BIOSCRIPT	June 2021	 ximedica®	 Veranex

Select 2021 Outsourced Pharmaceutical Services M&A Transactions

In addition to the strategic M&A activity and private equity platforms highlighted previously in this report, we have included a representative sample of other notable transactions that occurred in 2021.

Date	Target	Acquirer	Date	Target	Acquirer
June 2021			April 2021		
June 2021			April 2021		
June 2021			April 2021		
June 2021			March 2021		
June 2021			March 2021		
June 2021			March 2021		
June 2021			March 2021		
May 2021			March 2021		
May 2021			March 2021		
May 2021			March 2021		
May 2021			March 2021		
May 2021			March 2021		
May 2021			February 2021		
May 2021			February 2021		
May 2021			February 2021		
April 2021			January 2021		
April 2021			January 2021		
April 2021			January 2021		
April 2021					
April 2021					
April 2021					

DSP Spotlight Trend

Growing Number of Small Pharma & Biotechs Remaining Independent to Launch Products Creates Demand for Complete Commercialization Providers

Historically, small pharma and biotech companies have followed the traditional path of selling or licensing products to larger pharmaceutical companies, pursuing partnerships, and engaging in M&A as a means to launch their products.

There has been an increasing trend among small pharma and biotechs to remain independent longer and launch their products themselves ("first-time launchers"). The share of product launches by first-time launchers has more than tripled over the past ten years. In a recent report, McKinsey identified that more than half of the 39 blockbuster launches in the next five years will come from first-time launchers, a significant increase over the period of 2016 to 2020 when less than 20% of blockbusters came from first-time launchers. ⁽⁸⁾

The growing share of launches by small pharma and biotechs has been supported by:

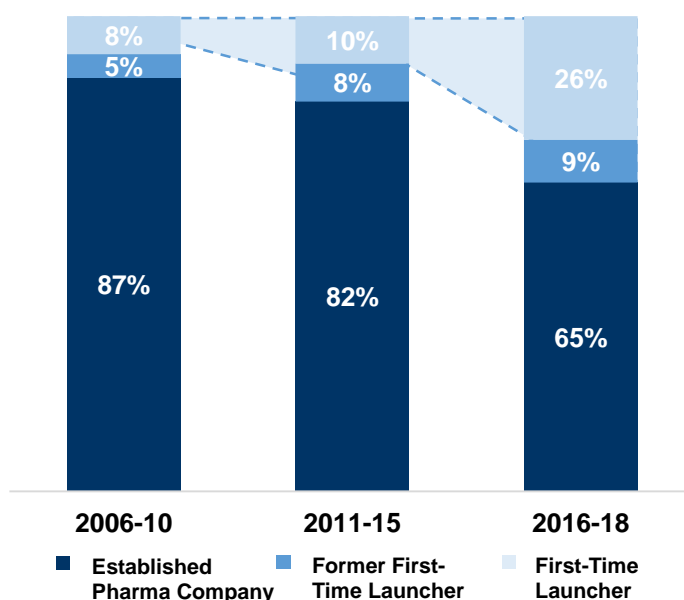
Favorable Funding Environment and Access to Outside Capital

The capital markets for small pharma and biotechs remain favorable; 2021 represented a record year for the number of IPOs and the amount of capital raised by these organizations. The total amount of capital raised by biotechs from IPOs in 2021 was \$14.7 billion which exceeded last years' high of \$13.5 billion. ⁽⁹⁾

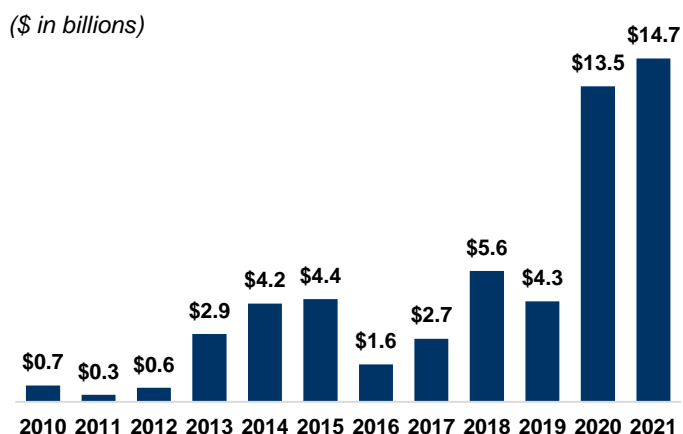
M&A Consolidation Among Mid to Large-Pharma driving a Migration of Experienced Commercial Leaders to Smaller Organizations

