



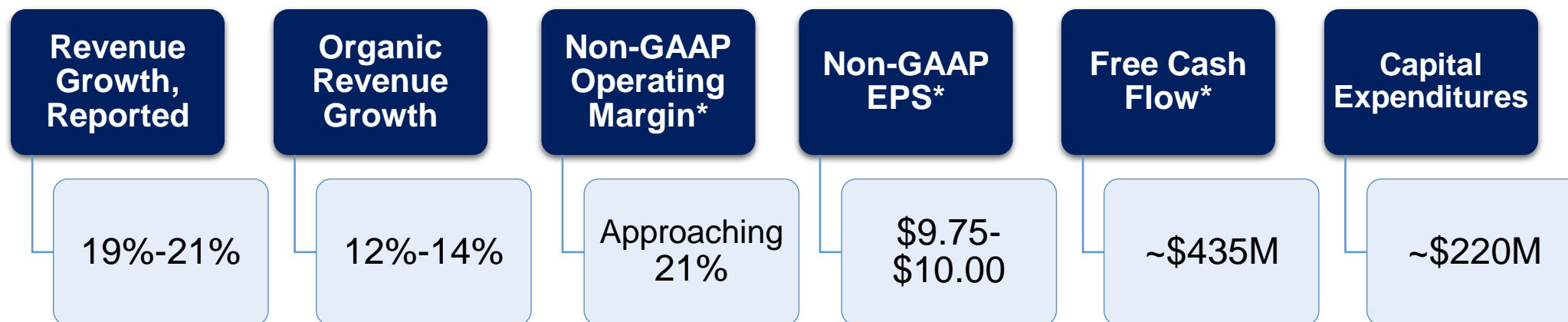
Financial Overview

David R. Smith
Corporate Executive Vice President &
Chief Financial Officer

1Q21 Financial Performance

(\$ in millions, except per share data)	1Q21	1Q20	%Δ	Organic CC %Δ
RMS	\$176.9	\$146.0	21.2%	14.8%
DSA	\$501.2	\$438.7	14.2%	11.6%
Manufacturing	\$146.5	\$122.4	19.7%	15.6%
Revenue	\$824.6	\$707.1	16.6%	13.0%
GAAP OM%	15.0%	13.3%	170 bps	
Non-GAAP OM%	20.7%	19.0%	170 bps	
GAAP EPS	\$1.20	\$1.02	17.6%	
Non-GAAP EPS	\$2.53	\$1.84	37.5%	
Free Cash Flow	\$142.2	\$42.9	231.7%	

2021 Guidance



- Robust client demand and order activity continues indicate exceptional 2Q21 performance
- Now believe 2Q21 results will **outperform** our May 4th outlook of:
 - Revenue growth: ~30% reported growth / ~20% organic growth
 - Non-GAAP EPS: >50% YOY growth vs. 2Q20
- Strong 2Q21 performance expected to result in FY 2021 revenue growth and non-GAAP EPS at least at the high end of our current guidance ranges

