Charles River Laboratories International, Inc.

Meeting with Management

May 27, 2021

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MEETING WITH MANAGEMENT

Opening Remarks

Todd Spencer
Corporate Vice President, Investor Relations

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Safe Harbor Statement

Caution Concerning Forward-Looking Statements. This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate,” “believe,” “expect,” “intend,” “will,” “may,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These statements also include statements about the impact of the COVID-19 pandemic for our business, financial condition and results of operations, including the long-term growth prospects and as compared to other companies, and the prospects for recovery therefrom; the effectiveness of our capital deployment strategy, in light of the COVID-19 pandemic and our ability to reduce capex, preserve jobs, support client research programs and sustain our financial position; our compliance with the maintenance covenants under our credit agreement; our projected 2021 and other future financial performance (including without limitation, revenue and revenue growth rates, operating income and margin, earnings per share, capital expenditures, operating and free cash flow, net interest expense, effective tax rate, foreign exchange rates, and leverage ratios) whether reported, constant currency, organic, and/or factoring acquisitions (including synergies), with respect to Charles River as a whole and/or any of our reporting or operating segments or business units; our annual guidance and longer-term targets; the assumptions that form the basis for our revised annual guidance; the expected performance of our venture capital and other strategic investments; the future demand for drug discovery, development, and CDMO products and services, and our intentions to expand those businesses, including our investments in our portfolio; the impact of foreign exchange; our expectations regarding stock repurchases and debt repayment; the development and performance of our services and products; market and industry conditions including industry consolidation, outsourcing of services and identification of spending trends by our clients and funding available to them; the potential outcome of, and impact to, our business and financial operations due to litigation and legal proceedings and tax law changes; our business strategy, including with respect to capital deployment and leverage; our success in identifying, consummating, and integrating, and the impact of, our acquisitions (including potentially Vigene), on the Company, our service offerings, client perception, strategic relationships, and synergies; our expectations regarding the financial performance of the companies we have acquired; our strategic agreements with our clients and opportunities for future similar arrangements; our ability to obtain new clients in targeted market segments and/or to predict which client segments will be future growth drivers; the impact of our investments in specified business lines, products, sites and geographies; and Charles River’s future performance as otherwise delineated in our forward-looking guidance.

Forward-looking statements are based on Charles River’s current expectations and beliefs, and involve a number of risks and uncertainties that are difficult to predict and that could cause actual results to differ materially from those stated or implied by the forward-looking statements. Those risks and uncertainties include, but are not limited to: the COVID-19 pandemic, its duration, its impact on our business, results of operations, financial condition, liquidity, business practices, operations, suppliers, third party service providers, clients, employees, industry, ability to meet future performance obligations, ability to efficiently implement advisable safety precautions, and internal controls over financial reporting; the COVID-19 pandemic’s impact on client demand, the global economy and financial markets; the ability to successfully integrate businesses we acquire (including Cognate BioServices and risks and uncertainties associated with Cognate BioServices products and services, which are in areas that the Company did not previously operate); the timing and magnitude of our share repurchases; negative trends in research and development spending, negative trends in the level of outsourced services, or other cost reduction actions by our clients; the ability to convert backlog to revenue; special interest groups; contaminations; industry trends; new displacement technologies; USDA and FDA regulations; changes in law; the impact of Brexit; continued availability of products and supplies; loss of key personnel; interest rate and foreign currency exchange rate fluctuations; changes in tax regulation and laws; changes in generally accepted accounting principles; and any changes in business, political, or economic conditions due to the threat of future terrorist activity in the U.S. and other parts of the world, and related U.S. military action overseas. A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Charles River's Annual Report on Form 10-K as filed on February 17, 2021 and in its Quarterly Report on Form 10-Q as filed on May 4, 2021, as well as other filings we make with the Securities and Exchange Commission. Because forward-looking statements involve risks and uncertainties, actual results and events may differ materially from results and events currently expected by Charles River, and Charles River assumes no obligation and expressly disclaims any duty to update information contained in this presentation except as required by law.

Regulation G

This presentation includes discussion of non-GAAP financial measures. We believe that the inclusion of these non-GAAP financial measures provides useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often one-time charges, consistent with the manner in which management measures and forecasts the Company’s performance. The non-GAAP financial measures included in this presentation are not meant to be considered superior to or a substitute for results of operations prepared in accordance with GAAP. The company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules and regulations. In accordance with Regulation G, you can find the comparable GAAP measures and reconciliations to those GAAP measures on our website at ir.criver.com.

Strategic Overview

James C. Foster
Chairman, President & Chief Executive Officer

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Focus of CRL 2021 Investor Day

- The emerging role of **advanced therapeutics** at CRL
  - CRL enhancing portfolio around **cell & gene therapies** and **biologic drugs**
    - Expansion into the **cell & gene therapy CDMO** sector
  - Update on our **partnership strategy**
- Expectations for **higher revenue growth potential** over next 3 years, driven by:
  - **Record biotech funding** and investments into R&D pipelines
  - CRL portfolio aligned around higher-growth end markets
- Believe we are well positioned to **deliver low-double-digit organic revenue growth** and **faster earnings growth** over the longer term

A Leading Contract Research & Manufacturing Organization

CRL Worked on

>80%

of FDA-approved drugs over last 3 years

Doubled

revenue and non-GAAP EPS since 2015 (1)

#1

Position in Research Models, Safety Assessment & Microbial Solutions

~$20B

Outsourced addressable market

Low-Double-Digit

CRL organic revenue growth expected 2021E-2024E(2)

85

Novel molecules originated for clients since 1999

~$4B

Invested >25 acquisitions over last ~10 years (3)

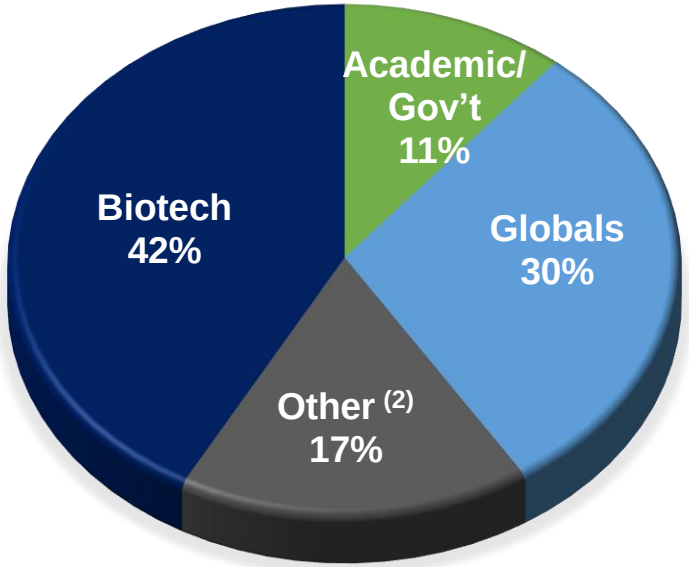
Meeting or exceeding our investment criteria

(1) Revenue and non-GAAP EPS increases from FY 2015 to FY 2020.
(2) Represents average of FY 2016-FY 2020, and FY 2020 organic growth rate.
(3) Cumulative purchase prices for acquisitions since 2012 (excluding Vigene since not yet completed).

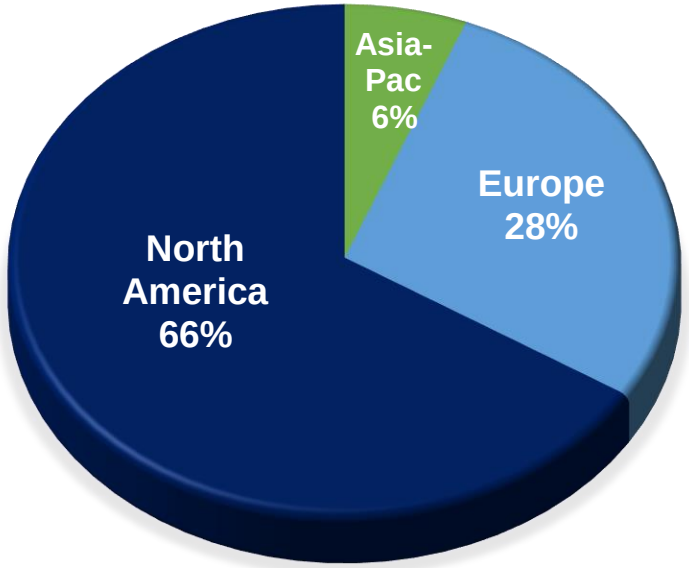
Charles River Overview

- A leading drug discovery, non-clinical development, and manufacturing company
  - Revenue of **$3.04B** (LTM March 2021)
- Ability to work with clients to discover new drugs and move downstream with them throughout non-clinical development and to support their safe manufacture
- No single commercial client accounts for **>2%** of total revenue
- A multinational company with **~19,000** employees worldwide
- **>100** facilities strategically located in >**20** countries, proximate to our major client hubs

Client Base(1)



Geographic Revenue(1)



See ir.criver.com for reconciliations of GAAP to non-GAAP results.

(1) Based on CRL's FY 2020 revenue.
(2) Other clients include agricultural & industrial chemical, CRO, animal health, life science, CMO, consumer product, and medical device companies.

The Power of Our Unique Portfolio

Research & Development Continuum

Discovery | Preclinical | Phase 1 | Phase 2 | Phase 3 | Commercial

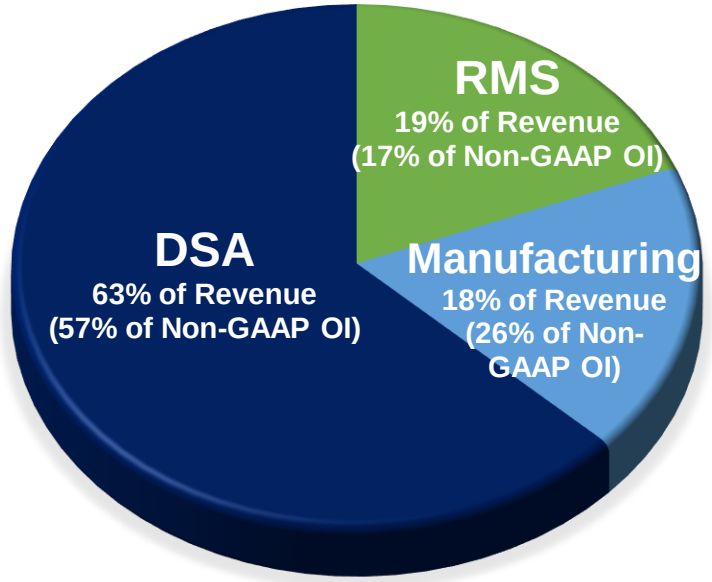
Research Models — **RMS with HemaCare & Cellero**

Discovery Services

Safety Assessment

Manufacturing

Business Segments[1]



Only CRO with an integrated, non-clinical portfolio that spans the drug research process from target discovery through market approval

See ir.criver.com for reconciliations of GAAP to non-GAAP results.

(1) Based on CRL's FY 2020 revenue and non-GAAP operating income.

Research Models and Services Business Drivers

Research Models and Services (RMS):
19% of Revenue [(1)]
17% of Non-GAAP Operating Income [(1)]

- Build portfolio of **innovative research tools** to address emerging, **high-growth** opportunities, such as **cell and gene therapies**
- **GEMS** increasingly critical role as drug research becomes more complex
- **IS** enables clients to adopt **flexible** solutions to enhance their operational efficiency (i.e. **CRADL**)
- **Price** and **mix** offsetting lower demand for research models in mature markets
- Demand for research models in **China** continues to outpace Western geographies (China ~10% of RMS revenue)
- **DSA** segment is **RMS's largest client** by a wide margin
- Enhanced **digital enterprise** improves efficiency and client experience

(1) Based on CRL's FY 2020 results. See ir.criver.com for reconciliations of GAAP to Non-GAAP results.

Discovery and Safety Assessment Business Drivers

Discovery and Safety Assessment (DSA):
63% of Revenue [1]
57% of Non-GAAP Operating Income [1]

- Robust demand as biopharma clients **outsource discovery and safety assessment capabilities**
  - Biotech leveraging CRO expertise to drive **innovation**, instead of building in-house capabilities
  - Large biopharma utilizing CROs like CRL, in place of maintaining internal resources
- CRL **adding innovative capabilities** and **expanding therapeutic area focus** around significant areas of research investment
- **Significant opportunity** to further increase client overlap
  - **~50%** of Discovery clients remain with CRL for safety assessment work
- Importance of **proximity** to global clients with **~30 DSA sites** across our North American and European footprint

(1) Based on CRL's FY 2020 results. See ir.criver.com for reconciliations of GAAP to Non-GAAP results.

Manufacturing Solutions Business Drivers

Manufacturing Solutions:
18% of Revenue (1)
26% of Non-GAAP Operating Income (1)

- **Cell & Gene Therapy CDMO**
  - **High-growth** sector in which we intend to differentiate ourselves through our **high-science** and **customizable, client-centric** approach
    - Complementary to CRL's cellular products, DSA and biologics testing capabilities
- **Biologics**
  - Increased number of **biologics** in development
    - Rapid growth of **cell and gene therapies**
    - **COVID-19** vaccines also expected to drive growth
- **Microbial Solutions**
  - Increased demand for our **rapid, efficient testing platform** for both microbial detection and identification
  - Continuing to drive growth in both sterile biopharma market and non-sterile markets
- **Avian:** Stable demand for **SPF eggs**

(1) Based on CRL's FY 2020 results. See ir.criver.com for reconciliations of GAAP to Non-GAAP results.

Expansion into C&GT CDMO Sector

COGNATE BIOSERVICES
A Charles River Company

A premier C&GT CDMO specializing in CGMP cell therapy manufacturing

- Acquired March 2021
- Primary area of expertise is **CGMP cell therapy manufacturing**
- Cell therapy operations in the U.S. (**Memphis and Baltimore**) and gene therapy operations in **UK and Sweden**
- Purchase Price: ~$875M
- Annual Revenue: **~$140M in 2021E**, with expected **≥25% CAGR** over next 5 years

Vigene Biosciences
Excellence in Gene Delivery

A premier gene therapy CDMO specializing in viral vector-based delivery solutions

- Announced May 2021; Expected closing in early 3Q21
- Primary area of expertise is **CGMP viral vector manufacturing**
- Gene therapy operations in the U.S. **(Rockville, Maryland)**
- Purchase Price: ~$292.5M plus $57.5M earn out
- Annual Revenue: **~$30-$35M in 2021E**, with expected **≥25% CAGR** over next 5 years

C&GT CDMO services are an emerging, value-added sector with a high-growth profile that enhance CRL's existing capabilities to support advanced therapeutics

Expansion into C&GT CDMO Sector

1. SCIENTIFIC EXPERTISE

- Expanding our portfolio to enhance our ability to meet clients' needs in **emerging scientific areas** and take advantage of **significant growth opportunity for advanced drug modalities**
  - C&GT are emerging drug modalities and the science will continue to evolve; C&GT >10% of CRL's annual revenue
- Cognate and Vigene (upon closing, expected in early 3Q21) will offer complementary capabilities across the major C&GT CDMO platforms

2. STRATEGIC FIT & NEW BUSINESS OPPORTUNITIES

- Cognate and Vigene (upon closing, expected in early 3Q21) will establish a **U.S.-based, end-to-end, gene-modified cell therapy solution**
  - **Expands geographic scope** with viral vector and plasmid DNA manufacturing capabilities in the U.S. and UK/EU
- Highly complementary to existing portfolio, particularly **Biologics Testing Solutions** and **HemaCare/Cellero** cellular products
  - Ideal for clients to be able to seamlessly conduct **analytical testing**, **process development**, and **manufacturing scale-up** for advanced modalities with the same scientific partner

3. HIGH GROWTH POTENTIAL

- Current addressable C&GT CDMO sector of **~$2.5B**, expected to grow at **≥25% CAGR** over next 5 years
- Growth is being driven by the robust biotech funding environment and scientific innovation, fueling rapid rise in C&GT pipeline

Establishes CRL as a premier scientific partner for C&GT development, testing, and manufacturing