Over the past 10 years, as large pharma companies have consolidated many commercial leaders have left these companies to join small pharma and biotechs. This shift in talent has given these smaller organizations the necessary expertise and capabilities to launch their own products. Many of these commercial professionals enlist their network of consultants or agencies they utilized at their prior organizations to help plan and execute an aggressive commercialization timeline.

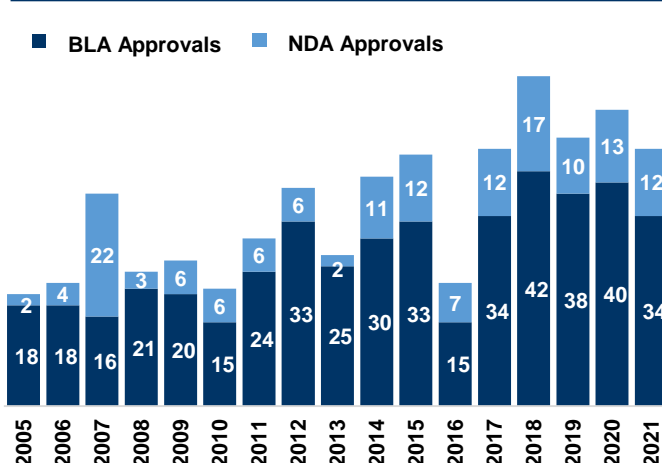
New Molecular Entities per Period by Company Type ⁽⁹⁾



Amount Raised from Biotech IPOs ⁽⁹⁾



Number of FDA Approvals ⁽¹⁰⁾



DSP Spotlight Trend (continued)

Access to a Growing Ecosystem of Outsourced Commercialization Vendors

Beginning in 2010, the pharmaceutical industry fundamentally transformed in response to the “patent cliff”. The “patent cliff” put pressure on pricing and gross margins and pharma companies focused on the conversion of fixed costs to variable costs. This transformation led to reduced full-time headcount at pharma organizations and the increased outsourcing of non-core operations. As a result, an outsourced ecosystem emerged of former pharmaceutical professionals who initiated consulting practices to serve the on-going needs of these pharmaceutical organizations.

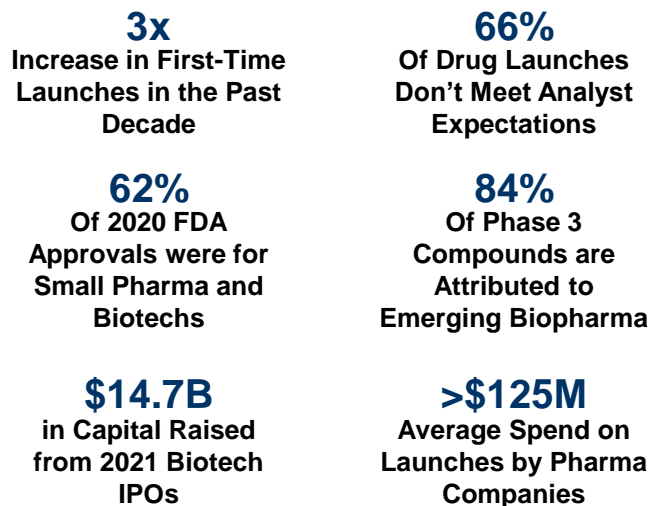
What This Means

Rather than building internal capabilities, small pharma and biotechs can utilize outsourced vendors for their expertise in commercialization functions such as consulting & strategy, market access, patient services and others. As the list of these service providers has continued to grow, pharmaceutical companies are increasingly seeking to consolidate outsourced commercialization activities with fewer providers.