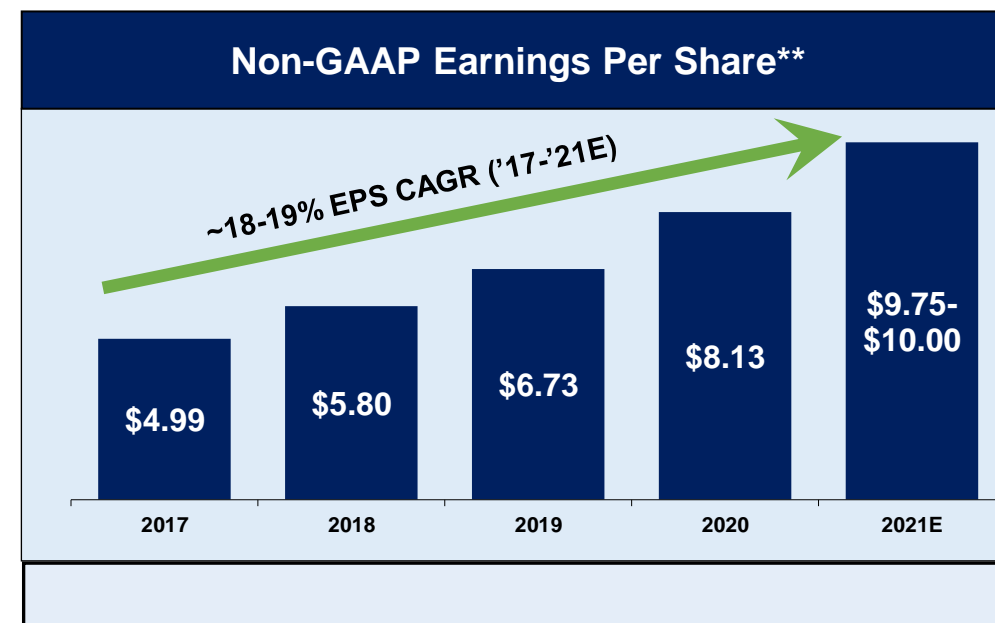
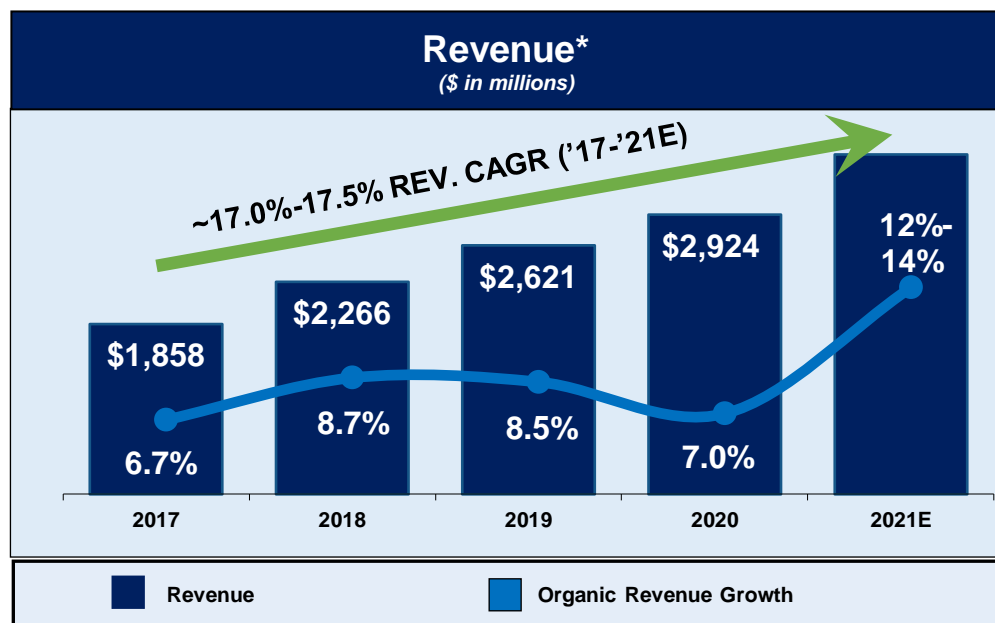
2021 non-GAAP EPS guidance represents 20%-23% earnings growth

See ir.criver.com/Financial Information for reconciliations of Non-GAAP to GAAP results.