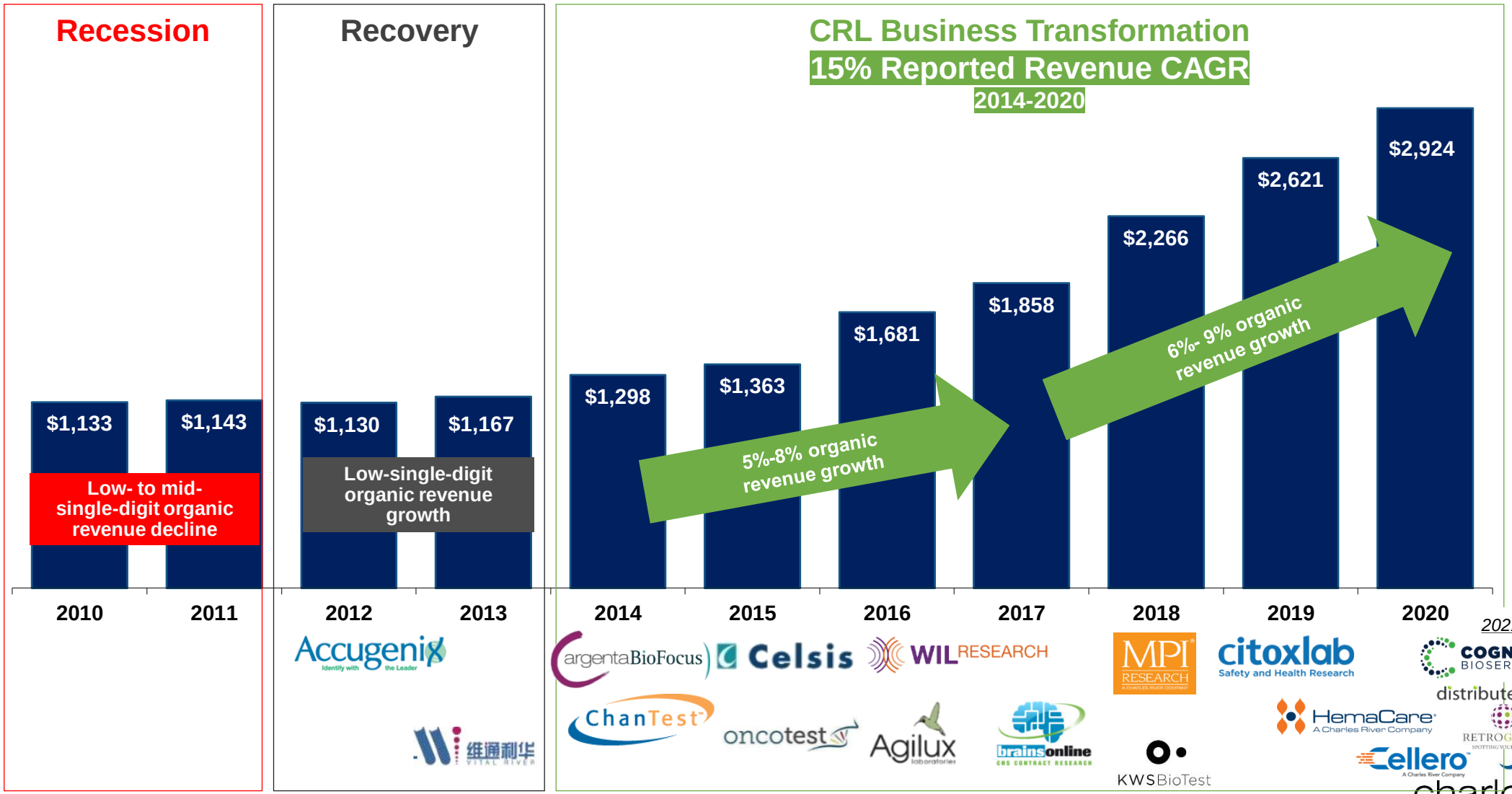
CRL's Comprehensive Discovery & Non-Clinical Development Portfolio in All Drug Modalities

Modality	Spectrum of CRL Capabilities	CRL's Broad Capabilities Accelerate Discovery to Clinical Candidate & Beyond	Acquisition
Small Molecule	*Discovery* → *Non-Clinical Development*	• **Comprehensive small molecule platform** of early discovery and disease biology capabilities that enables CRL to work with clients from the **earliest stages of discovery** across major therapeutic areas and **develop innovative small molecule** candidates	argenta™ BioFocus
Large Molecule / Antibodies	*Discovery* → *Non-Clinical Development + Biologics QC Testing*	• **Large molecule discovery capabilities** leveraging Distributed Bio's antibody libraries and integrated antibody optimization technologies to provide **fully integrated antibody drug discovery** services	distributed bio algorithms for life
Cell and Gene Therapy	*Discovery* → *Non-Clinical Development + Biologics QC Testing + Clinical/Commercial Production*	• Expands CRL's capabilities in the **high-growth CDMO area of cell and gene therapies**, enabling CRL to support clients at the earliest stages of their programs with our cellular products and provide a **comprehensive C&GT** efficacy and safety testing, process development, and analytical testing solutions to support clients through **commercial production of these advanced drug modalities**	COGNATE BIOSERVICES A Charles River Company Vigene Biosciences Excellence in Gene Delivery (upon closing, expected in early 3Q21)

Growing focus on advanced therapeutics with CRL's revenue mix by drug modality nearly evenly split(1) between biologics and small molecule drugs

(1) Biologics includes both large molecule/antibodies and C&GT drugs. This is an estimate of CRL's 2021E revenue mix between small molecule and biologic drugs, excluding Research Models and Research Models Services revenue because it is impractical to estimate the revenue mix by drug modality for these businesses. Pro forma for Cognate and excludes planned acquisition of Vigene.

Our Journey to Non-Clinical Market Leadership



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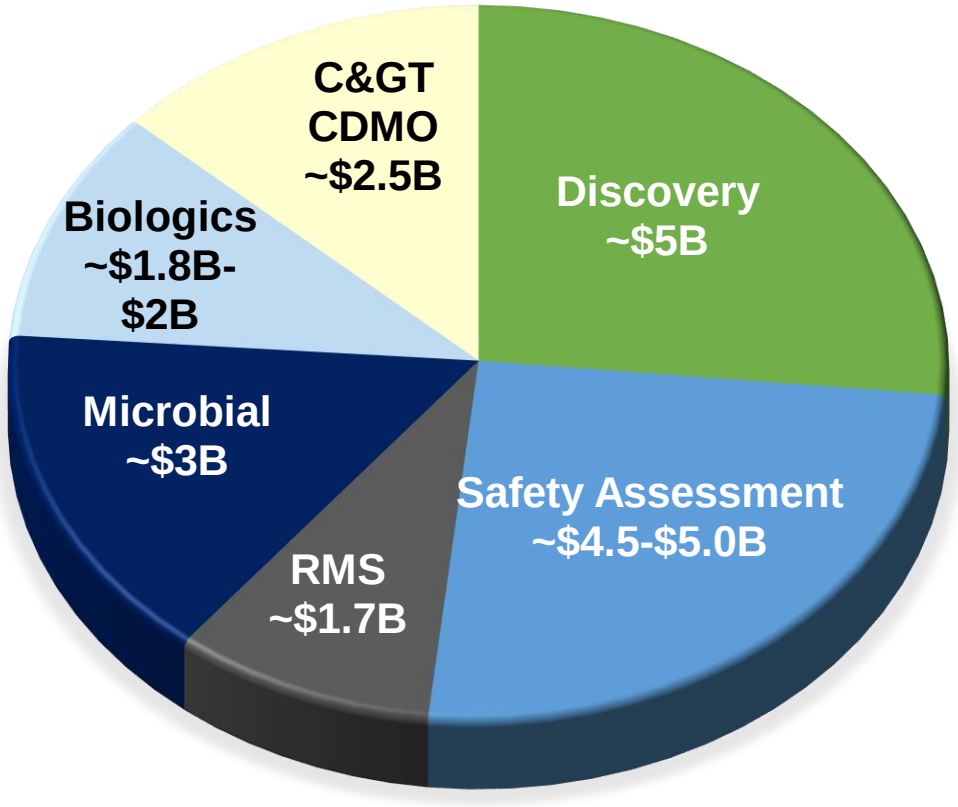
Large and Growing Non-Clinical Market Opportunity

CRL Addressable Market Sectors



#1

in Research Models, Safety Assessment & Microbial Solutions

~$20B

CRL addressable, outsourced market

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Biopharma Innovation Driving Record Funding Environment

- Biopharma R&D investments continue to **deliver innovative new therapies**, including for the COVID-19 pandemic
- **Biotechs** have become the **innovation engine** for the industry
- Large **biopharma** has increasingly **outsourced** and **externalized R&D** for efficiency, productivity, and speed to market
  - Large pharma partnering has funded many of the virtual, small, and mid-size biotech companies
- Multiple sources of **biotech funding** provide balanced access to capital
  - Biotech funding has elongated to **3-4 years**(1) **of cash** on hand due to broad-based investment in the sector

Biotech Funding (Capital Markets/IPOs/VCs)

~$25B	>$130B
2005-09 (avg.)	2020

Source: Wall Street research, BioWorld.

FDA Drug Approvals Per Year

22	53
2005-09 (avg.)	2020

Source: FDA.gov, industry reports.

Preclinical Compounds in the Pipeline

~5,000	>10,000
2009	2020

Source: PharmaProjects/Citeline.

Biopharma industry benefiting from record funding environment and emphasizing greater investment in their preclinical pipelines

(1) Source: Wall Street research and CRL management estimates.

Prior 2-Year Targets for 2021
(from September 2019 Investor Day)

	2-Year Targets	
	Organic Revenue Growth	**Non-GAAP Operating Margin**
RMS	Low- to mid-single digits (2020A: -3.3% due to COVID)	Above 25% (2020A: 22.0% due to COVID)
DSA	High-single digits (2020A: +9.4%)	Mid-20% range (2020A: 23.4%)
Manufacturing	Low-double digits (2020A: +10.4%)	Mid-30% range (2020A: 37.4%)
Consolidated	High-single digits (2020A: +7.0% incl. COVID impact)	20% (2020A: 20.0%)
Consolidated with acquisitions	**At least low-double digits** (2020A: +11.5%)	20% (2020A: 20.0%)

Strategic Plan Targets: 2024 Goals

	FY 2024 Targets	
	Organic Revenue Growth	**Non-GAAP Operating Margin**
RMS	Mid- to high-single digits	High-20% range
DSA	~10%	At least mid-20% range
Manufacturing	Approaching 20%	Mid-30% range
Consolidated	Low-double digits	~22.5%

Unprecedented client demand and expansion into higher-growth market sectors expected to drive profitable revenue growth in the low-double digits over next 3 years

Strategic Imperatives

1. Strengthen Portfolio

- **Innovate scientifically** to find, assess, validate and access new capabilities and technologies
- Stay abreast of **emerging therapies** and **new modalities** to continue to address clients' evolving scientific needs
  - Address shift towards novel biologics, including **cell & gene therapy**, RNA, and antibodies
- Invest in areas with greatest potential for growth through **M&A**, collaboration via **strategic partnerships**, and internal investment
  - Licensing and partnership arrangements beneficial in this environment of rapidly evolving technologies

Multiple Strategies to Strengthen Portfolio and Enhance Value for Our Clients & Shareholders

Strategic M&A

Remains top priority for disciplined capital deployment

Further enhanced CRL's leading position and global scale in safety assessment

Established premier, single-source provider for an integrated portfolio of discovery services

Expands our scientific capabilities in the high-growth cell & gene therapy sector

Invested ~$4B in >25 acquisitions since 2012 (1)

Strategic Partnerships

Add innovative capabilities and cutting-edge technologies with limited upfront risk

- Partnerships and licensing arrangements beneficial in an environment of rapidly evolving technologies
- Highlights of our strategic partnerships include:
  - Distributed Bio* – Discovery (large molecule)
  - Resero Analytics – DSA (SEND software)
  - Bit Bio – Discovery (translational biology)
  - Fios Genomics – Discovery (bioinformatics)
  - Deciphex – DSA (digital pathology)
  - PathoQuest – Biologics (NGS sequencing)
  - Cypre – Discovery (3D tumor modelling)
  - JADE Biomedical – Biologics (China expansion)
  - Kibur Medical – Discovery (IMD for oncology studies)

** Subsequently acquired in December 2020.*

Entered into 12 partnerships to-date with >$40M invested(2)

Venture Capital Portfolio Companies

Become a preferred CRO to a large group of emerging biotech companies

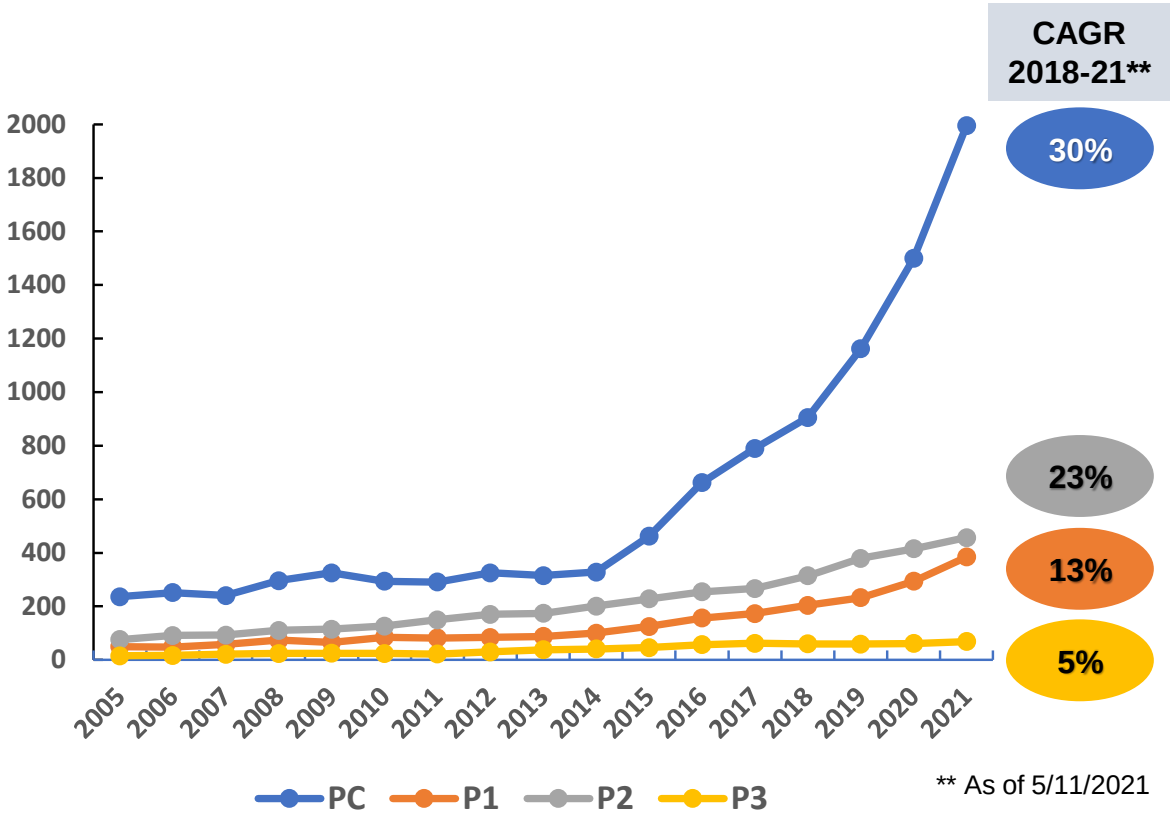
- Innovative strategy to effectively deploy capital to generate revenue and create value
- CRL's venture capital (VC) relationships have created a two-pronged income stream:
  1. Incremental opportunities to win work with VC portfolio companies that we may not have been able to attract otherwise
  2. Returns from investments with associated VC firms have been attractive, but are a secondary element of these relationships
- >**30% avg. annual return** on VC relationships (investments and revenue)(3)

>10% of CRL annual revenue from VC portfolio companies(4)

(1) Excludes the planned acquisition of Vigene Biosciences, since it has not yet been completed.
(2) Amount invested in strategic partnerships excludes purchase price to acquire Distributed Bio.
(3) Return calculation includes VC investment gains and operating cash flow from revenue generated from VC funds in which we have invested (both net of tax). It does not include revenue generated from VC funds in which we have not invested.
(4) VC revenue includes VC firms with which we have invested, those which we have a strategic relationship, and other revenue from VC portfolio companies with which we have no formal relationship.