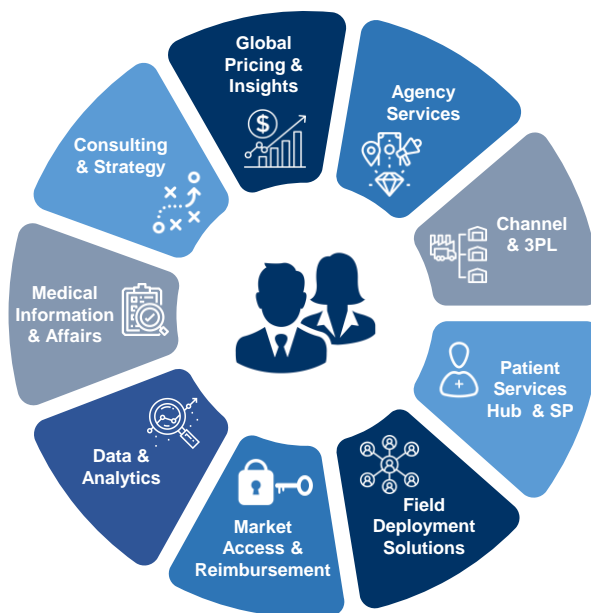
More recently, small pharma and biotechs have begun to outsource the entire commercialization function to a single service provider (“Complete Commercialization Providers”). Complete Commercialization Providers include companies such as Herspiegel Consulting, Syneos, and Eversana. Utilizing a single vendor enables small pharma and biotechs to commercialize their assets without having to build large commercial organizational footprints at a time when they are likely to lack the necessary capacity for investment.

In summary, DSP expects the trend of small pharma and biotechs remaining independent to launch their own products to continue due to i) a favorable funding environment and access to outside capital, ii) M&A consolidation among mid to large-pharma driving a migration of experienced commercial leaders to smaller organizations, and iii) access to a growing ecosystem of outsourced commercialization vendors. Due to this trend, there is a significant opportunity for Complete Commercialization Providers to gain market share and capitalize on market demand for these services. These Complete Commercialization Providers will be critical in ensuring timely and successful launches as product launches become more complex.

Key Statistics ⁽⁸⁾ ⁽⁹⁾ ⁽¹¹⁾



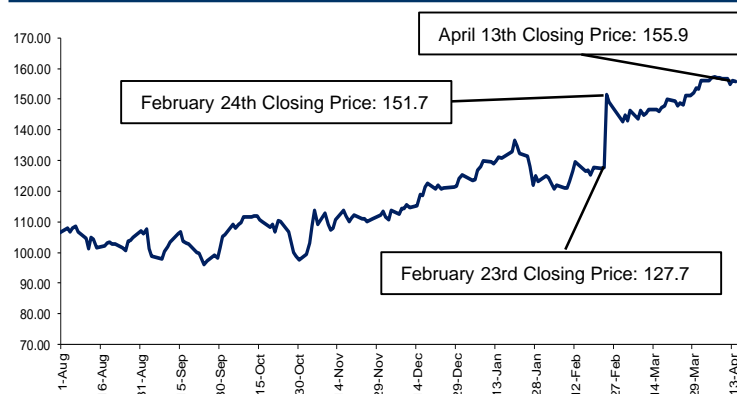
Complete Commercialization Model



ICON PLC Announced Acquisition of PRA Health Sciences

- ICON plc ("ICON") announced on February 24, 2021 the acquisition of PRA Health Sciences ("PRA"); the transaction closed on July 2, 2021
- The transaction valued PRA at \$12.0 billion in Enterprise Value
 - The transaction was structured as 48% cash and 52% stock whereby PRA Health Sciences ("PRA" or "PRA Health") shareholders received \$80 per share in cash and 0.4125 shares of ICON stock
 - The cash-stock deal valued PRA at approximately \$166.06 per share
 - 30.0% premium
 - 24.4x FY 2020 Adjusted EBITDA of \$492.0 million
 - The pro forma equity ownership of the Company will be comprised of approximately 66% ICON shareholders and 34% PRA shareholders
- The board of directors of ICON unanimously recommended shareholders to vote in favor of the acquisition
- The merged company will operate with a total of 38,000 employees working across 47 countries.
- The combined company will be headquartered in Dublin, Ireland where Steve Cutler, CEO of ICON, and Brendan Brennan, CFO of ICON, will retain their positions. Colin Shannon, CEO of PRA, will continue hold a position on the Board of Directors

