

Q1-2021 Pharmaceutical Services Update

Market Update

ICON's \$12 billion acquisition of PRA Health Sciences was the most significant update in the CRO and CDMO sectors in the first quarter of 2021. Despite a temporary slowdown in large transactions between the industry's top consolidators, the deal marks a significant shift in market share towards the top four CRO players. The CDMO sector continues to outpace other areas of pharmaceutical services in deal volume specifically, driven by growth in cell and gene therapy development needs from sponsors, and re-allocation of assets amongst existing industry players, particularly in North America where tensions with China have led to re-patriation of many supply chains.

Select Transactions:

Month	Acquirer	Target	Target Focus	Deal Description
March	ANI Pharmaceuticals	Novitium Pharma	CDMO	In an effort to grow its own internal capabilities, ANI Pharmaceuticals has acquired Novitrium Pharma, a New Jersey-based CDMO with development, manufacturing, and commercialization expertise.
March	Sterling Pharma Solutions	ADC Biotechnology	CDMO	Sterling Pharma Solutions, has acquired ADC Biotechnology, a UK-based bioconjugation development services business specializing in antibody drug conjugates (ADCs). The company has 50 years of expertise in cGMP manufacturing and compliance support.
March	WuXi	CMAB BioPharma Group	CDMO	China-based WuXi has expanded its biologics development and manufacturing abilities with the acquisition of CMAB BioPharma Group, a Suzhou-based clinical GMP manufacturing company with 250 employees.
March	Charles River Laboratories	Cognate BioServices	CDMO	Charles River has expanded into the CDMO space with its \$900m acquisition of Cognate BioServices. Cognate focuses on high growth cell and gene therapy development and manufacturing.
March	Charles River Laboratories	Retrogenix	CRO	Retrogenix, a technology-enabled CRO focused on bioanalytical services, has been acquired by Charles River. Retrogenix's technology will complement Charles River's other assets in the cell and gene therapy spaces.
February	ICON	PRA Health Sciences	CRO	PRA Health Sciences has been acquired by ICON in a \$12b deal. The transaction will make ICON the second biggest CRO in the market and enhance their ability to manage and develop de-centralized clinical trials.

Provident Industry Coverage Team

Ethan Goodson
Director
egoodson@providenthp.com
 (310) 359-6610

Ajeya Shekar
Director
ashekar@providenthp.com
 (617) 226-4251

Bill Bolding
Senior Analyst
bbolding@providenthp.com
 (310) 359-6616