C&GT: Significant Growth Opportunity

C&GT Pipeline by Phase: >2,900 Active Programs



** As of 5/11/2021

Biopharma industry investing heavily in this class of research due to its **broad clinical application** to treat a wide range of **diseases with unmet needs**

9* **total** — Therapies approved by FDA today; Address key delivery, safety, and efficacy challenges

10-20 **per year** — **C&GT** expected to be approved per year by 2025

>900 — **Active programs** for C&GT in clinical trials worldwide

~80% — Programs in **Phase I or earlier**, setting the stage for massive growth

~200 — **IND** filings for C&GT expected to be received per year

~$20B — Funding for **C&GT companies** in FY 2020

Source: FDA, Association for Regenerative Medicine, PricewaterhouseCoopers, PharmaProjects, Citeline, SVB.
FDA: https://www.fda.gov/news-events/press-announcements/statement-fda-commissioner-scott-gottlieb-md-and-peter-marks-md-phd-director-center-biologics
* Excludes cell transplantation and cell-based regenerative medicine products.

CRL's Comprehensive C&GT Capabilities

Microbial Solutions

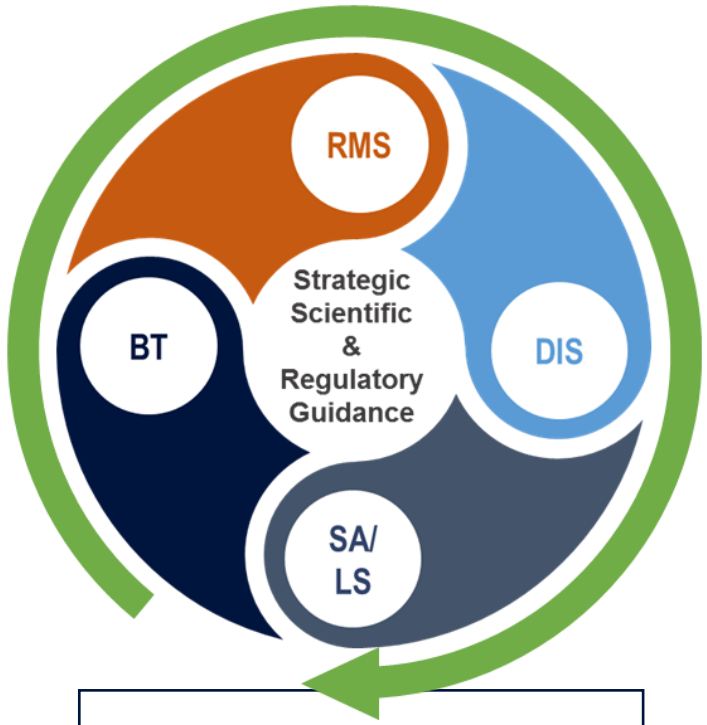
- **Advanced rapid screening technologies** to detect and identify microbial-sourced contaminants to support the manufacturing scalability of C&GT and ensuring safety

Biologics Testing

- **Analytical testing** services for the **viral gene therapy** or viral vector needed to perform the **efficacy/ safety testing** for **C&GT therapies**
- **Cell bank creation**/storage; process evaluation for viral clearance; cell bank and product characterizations, as well as release testing

Cognate C&GT CDMO

- **CDMO services** across C&GT include:
  - cGMP **cell therapy** manufacturing
  - **Plasmid DNA** production for gene therapies
  - Other inputs in the CDMO value chain, such as **viral vectors & therapeutic proteins**



>10%*
of CRL annual revenue from C&GT with Cognate

Research Models & Services

- **Immunodeficient rodent models**, large models, surgically altered models, and **tumor/syngeneic** models
- **HemaCare and Cellero cellular products** used as inputs in research, process development, and manufacture of cell therapies

Discovery

- **"Combo" pharmacology and safety** studies collaborating across multiple **DSA** sites
- **Range** of ***in vivo*** proof-of-concept models

Safety Assessment

- **Bioanalytical, immunogenicity,** and/or **biodistribution assessments** that CRL can perform across **multiple SA sites**
- Specialized services for C&GT programs ranging from **efficacy evaluations** to **surgical services** and **GLP toxicology** and **tumorgenicity** studies
- GLP pathology with potential to **pull through** from **nonclinical** to **clinical lab** work

Establishes CRL as a premier scientific partner for C&GT development, testing, and manufacturing

* CRL's annual revenue pro forma for the completion of the Cognate acquisition

Our Strategic Imperatives

2. Drive Efficiency

- Maximize **synergies across entire portfolio** to promote best practices and add value to clients' integrated drug research programs
- Remain focused on continuous improvement to drive further **process optimization and harmonization**
- Leverage robust revenue growth through the **scalability of operating model** and **optimizing cost structure** to drive greater productivity and economies of scale
  - Committed to **operating margin improvement** averaging **~50 bps per year** beyond 2021

Our Strategic Imperatives

3. Enhance Speed

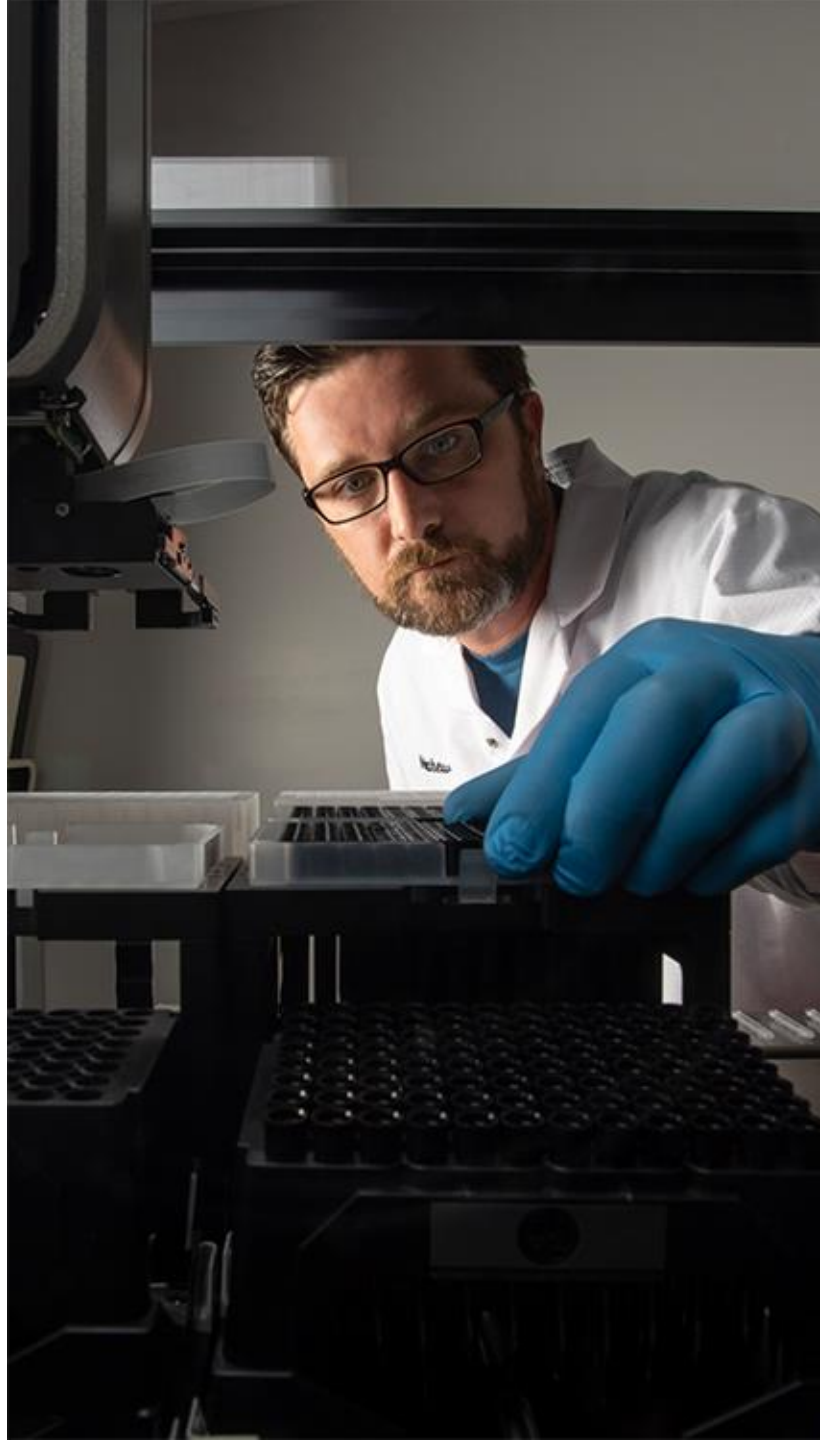
- **Decentralize decision making** to become more agile and strike proper balance between organizational structure, processes, and culture

- Strive to be faster and more **responsive** at every step of the early-stage R&D process

    - Leverage our **scientific expertise, regulatory compliance, and extensive portfolio** to provide clients with fast, reliable scientific results on a cost-effective basis

- Develop industry's **fastest** drug development turnaround times by reducing hand-offs and further simplifying and standardizing processes

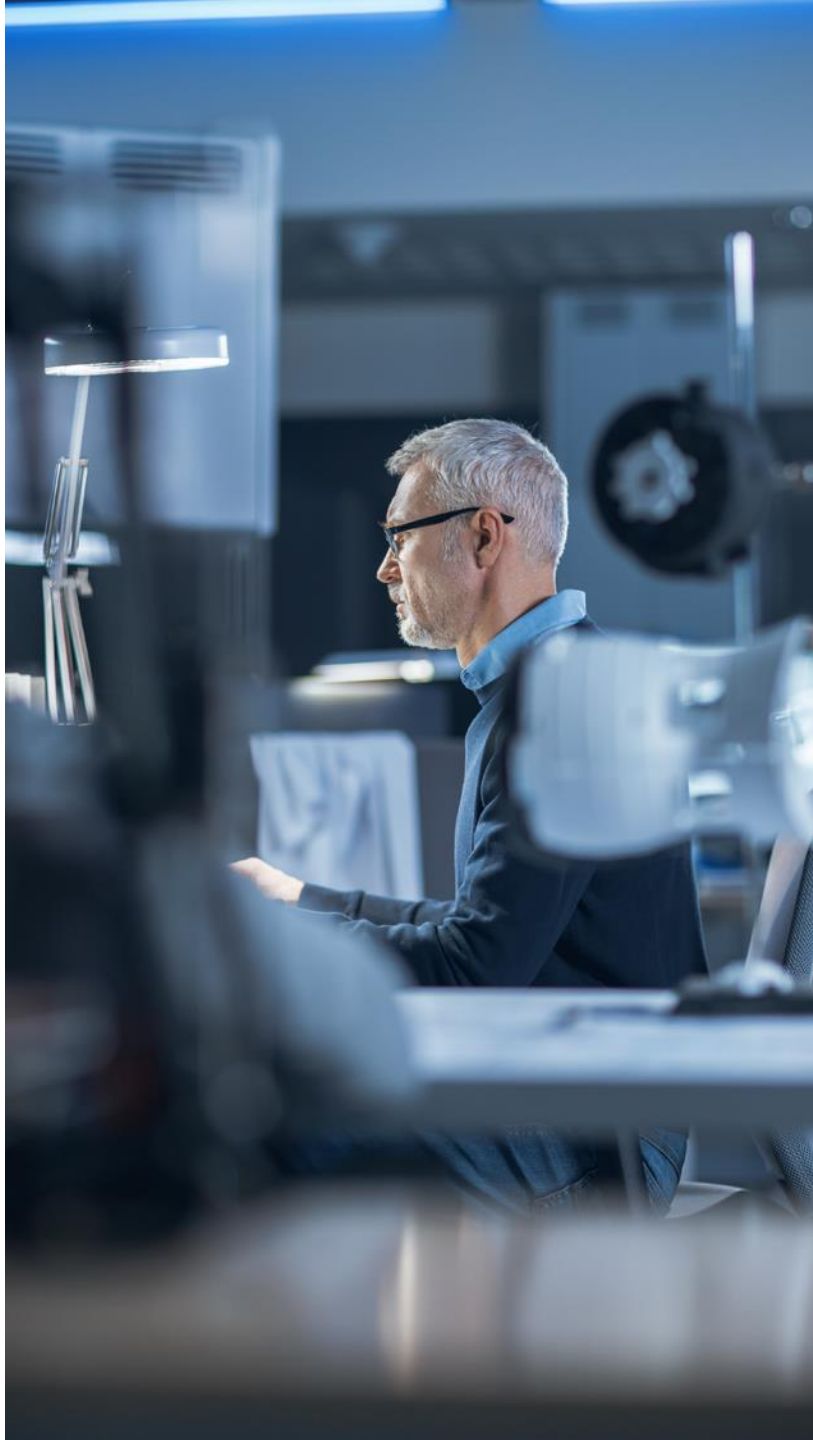
    - Targeting to reduce early-stage timelines by an **additional year**



Our Strategic Imperatives

4. Champion Technology

- Transform industry with a **best-in-class technology** platform
  - Build a **digital enterprise**/operating model
- Enable clients with **real-time access to scientific data** and self-service options
  - Digitize the end-to-end client experience
  - Build the right **e-commerce** solution for our unique needs
- Technology is a key to transform faster
  - Embrace **automation/robotics** and **AI/machine learning** to enhance client experience, operational effectiveness, and provide better science



Our Strategic Imperatives

5. Sustain Culture

- Our culture is built on trust, **inclusion**, accountability, respect, and **well-being**
- Every person has the ability to deliver on business commitments, while having **purpose**, being **energized** and **continuously learning**, and delivering **quality outcomes** that make a difference
- Achieved by engaging, hiring, and retaining talent in order to **develop, appreciate,** and **empower** our people
- Enable colleagues to **connect** with their work in a way that supports each other, our clients, and our communities

Corporate Citizenship

Our Leadership: *Earning trust through transparency*

- Continue to **strengthen Board** by adding greater diversity in background and experience, including industry skills and expertise, gender, and race/ethnicity
  - Increased female and minority representation of Board to 36%

Our People: *Building a culture of purpose, learning & quality outcomes*

- People priorities are grounded in our values and focused on providing employees with a **rewarding experience** from Day 1 at Charles River
  - Provided resources and support during these unprecedented times to focus on safety, well-being and balance, and flexible work arrangements
- Connected with employees regularly on COVID-19 and social challenges, and became a **signatory to the CEO Action for Diversity and Inclusion** in 2020
  - Affirming our commitment to equality, as well as the belief that it is the obligation of each of us to live these values and behaviors

Issued our first Corporate Citizenship Report in December 2020
www.criver.com/CorporateCitizenship

Corporate Citizenship

Our Environment: *Working safely & sustainably*

- Established the **Sustainability Capital Fund**, a $5M annual commitment to fund sustainability projects at our sites through 2030
- Goal to **reduce greenhouse gas** (GHG) absolute scope 1 and 2 emissions by 50% by 2030 and to reduce scope 3 GHG emissions by 15% by 2030
  - Achieved **26% reduction** in global GHG emissions from 2018 to 2020

Our Communities: *Supporting the geographies where we live & work*

- **Donated to >300 community organizations** in 2020 to help offset the impact of the COVID-19 pandemic
  - Supported local food banks, first responders, youth and family organizations, science, technology, engineering and math (STEM) education, and scientific causes
- Identified non-monetary opportunities to support local communities and organizations when they needed it most

"We are committed to being good corporate citizens, in addition to enhancing our role in advancing human health and improving the quality of life for patients, clients, employees, and our communities."
-- Jim Foster