PRA Stock Price Performance



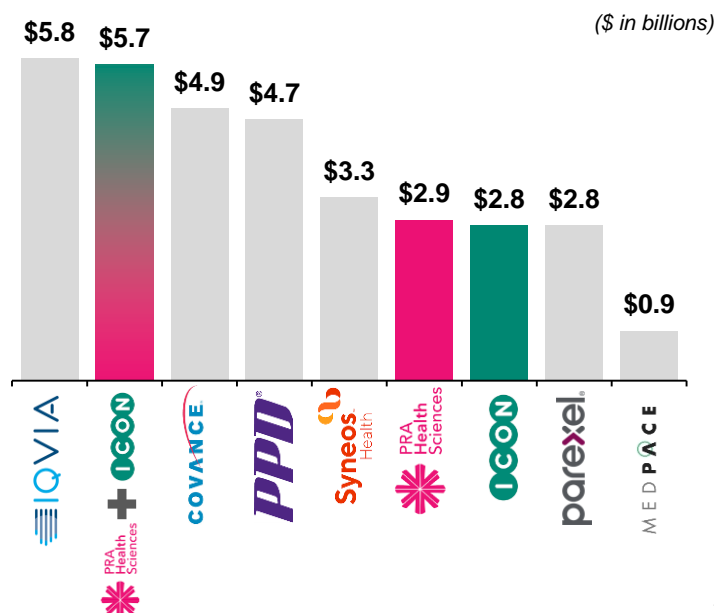
Overview of PRA Health Sciences

- PRA is a leading global CRO providing outsourced clinical development and data solution services to the biotechnology and pharmaceutical industries
- The company provides integrated drug development services, bioanalytical laboratory services, and clinical trial insights and analytics services to its biopharmaceutical and pharmaceutical clients sponsoring early to late-stage clinical trials
- PRA is headquartered in Raleigh, North Carolina and has an office network throughout North America, Europe, Asia, Latin America, and Middle East / Africa
- The company serves more than 300 biotechnology and pharmaceutical clients globally, as well as a wide range of small to mid-sized pharmaceutical companies

ICON Deal Rationale

- Having potentially reached its growth ceiling, ICON turned to M&A to continue to fuel growth, and made a strategic decision to acquire its closest-matched sector rival PRA
- The combination of ICON and PRA will transform the fifth and sixth largest CROs, to the second largest, behind only IQVIA, which itself was formed through a \$17+ billion merger between IMS Health and Quintiles back in 2016
- This new market position should allow ICON to aggressively compete for market share and contract wins against the two largest market incumbents IQVIA and LabCorp (Covance)
- The transaction is expected to deliver double-digit accretion in the first full year and growing to over 20% thereafter supported by annual run-rate cost synergies of \$150 million, and the combined effective tax rate declining to 14%