* 2021 GAAP Guidance: GAAP operating margin comparable to 2020 level; GAAP EPS \$5.95-\$6.20; Operating Cash Flow: ~\$655M

Strategic Plan Targets

- Targeting 2021-2024E revenue and EPS growth of:
 - **Low-double-digit** organic revenue growth
 - Raised prior outlook of high-single-digit organic growth due primarily to continued transformation of portfolio into high-growth market segments and robust client demand
 - Expect **non-GAAP EPS growth to exceed revenue growth**
 - Non-GAAP EPS from 2017-2021E expected to **increase by ~18%-19% (CAGR)**



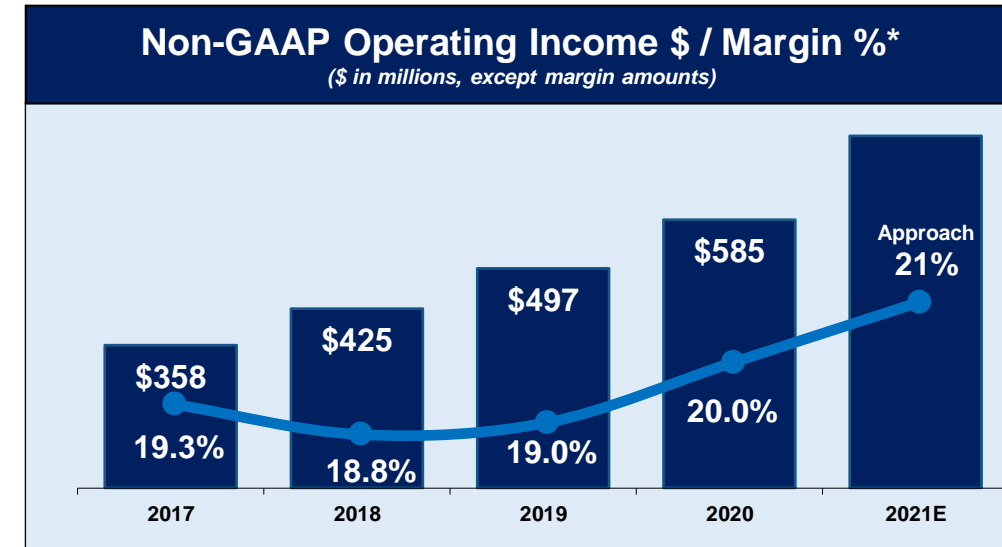
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* Reported Revenue Growth (GAAP): 2017: 10.5%; 2018: 22.0%; 2019: 15.7%; 2020: 11.5%; 2021E: 19%-21%

** GAAP EPS: 2017: \$2.54; 2018: \$4.59; 2019: \$5.07; 2020: \$7.20; 2021E: \$5.95-\$6.20

Operating Margin Expansion

- Non-GAAP operating margin target of **~22.5% range** in FY 2024
 - Represents an average of **~50 bps** of operating margin expansion per year beyond 2021
- **DSA** segment expected to be the most significant contributor to margin improvement
 - Generate **greater operating leverage** from higher sales volume, pricing/mix, and efficiency through process improvement and digital enhancements
- **RMS** and **Manufacturing** segments will continue to support robust operating income and EPS growth
- Continue to leverage unallocated **corporate** costs
 - Believe we will achieve a target **below 5%** of total revenue by 2024
 - Benefits from building a more scalable infrastructure and technology investments will continue to drive efficiency