Our Guiding Principles

- **Extensive Scientific Expertise:** Experience with thousands of molecules across every therapeutic and disease area
  - **~2,400** scientists with advanced degrees (incl. D.V.M., Ph.D., D.A.B.T.)
- **Our People:** Strategic hiring and building broad bench strength
- **Superior Client Service:** A **seamless, customized experience** will be critical to ensuring that every client feels like our only client
- **Broad Portfolio:** Adding new products and services and acquiring assets to enhance our ability to support clients' drug development efforts
- **Building Shareholder Value:** Goal to double revenue and earnings per share over next five years

Financial Overview

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

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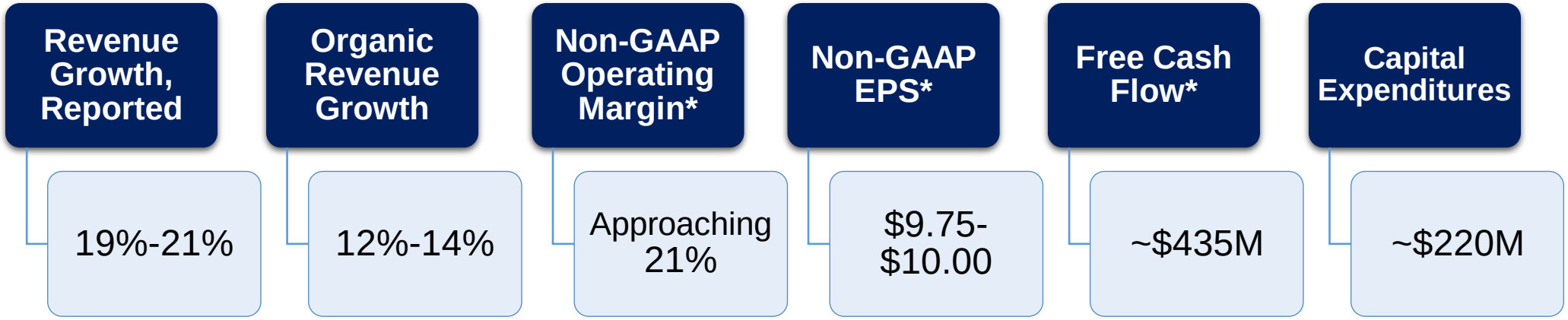
1Q21 Financial Performance

($ 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%	

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

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

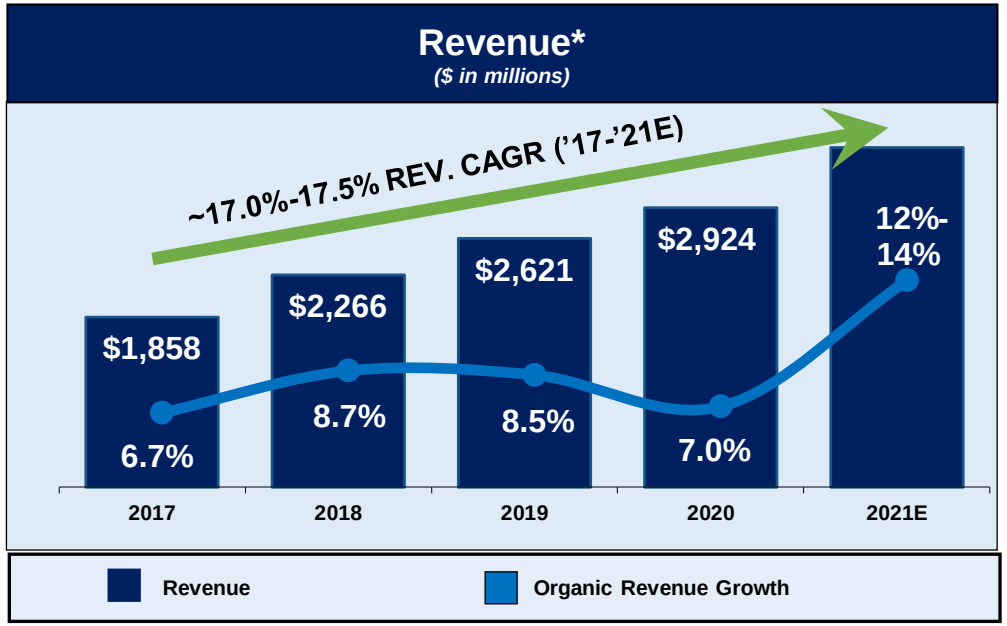
2021 non-GAAP EPS guidance represents 20%-23% earnings growth

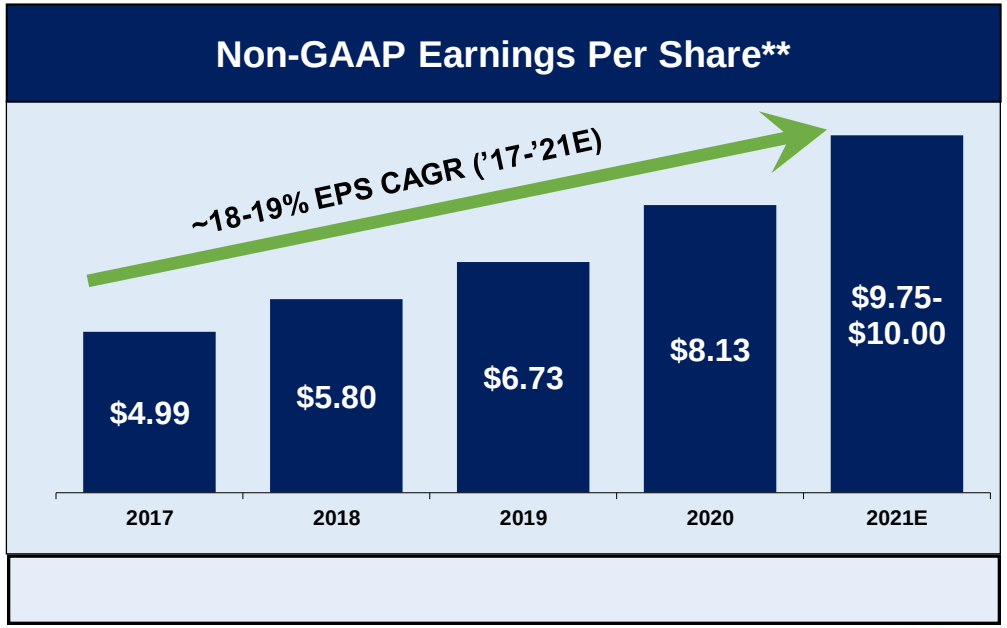
See ir.criver.com/Financial Information for reconciliations of Non-GAAP to GAAP results.

** 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)





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

**** 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***

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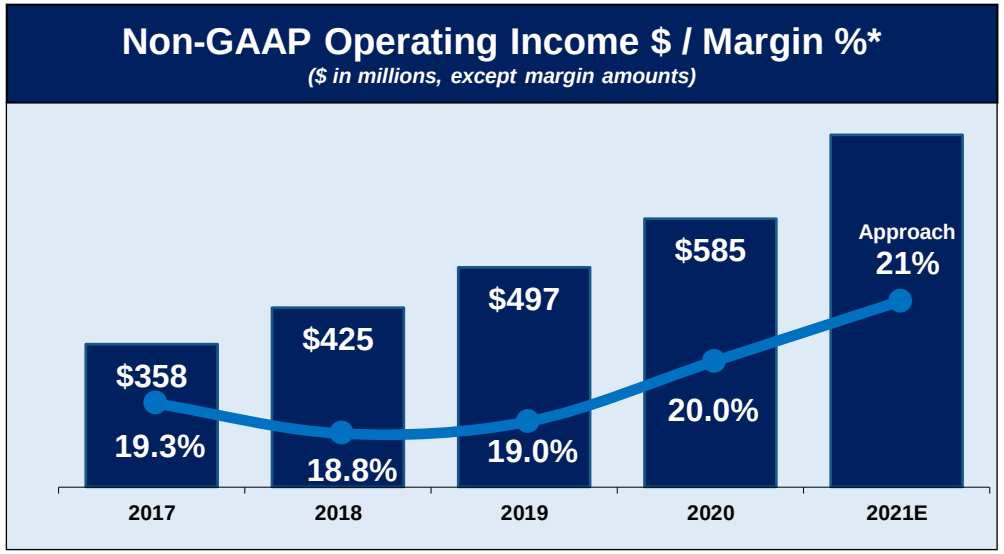
Operating Margin Expansion

- 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

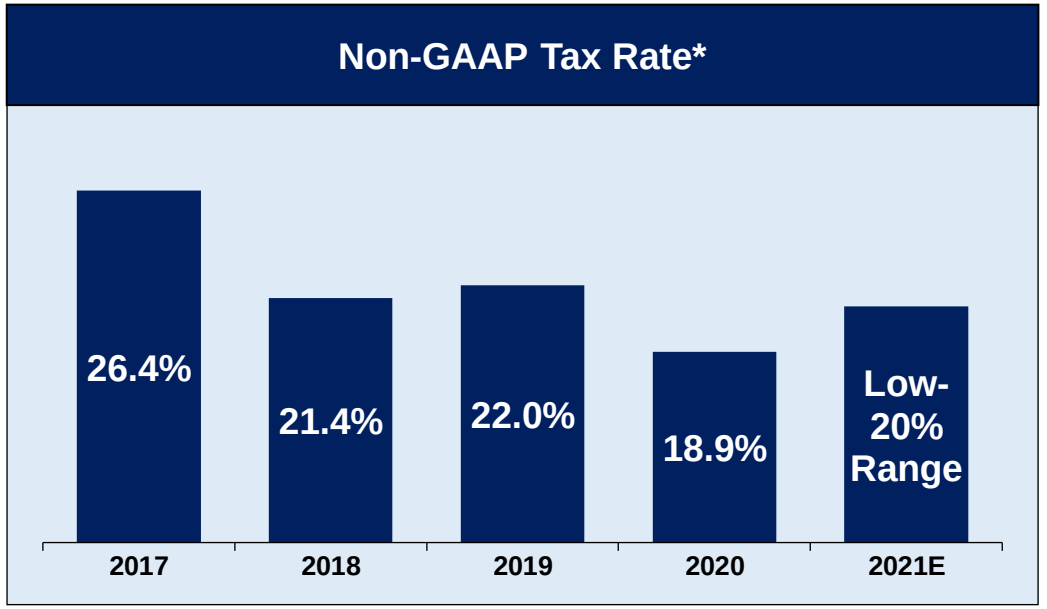


See ir.criver.com/Financial Information for reconciliations of Non-GAAP to GAAP results.

** 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

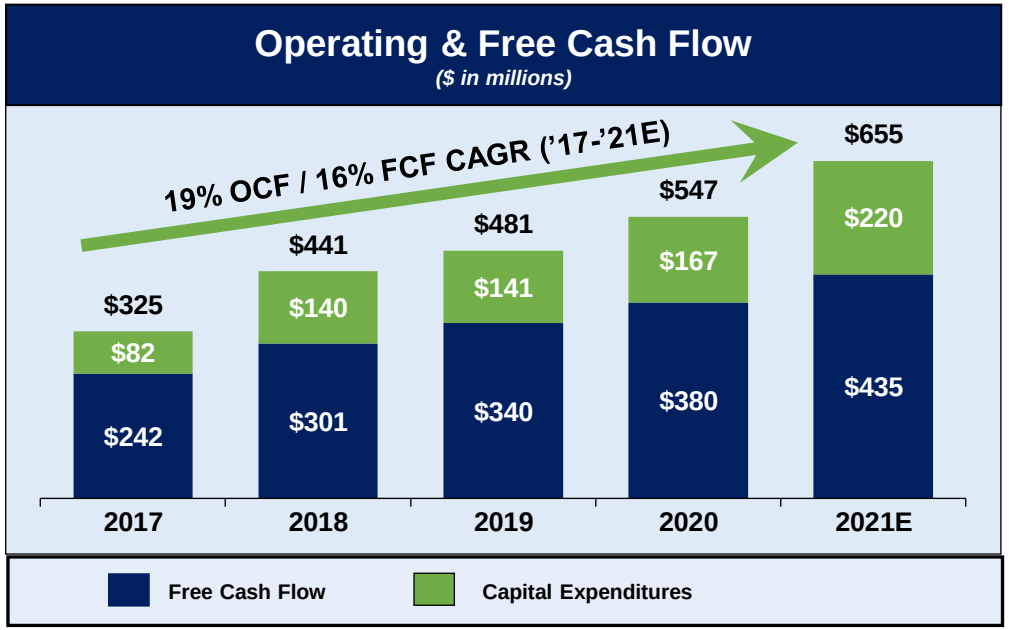


See ir.criver.com/Financial Information for reconciliations of Non-GAAP to GAAP results.

**** 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&GT CDMO business
- At this time, expect capex will be **approximately 7% of total revenue** going forward



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

Optimizing Our Capital Structure

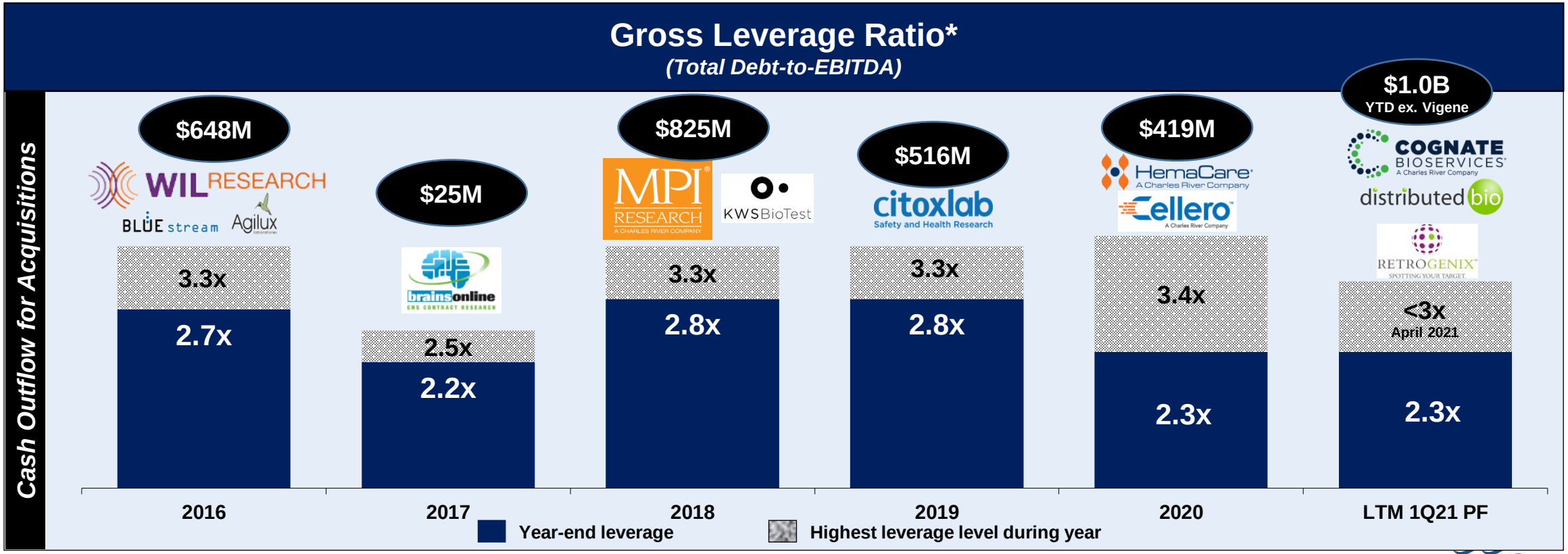
- **Optimized** debt structure this year:
  - Amended credit facility
    - New, upsized senior secured revolving credit facility of up to $3.0B (from $2.05B)
  - Issued new $1.0B senior unsecured notes
    - Redeemed a previously issued, higher-rate $500M bond
- Refinancing activities reduced average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

CRL Capitalization ($ in MM)	4/24/2021
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 *(short & long-term)*	**$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



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

* 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, Cellero, and HemaCare.
3. ROIC on M&A includes acquisitions form 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

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

1. 2017-2021E based on midpoint of respective 2021 guidance ranges.