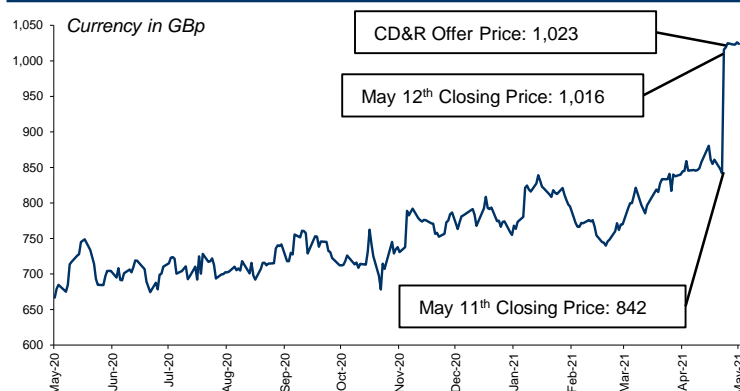
Estimated 2020 CRO Revenue ⁽¹²⁾



UDG Healthcare plc Taken Private by Clayton, Dubilier & Rice

- Clayton, Dubilier & Rice ("CD&R") announced on May 12, 2021 the acquisition of UDG Healthcare ("UDG"); the transaction closed on August 16, 2021
- The transaction valued UDG at \$£2.6 billion (approximately \$3.7 billion) in Enterprise Value
 - All cash transaction whereby UDG Healthcare plc shareholders received 1,023 pence per share (approximately \$14.46 per share)
 - 21.5% premium
 - 17.2x LTM March 2021 Adjusted EBITDA of \$228.1 million
 - The acquisition was financed by a combination of equity from CD&R funds X and XI, as well as debt provided by committed third party debt financing
- Prior to the announcement, holders of approximately 5.6% of UDG's shares delivered commitment to vote in favor of the deal
- UDG's Ashfield business is combining with CD&R's Huntsworth platform which CD&R acquired in May 2020
- CD&R said it plans to enter into discussions with certain members of the UDG executive team regarding management arrangements post-close, however no formal decisions have been made

UDG Healthcare Stock Price Performance



Overview of UDG Healthcare plc

- UDG is an international healthcare advisory, communications, commercial, clinical and packaging services firm
- The Company is headquartered in Dublin, Ireland and employs approximately 9,000 people in 29 countries
- UDG was founded in 1948 by a group of pharmacists in Ballina, Ireland and was first listed on the Irish Stock Market in 1989, and listed on the London Stock Exchange in 1998
- UDG currently operates two divisions, Ashfield and Sharp; Ashfield offers advisory, marketing, communication, strategic engagement, and patient solution services. Sharp offers contract packaging, clinical trial supply, manufacturing, and technology solutions

CD&R Deal Rationale

Transaction

Executive Commentary



"UDG has transformed since disposing of its supply chain business in 2015, through a combination of sustained long term organic growth and strategic bolt on acquisitions, adding additional capabilities and expanding the UDG Group's geographic footprint into a leading healthcare services provider. While the UDG Board remains confident in the long term fundamentals of the Group, we believe that this is an attractive offer for UDG Shareholders, which secures the delivery of future value for shareholders in cash today. The offer reflects the quality, strength and long term performance of UDG's businesses and its future growth potential. We believe that our people, our clients and our businesses will continue to prosper under the stewardship of CD&R."

– **Shane Cooke, Chairman, UDG Healthcare**

acquired by



"UDG has long established itself as a leading provider of high-value services to Pharma and Biotech companies globally, supported by a highly skilled workforce. CD&R has a strong record in partnering with management teams and we look forward to working with the UDG team to build on their success and help accelerate UDG's growth and the development of its services offering to clients."

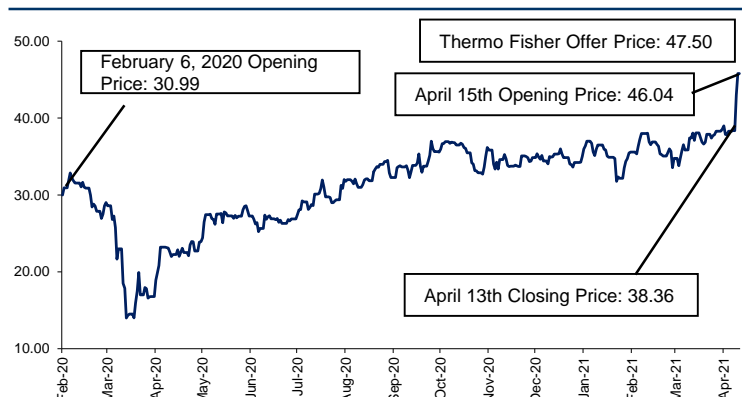
– **Eric Rouzier, Partner, CD&R**

- CD&R has invested in a number of companies operating in the healthcare sector, including the acquisition of Huntsworth in May 2020, a business that CD&R identifies as highly complimentary to UDG's Ashfield business division:
 - The addition of Ashfield enhances Huntsworth's ability to support clients across the drug life cycle
 - The combined company plans to pursue targeted strategic acquisitions to grow the platform
 - CD&R will invest in UDG's Sharp business division (contract packaging / clinical manufacturing) to support its growth prospects and service innovation
- Both Ashfield and Sharp operate in large and growing markets, underpinned by continued growth in new drug development and approvals, increasing therapeutic and drug complexity, and continued outsourcing from pharma and biotech clients.