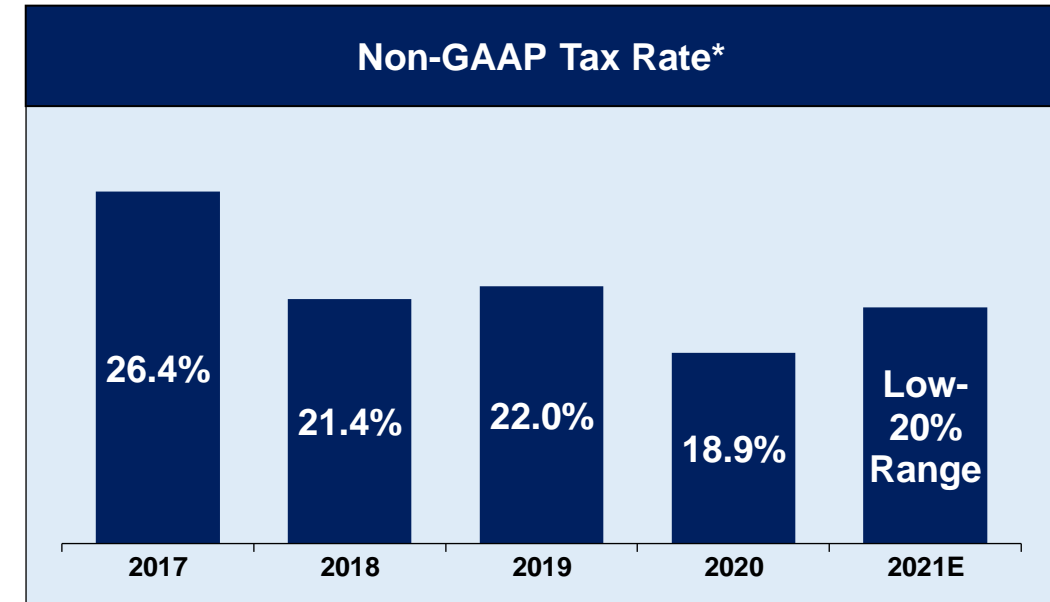


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* GAAP Operating Income 2017: \$288M / 15.5%; 2018: \$331M / 14.6%; 2019: \$351M / 13.4%; 2020: \$433M / 14.8%; 2021E: Comparable to 2020

Tax Rate Outlook

- Believe **low-20% tax rate is sustainable** based on current global tax legislation
- Impact of **potential U.S. tax legislation** is difficult to determine since no definitive bill has been filed
 - If passed, expect a lower EPS growth rate in the year that the legislation is enacted
 - Estimate the tax rate could increase to the **mid-20% range** if potential U.S. tax legislation enacted
- Non-GAAP tax rate movements over last 5 years driven primarily by:
 - 2018 YOY Decrease: U.S. tax reform; operational and tax planning initiatives; discrete tax benefits
 - 2019 YOY Increase: R&D tax credits offset by reduction of prior-year discrete tax benefits
 - 2020 YOY Decrease: Discrete tax benefits associated with state tax returns and foreign tax credits

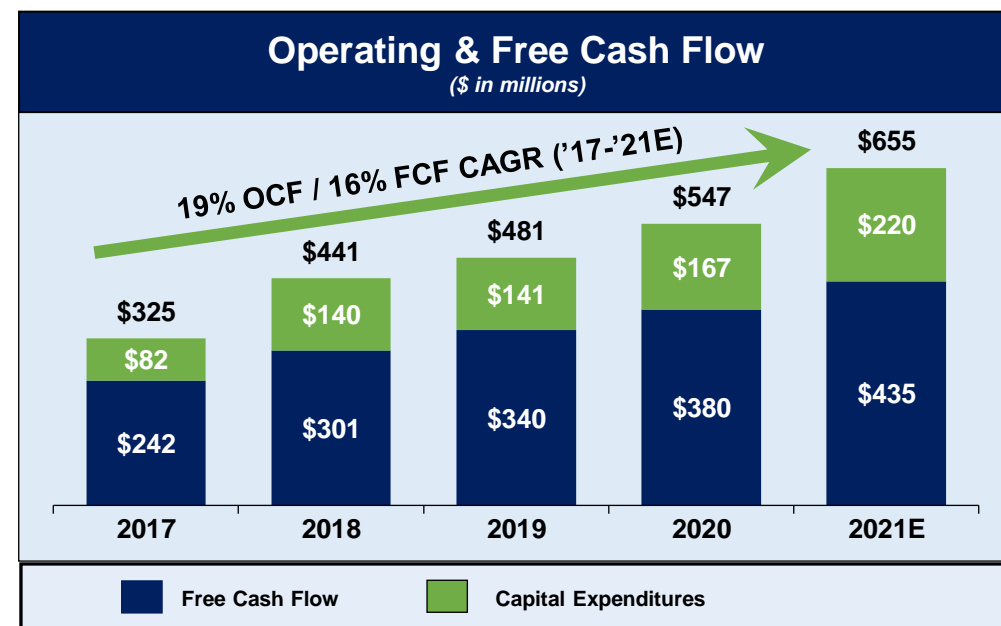


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* GAAP Tax Rate: 2017: 57.7%; 2018: 19.3%; 2019: 16.5%; 2020: 18.3%; 2021E: Low-20% range