Cell & Gene Therapy Scientific Overview

Daniel C. Smith, Ph.D., FRSB
Executive Director, Global Cell & Gene Therapy Portfolio

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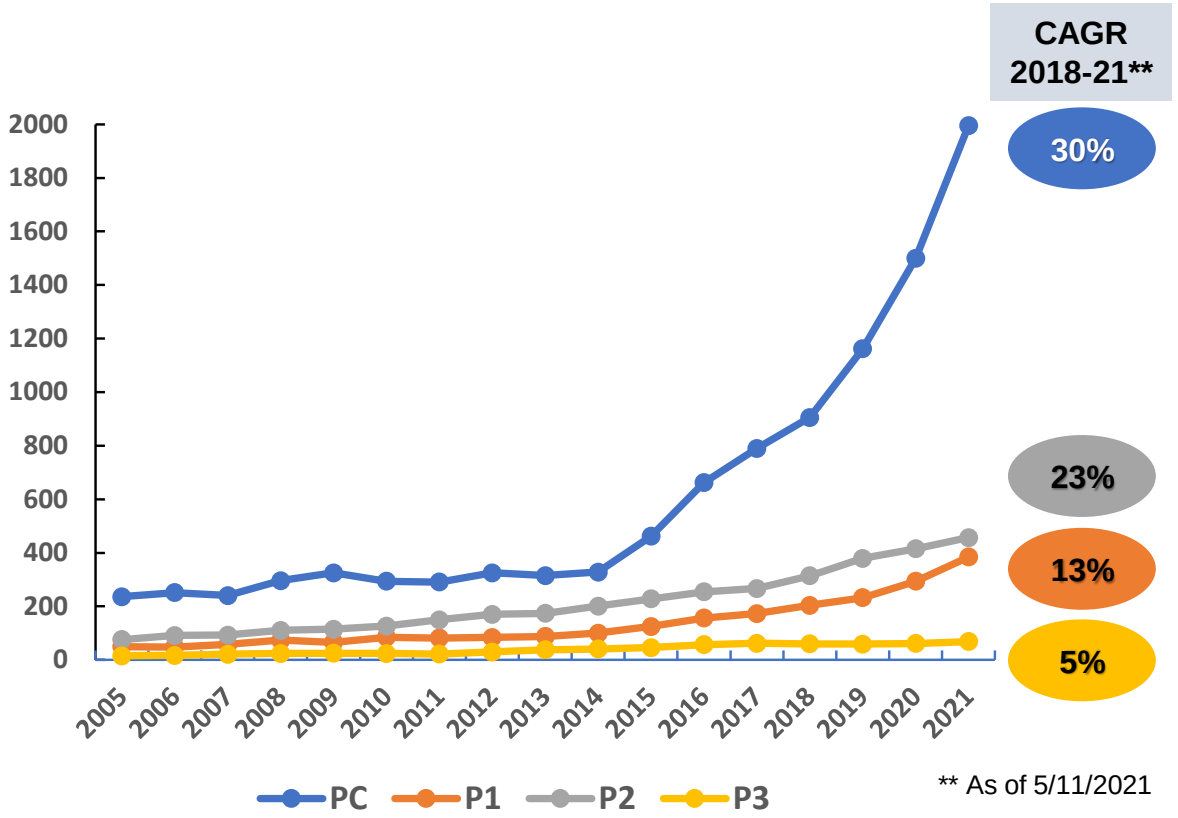
C&GT: Significant Growth Opportunity

C&GT Pipeline by Phase: >2,900 Active Programs



** As of 5/11/2021

Biopharma industry investing heavily in this class of research due to its **broad clinical application** to treat a wide range of **diseases with unmet needs**

9* **total** — Therapies approved by FDA today; Address key delivery, safety, and efficacy challenges

10-20 **per year** — **C&GT** expected to be approved per year by 2025

>900 — **Active programs** for C&GT in clinical trials worldwide

~80% — Programs in **Phase I or earlier**, setting the stage for massive growth

~200 — **IND** filings for C&GT expected to be received per year

~$20B — Funding for **C&GT companies** in FY 2020

Source: FDA, Association for Regenerative Medicine, PricewaterhouseCoopers, PharmaProjects, Citeline, SVB.
FDA: https://www.fda.gov/news-events/press-announcements/statement-fda-commissioner-scott-gottlieb-md-and-peter-marks-md-phd-director-center-biologics
* Excludes cell transplantation and cell-based regenerative medicine products.

The Transformative Potential of Advanced Therapies

- **Advanced Therapeutic Medicinal Products (ATMPs)** are transformative medicines for human use
  - Based on genes, tissues, or cells providing new innovative treatments of disease and injury
  - Have the potential to be curative; currently control disease progression
  - Rapid development and commercialization, underpinned by biological understanding and early POC (proof of concept)

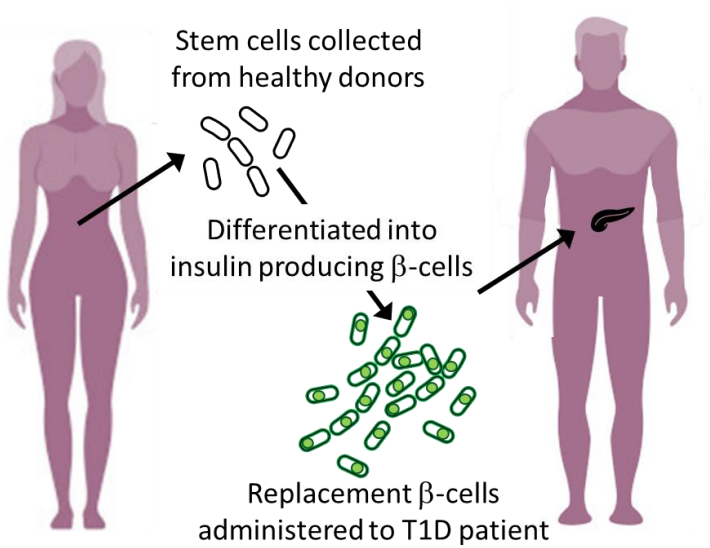
Gene Therapy	Cell Therapy	Gene-Modified Cell Therapy
Involves the introduction, removal or change in a person's genetic material to treat (or cure) a disease The new genetic content is usually transferred via a carrier or vector to the appropriate cells of the body	Involves the transfer of intact, live cells into a patient to treat (or cure) a disease The cells may be the patient's own (autologous) or those of a donor (allogeneic) The type of cell administered depends on the condition and relevant cell function	Involves BOTH protocols; cells are genetically modified with new genetic content outside of the patient, expanded to sufficient numbers, and then administered to the patient

Tackling a Range of Disease Types

Cell and gene therapies act to correct or address multiple disease-causing mechanisms

Cell Therapy

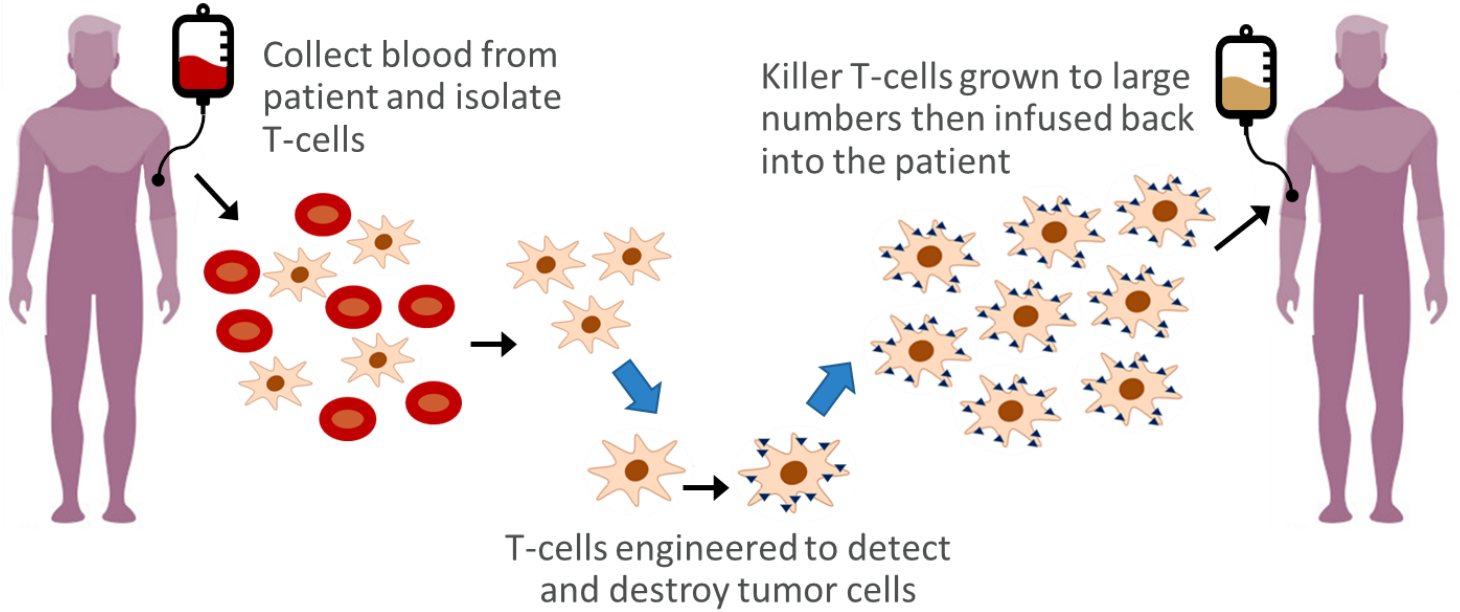
Cell donor cells implanted into tissues to reverse disease phenotypes



Type 1 Diabetes

Gene-Modified Cell Therapy

Immune cells directed to specific cell types (cancer) to kill and/or remove problem cells



Acute Lymphoblastic Leukemia (ALL)

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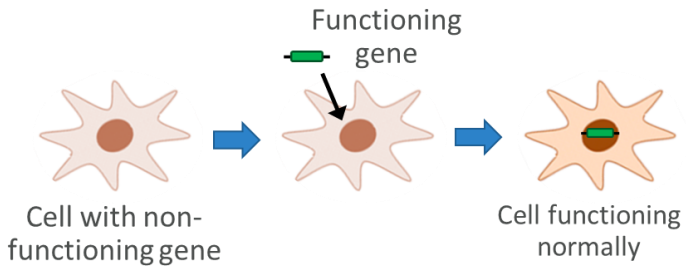
Tackling a Range of Disease Types

Cell and gene therapies act to correct or address multiple disease-causing mechanisms

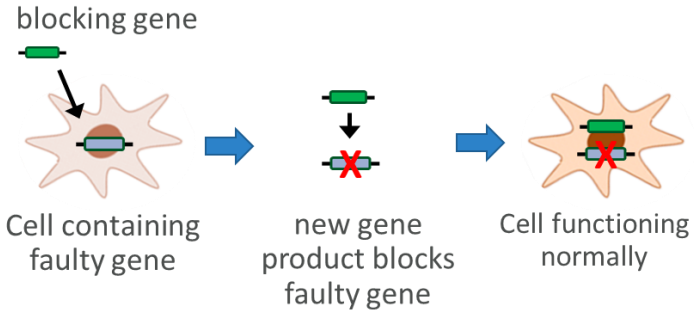
Gene Augmentation Therapy



Provides a functional copy of the faulty gene

- Inherited retinal diseases
- Cystic Fibrosis
- Spinal muscular atrophy

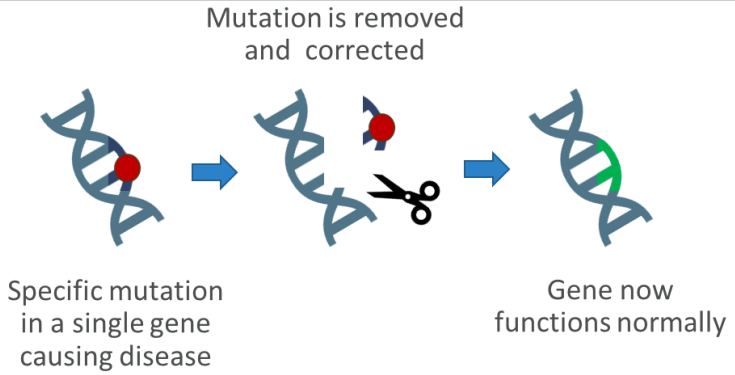
Gene Suppression Therapy



Turning off a gene that is not functioning properly

- Hereditary transthyretin-mediated amyloidosis (ATTR)

Gene Correction (Editing)



Targeted modification of a patient's genome to prevent or treat a disease

- Huntington's disease

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What Are Cell & Gene Therapies?

Advanced Therapeutic Medicinal Products (ATMPs)

Gene Therapy Medicines

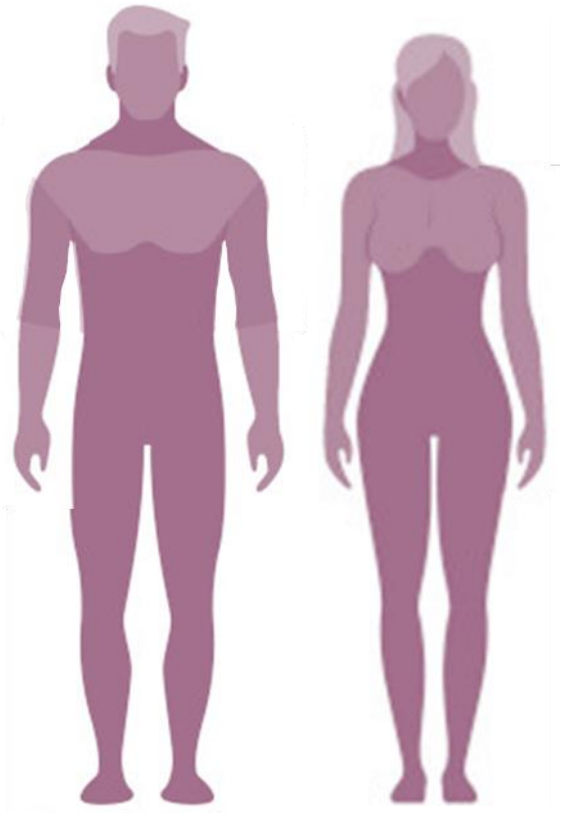
Non-viral vectors

Free in solution
(e.g. ‘naked’ DNA, mRNA)

Combined with delivery system (e.g. lipid / polymer-based)

Viral vectors

Gene delivered via a viral system (e.g. AAV/LV)



Cell Therapy Medicines

Genetically Modified Cell Therapy

Cells transduced with viral vectors to produce gene-modified cells
(e.g. CAR-T therapy)

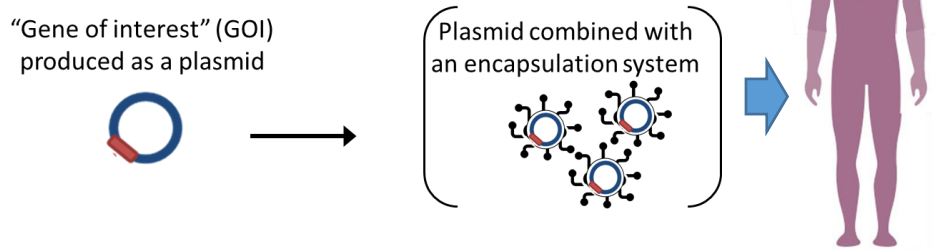
Non-Genetically Modified Cells

Cells extracted from a specific patient (autologous) or donor (allogenic)
(e.g. beta Cells T1D)