Thermo Fisher Scientific Announced Acquisition of PPD

- Thermo Fisher Scientific ("Thermo Fisher") announced on April 15, 2021 the acquisition of PPD; the transaction closed on December 8, 2021
- The transaction valued PPD at \$17.4 billion in Enterprise Value:
 - All cash transaction whereby PPD shareholders received \$47.50 per share, and Thermo Fisher assumed approximately \$3.5 billion of net debt
 - 23.8% premium
 - 19.9x FY 2020 Adjusted EBITDA of \$875.7 million
 - Thermo Fisher obtained committed bridge financing for a portion of the purchase price (up to 3x 2020 Adjusted EBITDA), and the remainder of purchase price was paid with cash on hand
- Prior to the announcement, holders of approximately 60% of PPD's shares delivered approval by written consent.
- Following closing, PPD became part of Thermo Fisher's Laboratory Products and Services segment
- According to PE Hub, private equity firm Hellman & Friedman will produce a ~5.5x blended multiple on its original investment of \$1.7 billion in PPD, (nearly \$8 billion profit), and Carlyle will receive more than a 3.0x return on its nearly \$2 billion investment

PPD Stock Price Performance



Overview of PPD

- PPD is a global contract research organization (CRO) that provides clinical trial and laboratory services to pharmaceutical, biotechnology, medical device, and government organizations
- The company is headquartered in Wilmington, North Carolina and employs approximately 26,000 people across 93 offices in 46 countries
- PPD was founded in 1985 by entrepreneur and philanthropist Fred Eshelman who took the firm public in 1996
- During the past five years, PPD has supported over 400 drug approvals globally, conducted clinical trials in over 100 countries, and contributed to all Phase III COVID-19 vaccine trials with funding from the U.S. government

Thermo Fisher Deal Rationale

Transaction

Executive Commentary

PPD

acquired by

ThermoFisher
SCIENTIFIC

"This is a very exciting announcement for our shareholders and will provide customers with an even better opportunity to bring meaningful innovation to the market faster and more efficiently. Thermo Fisher is a world-class company with a very similar culture and values and will provide a great foundation for our colleagues to continue to deliver for our customers and to develop their own skills and careers."

– **Dave Simmons, Chairman & Chief Executive Officer, PPD**

"Pharma and Biotech is our largest and fastest growing end market, and our customers value us as a strategic partner and an industry leader. The acquisition of PPD is a natural extension for Thermo Fisher and will enable us to provide these customers with important clinical research services and partner with them in new and exciting ways as they move a scientific idea to an approved medicine quickly, reliably and cost effectively. Longer term, we plan to continue to invest in and connect the capabilities across the combined company to further help our customers accelerate innovation and drive productivity."

– **Marc N. Casper, Chairman, President, and Chief Executive Officer, Thermo Fisher Scientific**

- Thermo Fisher is best known in the industry for its laboratory instruments and tests, however in 2017 the company acquired Patheon in 2017 to increase its drug manufacturing capabilities and expand into the pharma & biotech sectors
- PPD further enhances Thermo Fisher's offering to its pharma and biotech clients, bringing a proven drug development platform, patient recruitment experience, and laboratory services capabilities
- According to Thermo Fisher CEO Marc Casper, the PPD acquisition will allow the company to partner with drug companies from the earliest stages of laboratory research into new drugs through clinical trials and drug manufacturing
- In the short term, Casper said the transaction would help Thermo Fisher gain market share and accelerate growth. Longer term, the merger could help shorten the development time of new drugs by streamlining the process and reducing handoffs between vendors

Recent DSP Outsourced Pharmaceutical Services Transactions



Delancey Street Partners served as exclusive financial advisor to Herspiegel Consulting ("Herspiegel") in its growth investment from DFW Capital Partners ("DFW"). Delancey Street Partners managed a competitive process, and negotiated the terms of the transaction.

Prior to its engagement on this transaction, Delancey Street Partners conducted a proprietary evaluation to assist Herspiegel's management in its long-term planning to enhance shareholder value.

About Herspiegel

Herspiegel Consulting (<https://www.herspiegelconsulting.com>) is a leading provider of commercial strategy and implementation consulting for the pharmaceutical and biotechnology industry. Founded in 2007 and headquartered in Yardley, PA, Herspiegel Consulting has advised start-ups to Fortune 100 pharmaceutical clients on commercial projects across a diverse array of service offerings including product launch readiness, marketing, market access, medical affairs, and patient services.