Strong Cash Flow Generation

- **Mid-teens free cash flow growth** over last 5 years
 - Reflects strong underlying cash flow generation of our businesses
- Targeted revenue growth and operating margin expansion thru 2024 expected to continue to drive strong cash flow generation
- Capital needs to support growth have increased, but remain within targeted levels
 - Disciplined, growth-related investments required to accommodate robust client demand
 - Invested to expand capacity at most of our businesses over the last 5 years
 - Capital requirements of recent acquisitions, including in the C> CDMO business
- At this time, expect capex will be **approximately 7% of total revenue** going forward



Optimizing Our Capital Structure

- **Optimized** debt structure this year:
 - Amended credit facility
 - New, upsized senior secured revolving credit facility of up to \$3.0B (from \$2.05B)
 - Issued new \$1.0B senior unsecured notes
 - Redeemed a previously issued, higher-rate \$500M bond
- Refinancing activities reduced average interest rate on debt by **~50 bps to 2.65%**

CRL Capitalization (\$ in MM)	<u>4/24/2021</u>
4.25% Senior notes due 2028	\$500
3.75% Senior notes due 2029	\$500
4.00% Senior notes due 2031	\$500
Revolving credit facility	\$1,452
Finance leases & other	\$11
Total debt (<i>short & long-term</i>)	\$2,963
Additional borrowing capacity	\$1,522

Optimizing our capital structure enables greater access to additional borrowing capacity to support strategic initiatives, including M&A strategy