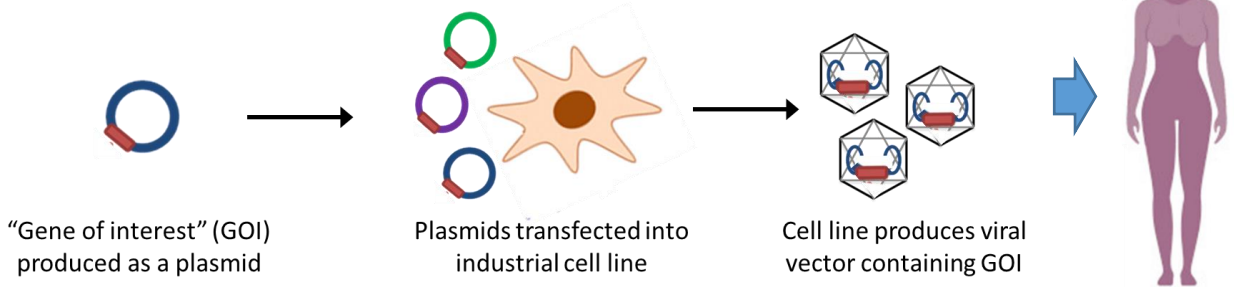
Direct Gene Therapies

A therapy that directly modifies a patient's genome

Non-viral Gene Therapy

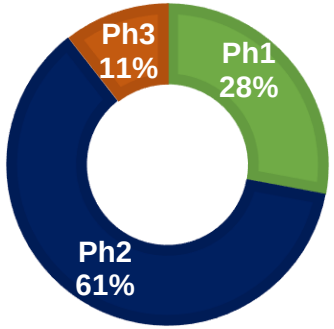


Viral Vector Gene Therapy



FDA-Approved Products

- 3 viral vector products
- No plasmid products (2 non-FDA approved)



Strong Clinical Pipeline

- >260 candidates globally

Clinical Pipeline Mix (2021)

- 58% are viral vector based
- 42% are non-viral vector based

DP — Materials/Tools — Design and Efficacy — Safety Assessment — Analytical Testing — Manufacture — DP

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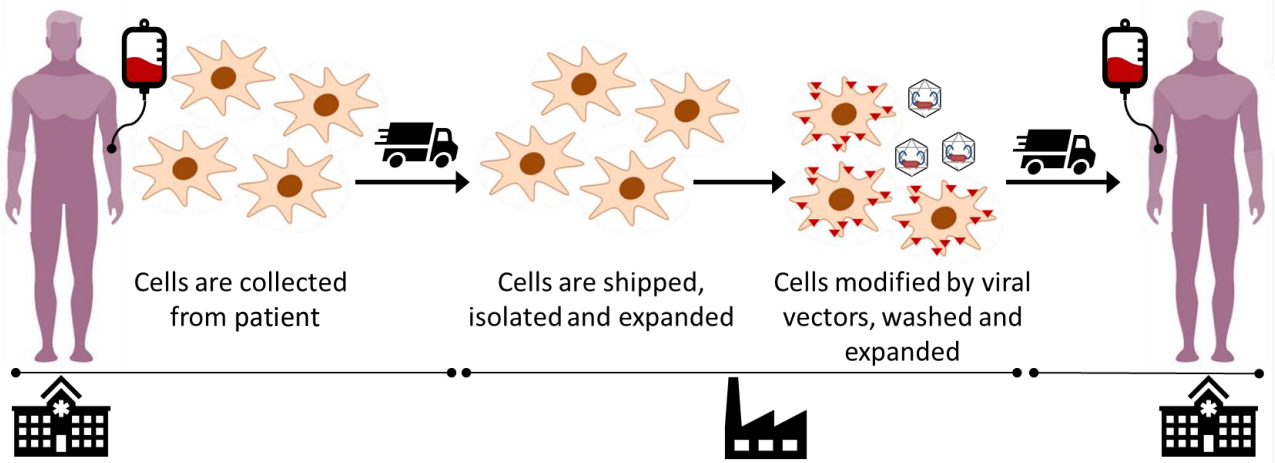
Autologous Cell-Based Therapies

Therapies that use a patient's own cells, modified to exert a therapeutic affect

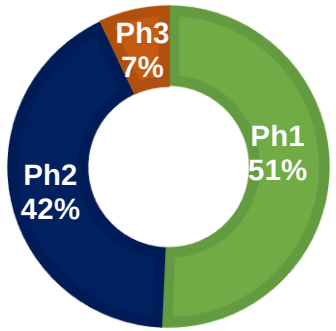
Ex vivo Gene-Modified Cell Therapy



Complex healthcare, logistical, and manufacturing supply chains requiring control and coordination

FDA-Approved Autologous Cell Products

- 5 gene-modified cell therapies; 1 cell therapies



Strong Clinical Pipeline

- >350 candidates globally

Clinical Pipeline Mix (2021)

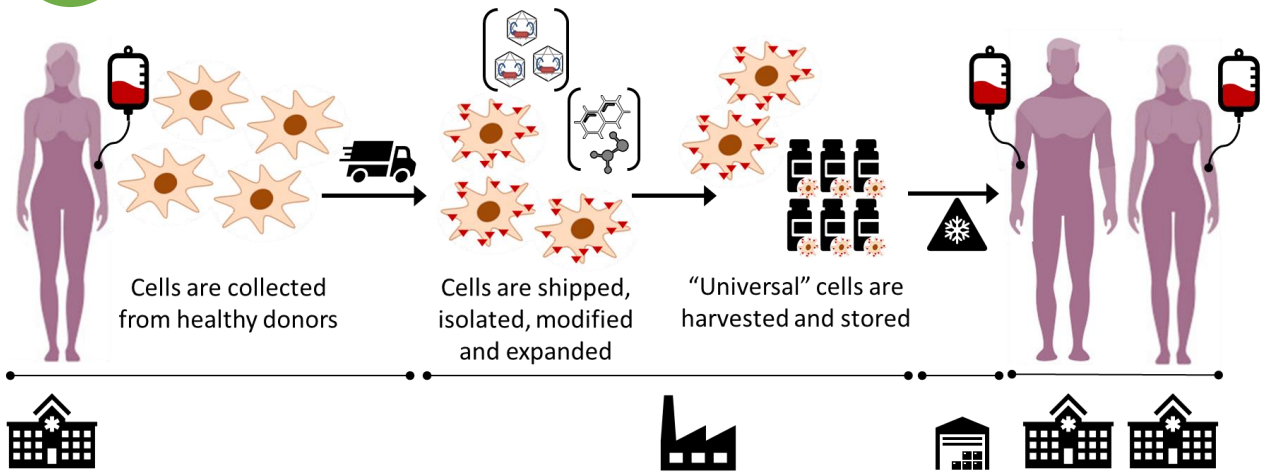
- 70% of autologous cell therapy candidates are gene modified
- 30% are pure autologous cell therapy candidates

DP — Materials/Tools — Design and Efficacy — Safety Assessment — Analytical Testing — Manufacture — DP

Allogeneic Cell-Based Therapies

Therapies that use cells from donors, that when modified exert a therapeutic affect to many

Allogeneic Cell Therapy

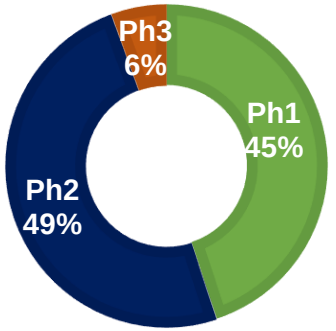


Enables the manufacture of "off-the-shelf" products, reducing the manufacturing cost burden

Sourcing material from screened healthy donors improves a product's safety profile and consistency

FDA-Approved Allogeneic Cell Products

- None yet
- 18 allogenic therapies in Phase 3 trials



Strong Clinical Pipeline

- >280 candidates globally

Clinical Pipeline Mix (2021)

- 40% of allogeneic cell therapy candidates are gene-modified
- 60% are pure allogeneic cell therapy candidates

DP — Materials/Tools — Design and Efficacy — Safety Assessment — Analytical Testing — Manufacture — DP

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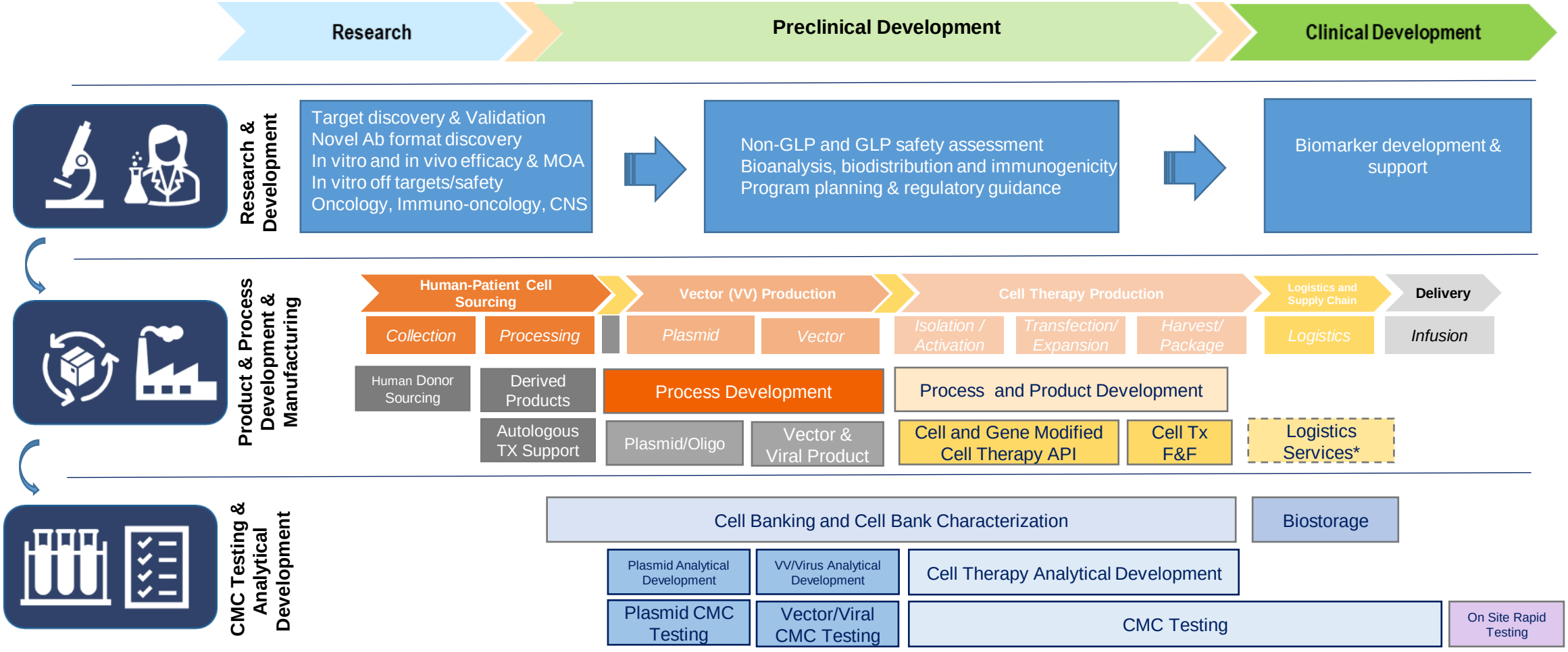
CRL: A Continuum of Products & Services for Advanced Therapeutics



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C&GT Strategic Vision and Discovery & Safety Assessment

Birgit Girshick
Corporate Executive Vice President,
Discovery & Safety Assessment,
Biologics Solutions,
and Avian Vaccine Services

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Charles River's C&GT Strategic Vision

Preferred Partner for Cell and Gene Therapy Innovators Worldwide

Mission Statement

Deliver the fastest and highest quality **end-to-end integrated solution** to accelerate cell and gene therapy development and manufacturing globally by leveraging our **comprehensive portfolio** with a **consistent, easy-to-use, and customizable, high-science approach** while offering the flexibility to **adapt and innovate** to meet our clients' changing needs

Preferred partner for high-quality and expertly-conducted C&GT drug development to accelerate the path to market

Expand capabilities and geographic reach to complement our leading non-clinical portfolio

Collaborating with our clients and partners to enable and commercialize the next generation of C&GT innovations

C&GT Industry Landscape

C&GT Market Drivers

- Emerging C&GT modalities are growing faster than traditional modalities
  - Advancements in next-generation cell and gene therapies are fulfilling the promise of personalized medicine
- Established high-growth market
  - >15% of biopharma R&D pipeline is currently C&GT programs
    - Proportion doubled since 2015
  - >25% CAGR for programs in C&GT pipeline since 2015

Industry Drivers

- Speed, safety, reliability, and cost management are among the normal challenges faced by C&GT clients, driving increasing expectations and the need for better solutions
  - Many of the cell and gene manufacturing processes currently in place have been developed with small patient numbers and involve manual steps
  - Autologous cell therapies are inherently variable and prone to human error
  - Allogeneic cell therapies require challenging scale up of batch sizes

CRL's Position

- Comprehensive C&GT portfolio from research models and cell supply, to global DSA services, to analytical testing and manufacturing capabilities
  - Reduces complexity of client's supply chain
- Best-in-class and trusted partner with industry-leading scientific and regulatory capabilities
- Coverage of key geographies
- Accelerating innovation through collaboration with clients and partnering relationships to address inherent C&GT development challenges

CRL Cell & Gene Therapy Process Map

Where CRL Plays Today

Non-Clinical Development thru to IND Approval

- Cell Collection/Delivery
- Cell Characterization
- Cell Detection Methods
- Sequencing

- Genomics/bioinformatics support
- Disease Model Identification – In Vitro and In Vivo
- Model Development & Pilot Studies
- POC & In Vivo Imaging

- GLP In Vivo Toxicity Studies
- Biodistribution Studies
- Cross Reactivity
- Tumorigenicity Evaluations
- Molecular Pathology

- Regulatory Strategy
- Assist IND/BLA Filing Preparation
- Establish Clinical Biomarkers to Address Translation Gaps

CMC Process Development, Scale Up & Manufacturing

- Starting Material QA/QC
- Cell Characterization
- Stability Testing

- C&GT CDMO Services
  - DNA Plasmids
  - Viral Vectors
  - Cell and gene modified cell therapy
- Lot Release Testing
- Cell Banking

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Strategy: First-Choice Partner to Accelerate C&GT Development and Manufacturing Globally

Preferred partner for high-quality and expertly-conducted C&GT drug development to accelerate the path to market

CRL C&GT Center of Excellence

Team of highly experienced C&GT scientists, engineers and regulatory professionals to guide and advise our client's programs

Digitally Enabled, Science Forward Client Journey

Best-in-class, easy-to-use client journey delivered through digital enablement, scientific expertise, program management, and data analytics

Comprehensive C&GT Portfolio

Ensure industry leading C&GT products and services to support non-clinical development and production of C&GT globally

Expand C&GT capabilities and geographic reach to complement our leading non-clinical portfolio

Global Cell Therapy Supply Chain Leadership

A premier position in global cell therapy supply with emphasis on securing end-to-end critical global access and supply for cells, media, and reagents as tools for process development and scale up

Enhance C&GT CDMO Capabilities & Footprint

Continue to enhance our C&GT CDMO capabilities and geographic footprint to enable clients to drive greater efficiency and accelerate their speed to market

Innovation Through Collaboration

Global leadership in C&GT through a collaborative, high-science approach and partnerships to provide clients with cutting-edge technologies

Collaborating with our clients and partners to enable and commercialize the next generation of cell and gene therapies

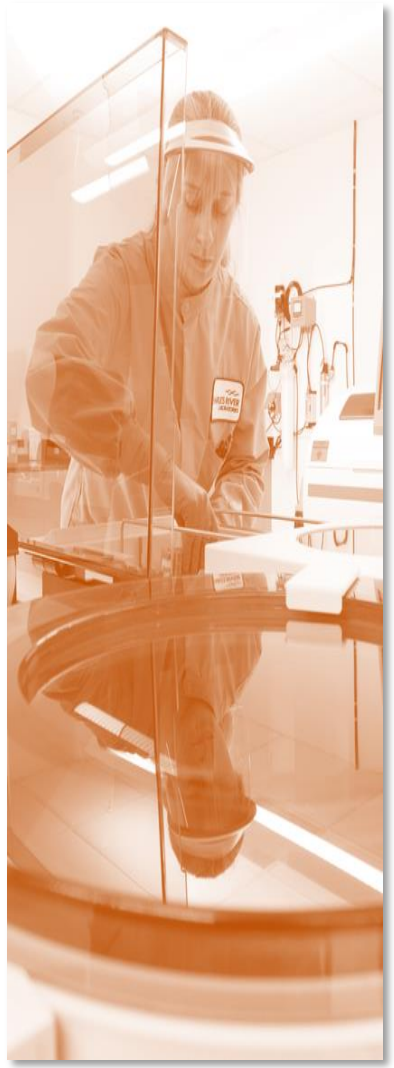
Discovery & Safety Assessment: The Leading, Non-Clinical Contract Research Organization