About DFW Capital Partners

DFW Capital Partners (<https://dfwcapital.com>) is a private equity investment firm focused on lower middle-market companies. The firm concentrates on service companies, with an emphasis on healthcare and outsourced business and industrial support services. DFW has established a 20+ year track record of success in both building leading companies and recognizing attractive returns for its investors. DFW is headquartered in Teaneck, New Jersey.



Delancey Street Partners served as exclusive financial advisor to United States Pharmacopeia ("USP" or the "Company") in the acquisition of Pharmatech Associates, Inc ("PAI"). Delancey Street provided buy-side M&A advisory services to USP.

About United States Pharmacopeia

United States Pharmacopeia (<https://www.usp.org/>) is an independent scientific organization that collaborates with the world's top experts in health and science to develop quality standards for medicines, dietary supplements, and food ingredients. USP's quality standards are enforceable in the United States by the Food and Drug Administration and legally recognized in more than 50 countries. These standards, which are continuously developed and revised by more than 750 volunteer experts in science, industry, healthcare, and academia, are also used in more than 150 countries.

By adding Pharmatech Associates expertise, USP further advances its more than 200-year mission to help ensure access to quality medicines by extending services that assist manufacturers to meet global quality standards across the drug and product lifecycle.

About Pharmatech Associates, Inc.,

Pharmatech Associates, Inc. (<https://pharmatechassociates.com/>) is a global consultancy for the life science industry, meeting the complex needs of clients with highly experienced scientists and engineering subject matter experts. Pharmatech's team specializes in Product and Process Development, Facilities and Capital Projects, Quality Compliance, and Regulatory Affairs. Pharmatech advises clients that range in size from startups to large multi-national corporations on projects in Asia, Europe, and North America from its headquarters in the San Francisco Bay Area.



Delancey Street Partners served as exclusive financial advisor to Deerfield Agency Inc. ("Deerfield") on its majority recapitalization with The Edgewater Funds ("Edgewater"). Delancey Street Partners managed a competitive process, and negotiated the terms of the transaction.

About Deerfield

Deerfield Agency (www.deerfieldagency.com) is a healthcare marketing services company. Deerfield provides a range of marketing and operational services to pharmaceutical and biopharmaceutical clients including multi-channel marketing strategy and automation, creative services, analytics, digital design, media buying and management, salesforce integration and print management.

Deerfield has developed and maintains strong and long-standing client relationships with brand leaders at leading pharmaceutical and biopharmaceutical companies. Clients seek out Deerfield for its responsiveness, creativity, and ability to meet and exceed demanding project requirements. Deerfield utilizes its proprietary technology and process flows to save time, optimize resources, and ultimately save its clients money. Deerfield was founded in 2014 and is based in Wayne, Pennsylvania.

About The Edgewater Funds

The Edgewater Funds (www.edgewaterfunds.com) is a Chicago-based private equity firm with over \$2.8 billion of capital commitments raised since 2001. Through Edgewater Growth Capital Partners, Edgewater partners with management teams to help accelerate growth in their businesses. Edgewater focuses on funding high quality middle market companies where it can add substantial value through capital, experience, and its broad network. Edgewater leverages the experience of its Partners and Executive Advisory Board who have distinguished themselves as successful CEOs and business leaders.


Recent Healthcare Transaction Experience

Outsourced Pharmaceutical Services

 <p>has received an investment from</p> <p>DFW CAPITAL PARTNERS</p> <p>Advisor to Herspiegel</p>	 <p>has acquired</p>  <p>pharmatech associates</p> <p>Advisor to USP</p>	 <p>has received an investment from</p> <p>the edgewater funds</p> <p>Advisor to Deerfield</p>
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Healthcare Services