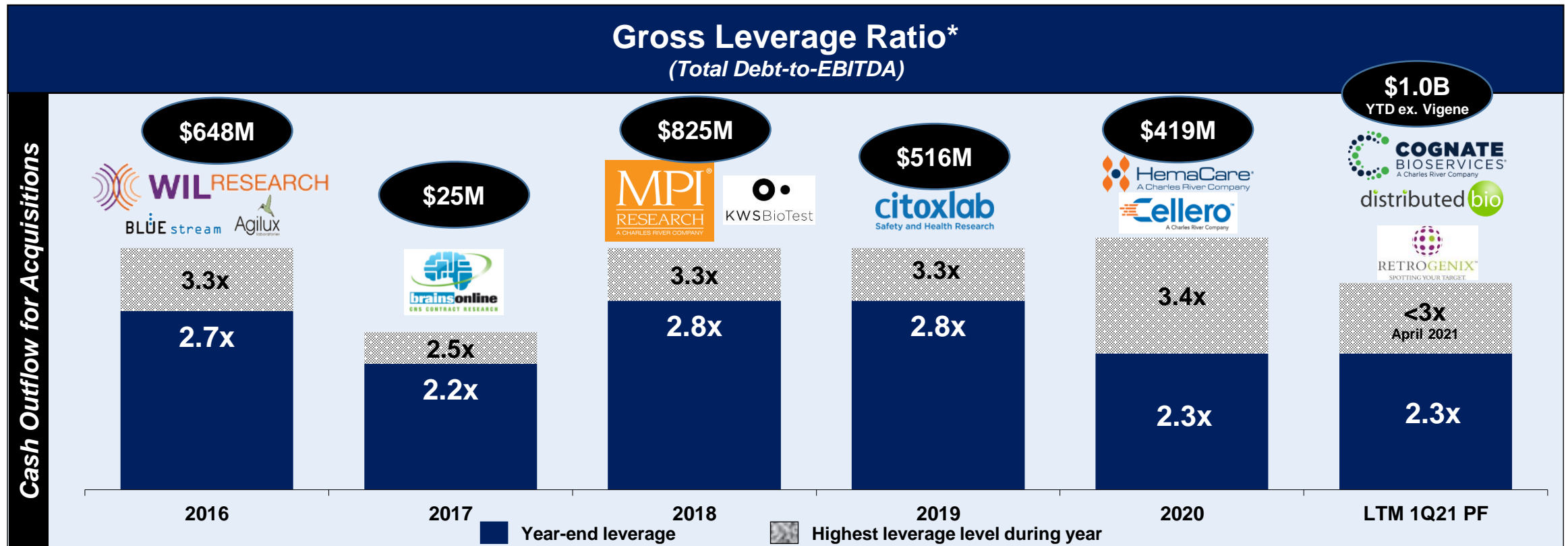
Track Record of Debt Repayment

➤ Targeted leverage ratio (gross) **below 3x**

- Increase debt level above 3x for certain strategic opportunities, primarily M&A

➤ Capital priorities continue to be focused on **strategic M&A**

- Absent any acquisitions, goal will be to drive the gross leverage ratio below 3x
- Do not intend to repurchase shares



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* Leverage ratio calculated pursuant to the covenants of our credit agreement. Solid blue bars represent year-end leverage ratio. Shaded areas represent highest leverage ratio for the year, including pro forma leverage ratio immediately following an acquisition.

Strategic M&A Remains Top Priority

- **Disciplined M&A** remains top priority of our long-term growth strategy
 - Measure all M&A against investment criteria of:
 - Prefer to be neutral to accretive on a non-GAAP basis in Year 1
 - ROIC meets or exceeds cost of capital in Year 3 or Year 4
- Invested **~\$4B⁽¹⁾** in >25 strategic acquisitions since 2012
- Five acquisitions since 2019 Investor Day expected to generate **~\$0.5B** of 2024 revenue⁽²⁾
- M&A strategy has met or exceeded our investment criteria/hurdle rates
 - **ROIC on M&A⁽³⁾ has exceeded WACC** by an average of ~200 bps over last 5 years (2016-2020)
- Long-term strategic plan assumes reinvestment of significant portion of free cash flow in M&A activities
 - Supplements organic growth
 - **Enhances shareholder value**

1. Does not include the planned acquisition of Vigene Biosciences since the transaction has not yet been completed.

2. Includes Cognate BioServices, Retrogenix, Distributed Bio, Cellerio, and HemaCare.

3. ROIC on M&A includes acquisitions from the preceding 4 years that were not acquired within the last twelve months. ROIC calculated as NOPAT divided by Invested Capital.

Financial Target Summary

	2024 Financial Target (Non-GAAP)	5-Year Average or CAGR (2017-2021E)
Revenue growth	Low-double-digit organic growth	8.5%-9% organic growth (avg.) 17%-17.5% reported growth CAGR
EPS growth	EPS growth to exceed revenue growth	18%-19% CAGR
Operating margin	~22.5% in FY 2024 (~150 bps of improvement vs. 2021E)	Approaching 21% in 2021E (Up to 170 bps of improvement vs. 2017)
Unallocated corporate ⁽¹⁾	Below 5% of total revenue	6.1% of revenue (average)
Leverage ratio (gross) ⁽¹⁾	Target leverage below 3x	Below 3x at year-end in each of the last 5 years
Tax rate ⁽¹⁾	Low- or mid-20% range dependent on potential U.S. tax legislation	21.9% (average)
Capital expenditures ⁽¹⁾	Approximately 7% of revenue	5.6% of revenue (average)

Doubled revenue and non-GAAP EPS since 2016; Expect to double size of the business over the next five years as expansion into higher-growth market sectors enhances long-term organic growth profile