#1
Position among early-stage CROs

~2,000
Scientists with advanced degrees in the DSA segment

~33%
share of outsourced Safety Assessment market sector

>400
Patents worked on by DSA segment



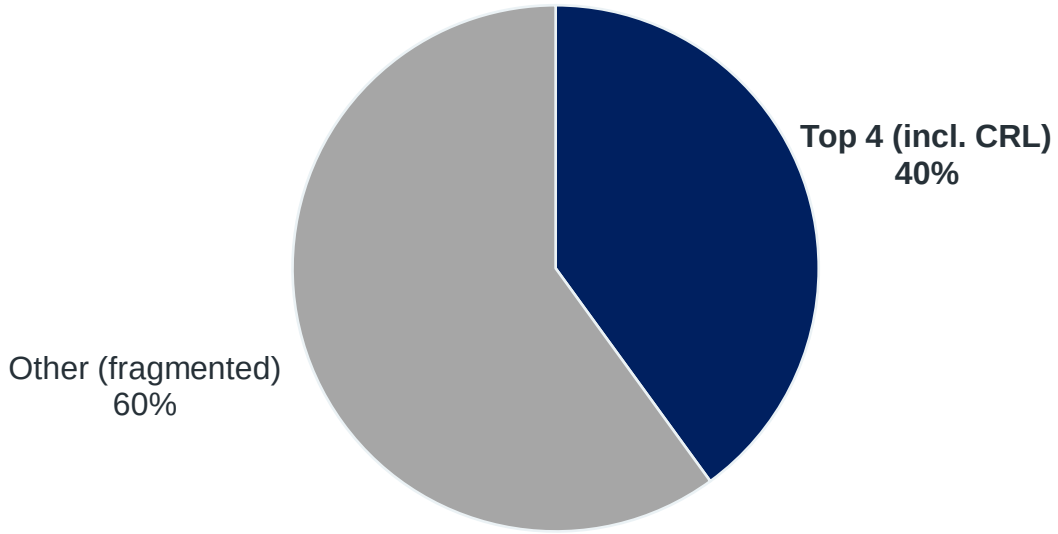
~10%
DSA organic revenue growth
(2021-2024 Target)

85
Novel molecules originated for clients since 1999

Discovery Services

- A **unique CRO**, offering clients a single source for services across the discovery spectrum
  - Engages with clients earlier in the discovery process
- Integrates **chemistry, *in vitro,* and *in vivo*** capabilities
  - Extensive **medicinal chemistry** and **structural biology** expertise
  - Comprehensive **tumor** and **HTS** (high-throughput screening) libraries
  - **Pharmacology** models for all major disease areas
  - Expertise centered around all major therapeutic areas, including **oncology** and **CNS**
- Early Discovery has discovered **85 novel molecules** for clients since its founding in 1999
- Continuing to expand discovery capabilities through M&A, strategic partnerships, and internal investment
  - Recently acquired **Distributed Bio** (large molecule discovery) and **Retrogenix** (cellular microarray technology) to enhance discovery capabilities

Outsourced Global Discovery Services Market Sector



~$5-$6B Outsourced Market Sector
Low-Double-Digit Growth
~25% Outsourcing Penetration

Sources: Citeline (Pharmaprojects), Visiongain, Kalorama, L.E.K. Consulting, Factiva, Wall Street research, and CRL management estimates.

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MEETING WITH MANAGEMENT

Recent Acquisitions: Distributed Bio & Retrogenix

distributed bio

- Acquired December 2020: A next-generation antibody discovery company
- Establishes CRL's premier, integrated, large molecule discovery platform with an end-to-end solution for therapeutic antibody discovery and development
- Distributed Bio's antibody libraries and integrated antibody optimization technologies expedite the antibody discovery process by several months
  - 76 billion fully-human antibody phage display library
  - ~100s to 1,000s hits against every target panned

RETROGENIX™
SPOTTING YOUR TARGET.

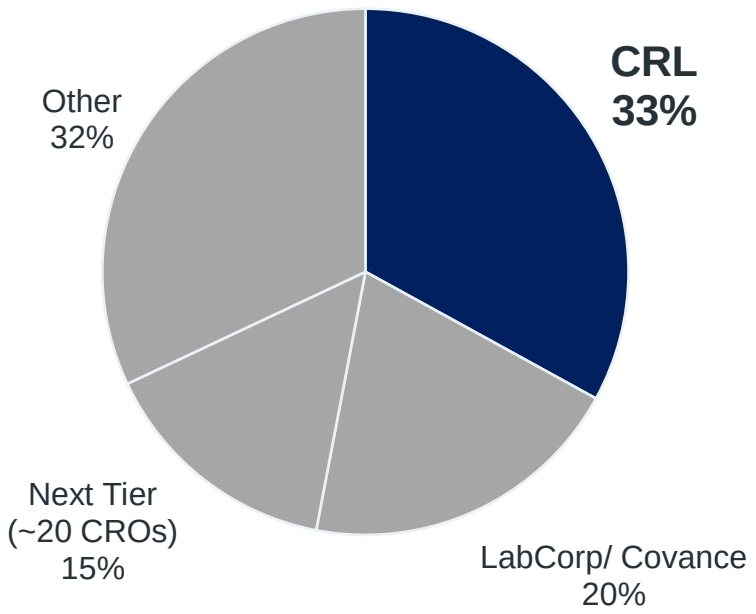
- Acquired March 2021: An early-stage CRO providing specialized bioanalytical services utilizing its proprietary cell microarray technology
- Retrogenix offers cell microarray services for target receptor identification, off-target profiling, and target deconvolution on a wide range of novel therapeutics including biologics, cell therapies, and small molecules
- A premier platform for off-target screening for preclinical safety assurance in CAR-T therapies

Distributed Bio and Retrogenix further strengthen our integrated, end-to-end solution for therapeutic antibody and cell and gene therapy discovery and development

Safety Assessment Services

- **Global leader** in both non-regulated (non-GLP) and regulated (GLP) safety assessment services
- Providing clients with expertise for **integrated drug development**
  - **Non-GLP** efficacy studies
  - **Safety Assessment (SA)**
    - **General** toxicology
    - **Specialty** toxicology
      - Inhalation, infusion, developmental and reproductive, juvenile/ neonatal, ocular, bone, immunotoxicology, and phototoxicology
  - Comprehensive suite of **bioanalytical services**
  - Expert **pathology** services
- Acquisitions of **Citoxlab** (2019), **MPI Research** (2018), and **WIL Research** (2016) have further enhanced CRL's leading SA position and solidified our scientific capabilities and global scale in order to fully support our clients' needs

Outsourced Safety Assessment Market Sector



$4.5-$5B Outsourced Market Sector
Mid- to High-Single-Digit Growth
60%+ Outsourcing Penetration

Sources: Wall Street research, L.EK. Consulting, and CRL management estimates.

DSA: Best-in-Class C&GT Experience & Scientific Expertise

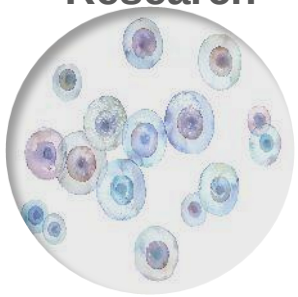
- Extensive discovery and safety assessment expertise across advanced drug modalities
  - Meaningful growth potential with ~two-thirds of the C&GT R&D programs currently in the preclinical phase
- We offer extensive preclinical testing requirements for C&GT, which vary by molecule:
  - Gene-modified cell therapies (i.e. T cell therapies) typically require a non-clinical program involving combo efficacy/safety studies
    - Primarily using immunodeficient/genetically modified models
  - Gene therapies require a non-clinical program similar is to a traditional large molecule
    - More complex specialty programs
  - Regenerative medicine cell therapy programs vary by therapeutic and can be quite complex
- CRL has established one of the largest, early-stage testing platforms to support this emerging, high-growth sector

CRL's Translationally Focused Approach to C&GT

Discovery & Safety Assessment

Process Development, Scale Up & Manufacturing

Basic Research



In vitro R&D projects

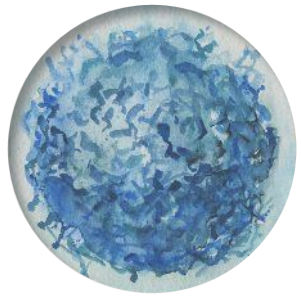
***in vivo* Models & Efficacy Studies**

In vivo & ex vivo models & studies

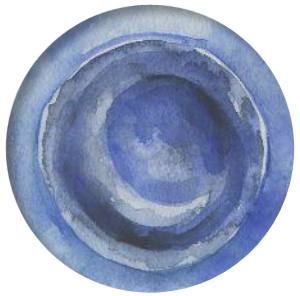
Safety Assessment

Toxicity, biodistribution and/or tumorigenicity studies

Clinical



Commercial



Cell Supply
DNA Plasmids
Viral Vectors
Cell therapy CDMO
Analytical Development
Quality Control Testing

DSA Strategy Drives Innovation and Growth

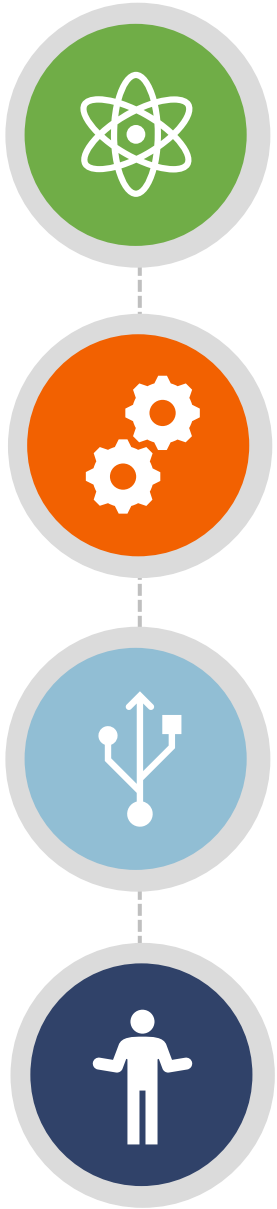
Scientific Expertise

Accelerate pathways to go/no-go decisions by investing organically and through partnerships and M&A

- Innovation to accommodate shift to **large molecule** and **C&GT** research programs

Digital Strategy

Best-in-class outsourcing experience through **digitalization** of data, enhanced data analytics, and providing **self-service** options



Operational Excellence

Revolutionize the industry with a seamless and flexible end-to-end, early-stage drug development platform through collaboration, harmonization, and process improvement

Our People

Engage, hire, and retain the best people by developing, appreciating, and empowering our people and allowing them to **make fast decisions**

Digital Strategy

- Build **best-in-class** outsourcing experience through **digitalization** of data, data analytics, and self-service options
  - Scientific data is the core of our business
- Digital strategy entails:
  1. Continuous upgrades to IT security and foundational information and data management tools to support global digital strategy and data analytics
  2. Enhance tools to support the operational excellence of CRL and our clients
  3. Migrate towards a **full digital client experience** to enable clients with real-time access to data and self-service options

Digitally Enabled Client Journey

Flexible and Secure Technology

- Best-in-class technology platforms
- Information security as the highest priority
- Enterprise architecture roadmap
- **Goal:** Secure and scalable infrastructure

Talent and Operating Model

- Recruitment and retention of best digital talent
- Agile operating model
- Culture of continuous development, learning and problem solving
- **Goal:** Acceleration of digital capabilities

Data as an Asset

- Data is leveraged for operational efficiencies and scientific insights
- Drive cross-selling throughout the CRL portfolio
- Licensing of emerging technologies
- **Goal:** Efficiencies and competitive advantage

Client Engagement And Speed

- Enable self-service with human touch
- Maintain fastest turnaround times in the industry
- Reduce ‘whitespace’ in drug development
- **Goal:** Reduce drug development timeline by an additional year

Establish CRL as a leading digitally powered CRO to support clients’ increasing complex needs and accommodate future growth

Biologics Testing Solutions

Kerstin Dolph
Corporate Vice President,
Biologics Solutions

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MEETING WITH MANAGEMENT

Premier, Global CRO to Support Biologics Manufacturing

20%+
Robust, **double-digit** revenue growth
(2020 & 2021E)

Rapidly growing market
fueled by C&GT programs & COVID-19 therapeutics

A leading CRO in **$1.8B-$2B** addressable market sector

Synergistic fit with **Cognate** to establish a premier partner for testing and manufacturing for advanced drug modalities

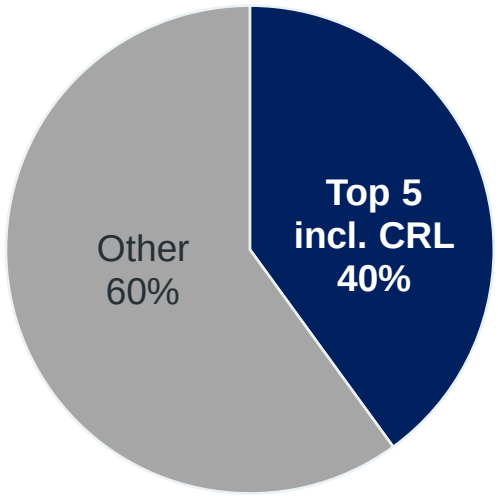
Manufacturing Solutions

Providing reliable, innovative, scientific solutions to ensure the safety and efficacy of clients' products

Product & Genetic Characterization Services	Biosafety & Clearance Testing	Bio-Activity & Potency Testing	Manufacturing
• Biophysical testing • Analytical testing • Genetic testing	• Viral analysis • Microbial analysis • HCP analysis • Residuals testing • Clearance studies	• *in vivo* bioassays • *in vitro* bioassays • Analytical testing	• Cell bank manufacturing • Viral manufacturing

Biologics Testing Share*

** Excludes C&GT CDMO*



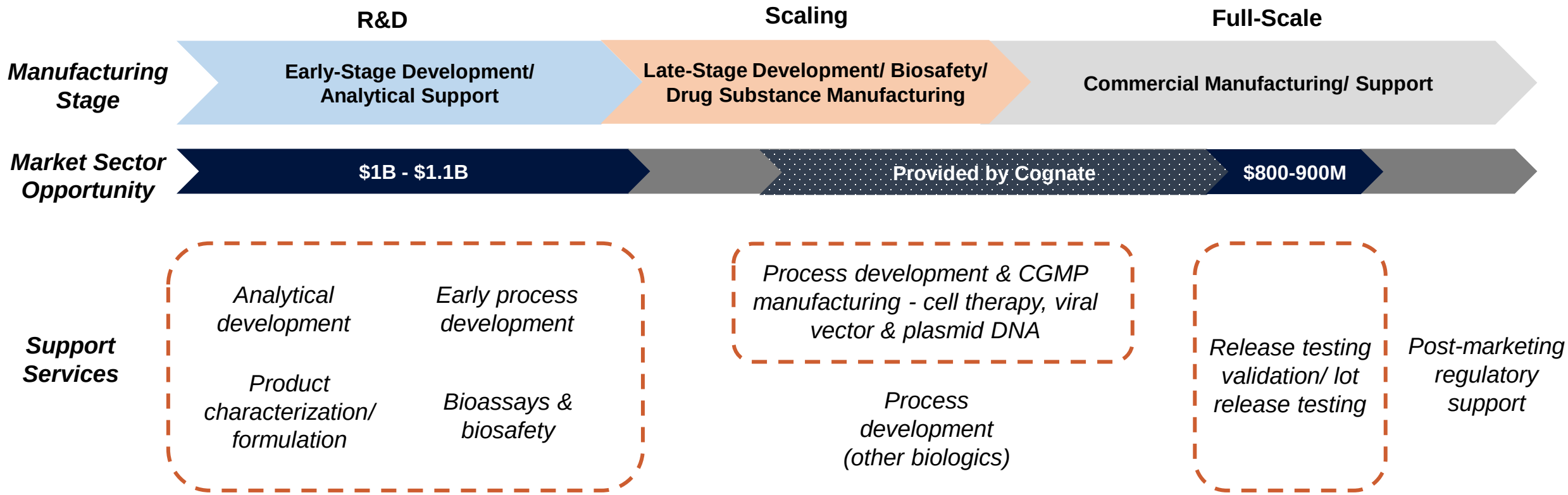
Source: CRL management estimates

With 50 years of experience, CRL's comprehensive in-house testing portfolio supports over 200 licensed products for biotechnology and pharmaceutical companies worldwide