 <p>has completed a growth equity financing with</p>  <p>Advisor to GLOBO</p>	 <p>has been acquired by</p>  <p>Advisor to Seller</p>	 <p>has been acquired by</p>  <p>Advisor to Seller</p>
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 <p>has completed a senior debt financing with</p>  <p>Advisor to KPS Life</p>	 <p>has been acquired by</p>  <p>a portfolio company of</p>  <p>Advisor to Seller</p>	 <p>has merged with</p>  <p>a portfolio company of</p>  <p>Advisor to Pyxa</p>
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 <p>has been acquired by</p>  <p>a portfolio company of</p>  <p>Advisor to Seller</p>	 <p>has divested</p>  <p>in a Management Buyout</p> <p>Advisor to Independent Committee Fairness Opinion</p>	<p>Project Blue Jay</p> 
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Life Science Tools

 <p>has completed a majority recapitalization with</p>  <p>Advisor to Emmes</p>	 <p>has been acquired by</p>  <p>Advisor to Seller</p>	 <p>has been acquired by</p>  <p>Advisor to Seller</p>
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 <p>a portfolio company of</p>  <p>has been acquired by</p>  <p>Advisor to Seller</p>	 <p>has been acquired by</p>  <p>Advisor to Seller</p>
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Delancey Street Partners

Delancey Street Partners is an independent, industry-focused investment bank. We serve CEOs, Entrepreneurs, Shareholders and Boards of Directors of high growth and middle market private and public companies. Our services include strategic advisory, capital raising and independent board advice. We advise on sell-side and buy-side M&A, growth capital financings and recapitalizations. Our focus sectors include Healthcare, Business Services & Technology, Industrial & Industrial Technology, and Infrastructure.

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Securities offered through DSP Securities, LLC Member SIPC | Member FINRA

All other transactions effectuated through Delancey Street Partners, LLC

Appendix

1. CapIQ and public company filings (10-Ks, 10-Qs, and investor presentations).
2. The EV/ EBITDA multiples include: Medpace, IQVIA, ICON, Charles River Laboratories, Syneos Health, PRA Health Sciences, LabCorp, and UDG Healthcare. The multiples above also include public outsourced pharma companies that have been taken acquired (Parexel, UDG Healthcare, PPD) or merged into the entities above (PRA Health Sciences, Qunitiles, IMS Health, INC Research)
3. On July 2, 2021, ICON completed the acquisition of PRA Health Sciences. ICON's 2021 FY revenue growth of 96% reflects the pro forma combined revenue of the two entities and has been excluded from the mean revenue growth calculation for the compset. In addition, the gross margin of 27.5% reflects ICON's standalone margin as the pro forma financials of the combined entities did not include gross profit and the associated gross margin.
4. Based on stock prices as of 12/31/2021. In addition, ICON's 24.3x EV / EBITDA multiple reflects the \$1.2 billion pro forma EBITDA of the combined ICON and PRA entities, assuming a transaction on January 1, 2021
5. "Evaluate Pharma World Preview 2021, Outlook to 2026." Evaluate.com, 22 Oct. 2021, <https://www.evaluate.com/thought-leadership/pharma/evaluate-pharma-world-preview-2021-outlook-2026>.
6. "Pharma Intelligence Insights – Outlook 2021 Report - Informa." Pharma Intellegence, <https://pharmaintelligence.informa.com/resources/product-content/in-vivo-outlook-report-2021>.
7. "Trends, Charts, and Maps." ClinicalTrials.gov, <https://www.clinicaltrials.gov/ct2/resources/trends>.
8. Harputlugil, Eylul, et al. "First-Time Launchers in the Pharmaceutical Industry." McKinsey & Company, 15 Sept. 2021, <https://www.mckinsey.com/industries/life-sciences/our-insights/first-time-launchers-in-the-pharmaceutical-industry>.
9. Gould, C., Burns, et al. "2022 Biotech/Pharma Outlook". Barclays Research, 31 Dec. 2021.
10. Center for Drug Evaluation and Research. "Drug Approvals and Databases." U.S. Food and Drug Administration, FDA, <https://www.fda.gov/drugs/development-approval-process-drugs/drug-approvals-and-databases>.
11. "Reinventing Launch: The Gold Standard of Drug Commercialization." Eversana, 29 Dec. 2021, <https://www.eversana.com/insights/reinventing-launch-the-gold-standard-of-drug-commercialization/>.
12. Investor presentations, company filings, and management estimates. IQVIA is R&D solutions segment only. Syneos is Clinical segment only. PRA excludes Data Solutions.
13. DSP Proprietary Database