Biologics Market Sector Opportunity

Key:

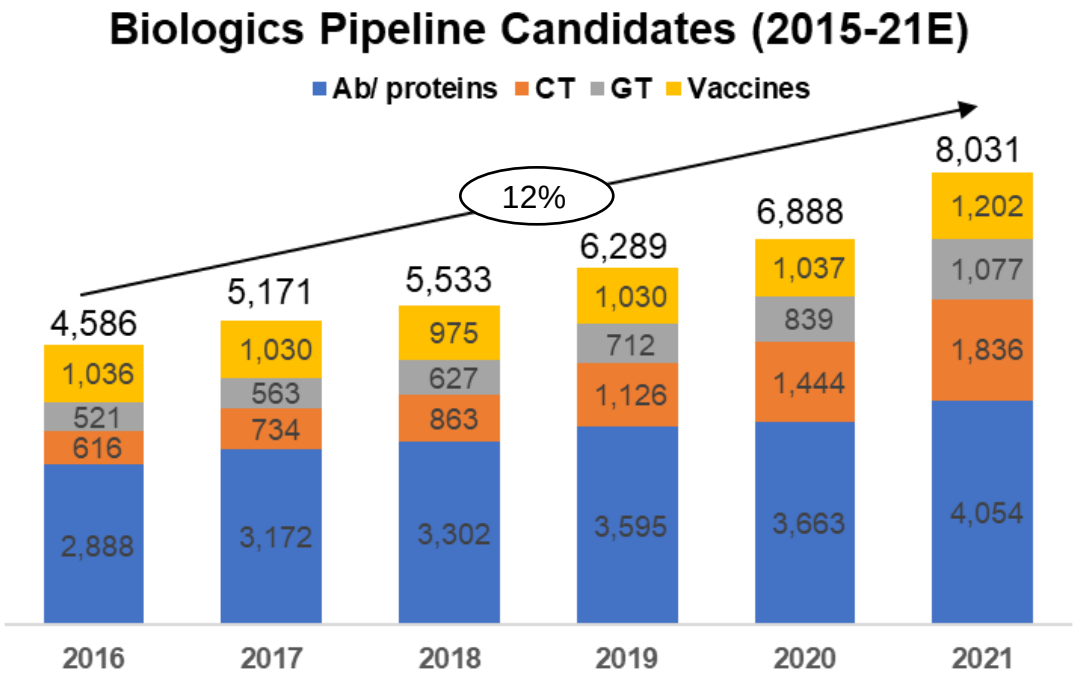
- **CRL Biologics Offering**
- **CRL C&GT Offering Only**

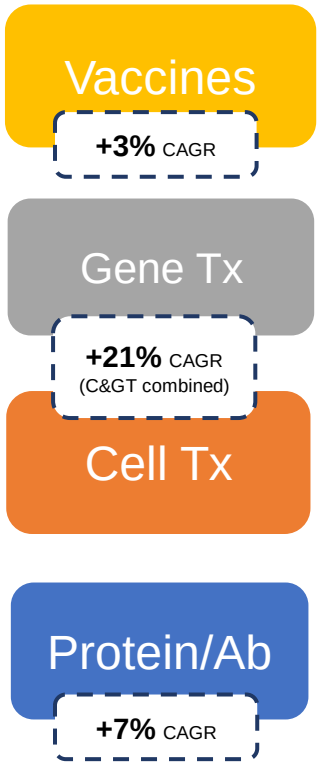


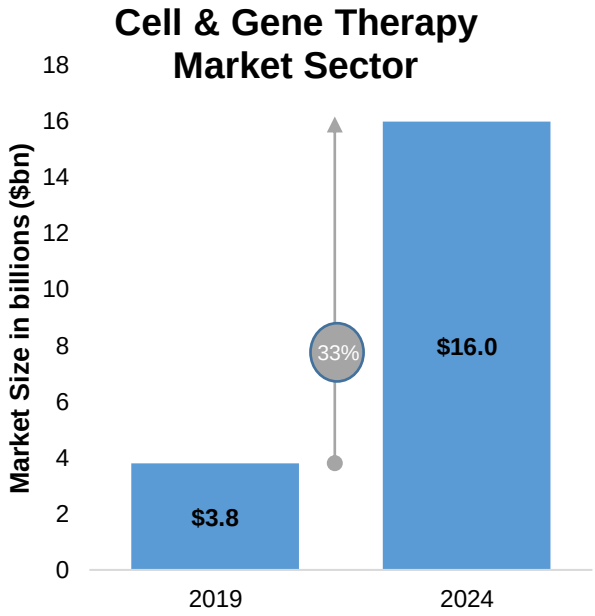
Outsourced Market Sector for Current CRL Service Areas
$1.8B-$2B(1)

Source: Public databases, CRL management estimates, BPTC analysis
(1) Excludes ~$2.5B C&GT CDMO sector with services provided by Cognate.

Significant Growth Potential Driven by C&GT







Overall biologics market is growing at least in the low-double digits, with C&GT projects growing at >20%

Source: PharmaProjects, Frost & Sullivan; Markets & Markets; CRL Analysis

Biologics: Cell and Gene Therapy (C&GT) Offerings

Analytical Support

- Develop, qualify, and validate testing methods required for product identity, purity, & potency
- New state-of-the-art technology platforms (e.g., ddPCR)

Safety Testing

- Assure products are free of contamination from virus, microbial contaminants, or harmful process chemicals
- Rapid testing methods to achieve product release time for short shelf-life C&GT products

Cell Bank Manufacturing

- Prepare & characterize the cell banks used in biologics manufacturing process
- Capability enhancements to accommodate storage for C&GT products

Product Potency Testing

- State-of-the-art flow cytometry tools to develop & validate novel potency assays for C&GT products

Strengths & Synergies with Cognate

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Key Strengths

- Comprehensive testing portfolio across the entire drug development pipeline through commercialization
- Global footprint with strong logistical coverage
- State-of-the-art technology platforms with competitive turnaround times

COGNATE BIOSERVICES®
A Charles River Company

Key Strengths

- Integrated provider of CGMP cell therapy, plasmid, and viral vector CDMO services
- Ability to serve all clinical and commercial phases
- Strong market reputation and brand recognition

Key Synergies

With the growth in C&GT, clients are looking for end-to-end providers with a global footprint and a single point of contact for program management

More clients are requiring quality improvement in addition to scaling

CDMO activities feed Biologics GMP testing pipeline

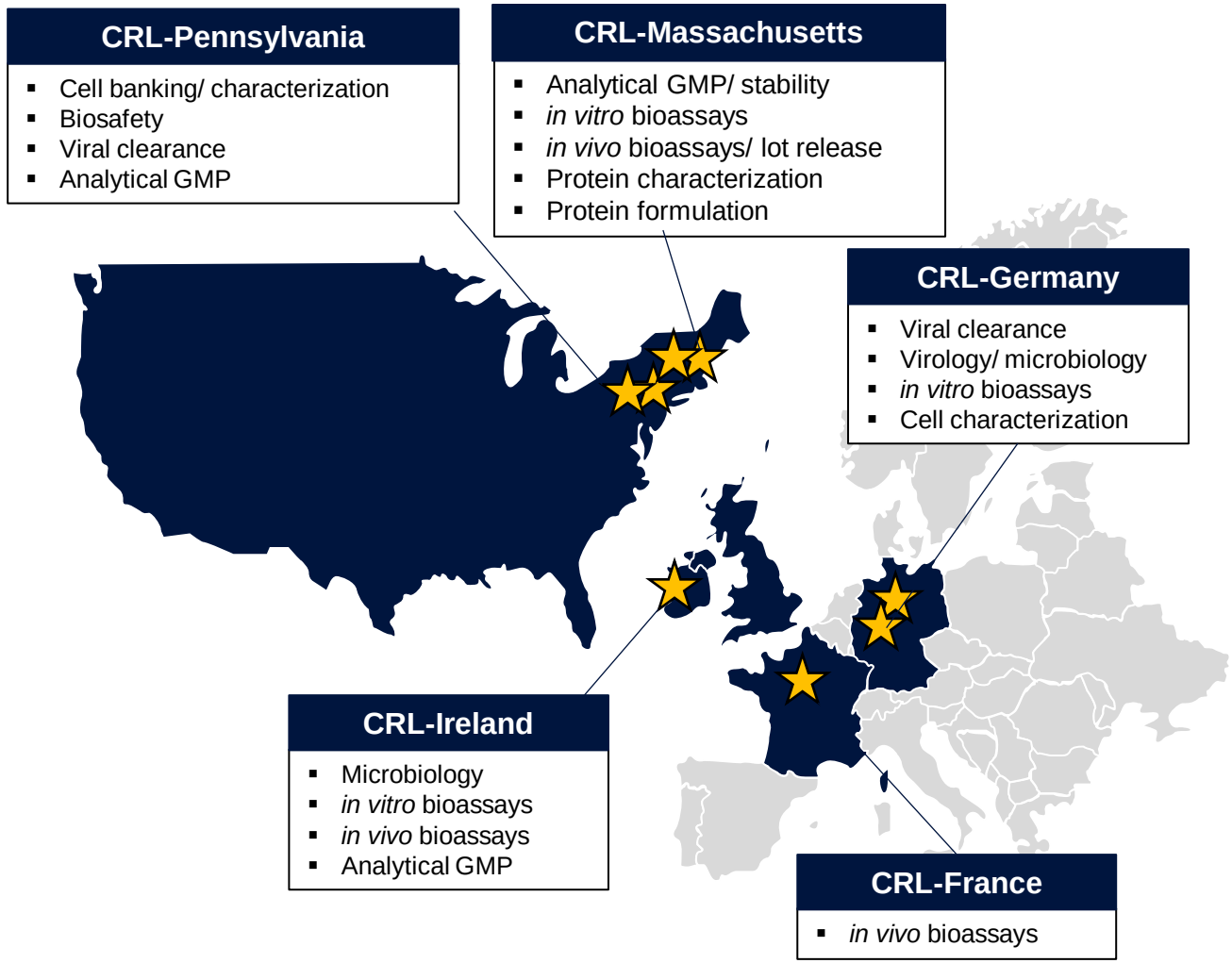
Harmonized testing and manufacturing strategy for optimal service offerings in response to new novel therapies

Global Biologics Footprint Proximate to Clients

Global expansion, with capacity expansions in U.S. and Europe to accommodate robust client demand

Active in 45 countries, across 6 continents

~1,000 clients worldwide



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Biologics Growth Strategy

Speed	Quality	Portfolio	Capacity & Footprint	Technology
Invest in IT platforms to enhance speed, connectivity and responsiveness to our clients	Maintain and enhance reputation for best-in-class service and customized solutions	Continue to build full-service testing portfolio to support C&GT clients through industry-leading scientific expertise	Global footprint and continuous capacity expansions are required to meet the rapidly growing client demand	Focus on optimizing operational efficiencies through automation and enhanced process analysis

Cell & Gene Therapy CDMO Services

Mike Austin
Corporate Vice President, Cell and Gene Therapy CDMO

There information contained herein principally reflects Cognate BioServices, since Charles River's planned acquisition of Vigene Biosciences has not yet been completed. Any reference to Vigene contained herein would only be relevant when the transaction closes.

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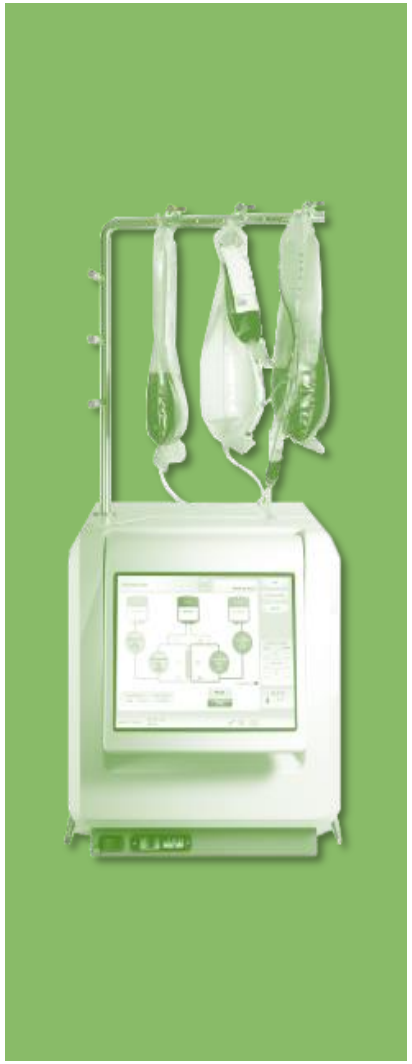
Cognate: A Premier Cell & Gene Therapy CDMO



A **leading** position in cell therapy manufacturing

~150K sq. ft. in the US, UK & EU with planned expansions to support growth

~$140M Cognate's annual revenue expected for full-year 2021

>25% Revenue CAGR expected over next 5 years

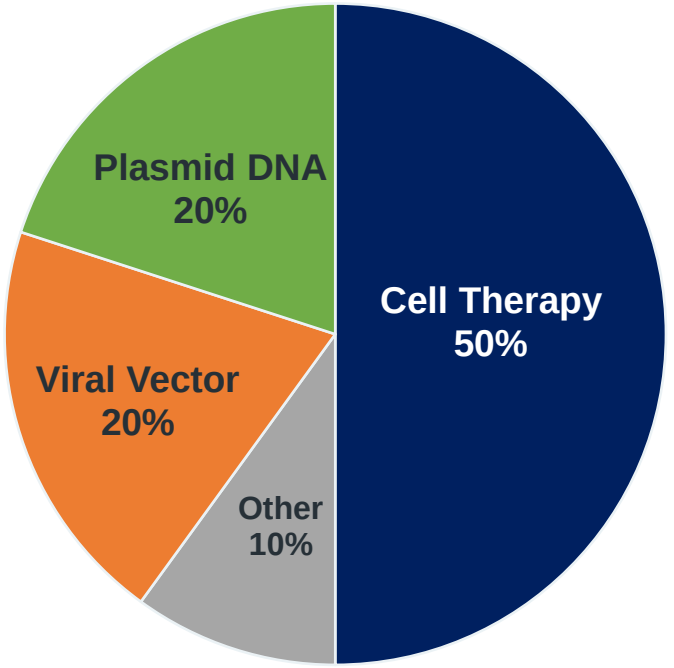
~$2.5B Addressable C&GT CDMO sector (primarily cell therapy, plasmid DNA & viral vectors)

>2,900 C&GT programs in biopharma R&D pipeline

Cognate Business Overview

- A premier CDMO partner for clients' comprehensive C&GT development and manufacturing needs
- Cognate has solutions across the major CDMO platforms for C&GT
  - Primary area of expertise is CGMP cell therapy manufacturing
  - Also has capabilities in the production of plasmid DNA, viral vectors, and other value-added CDMO inputs
- Track record of producing various cell types and technologies used in cellular immunotherapy and immuno-oncology, regenerative medicine, and advanced cell therapy
- Talented staff of >500 employees across four locations (Tennessee, Maryland, U.K. and Sweden)

Cognate Revenue Mix by Service Area (2021E)



Cognate's Global Capabilities

Cognate's global capabilities include C&GT logistics, regulatory support, and guidance for IND submissions

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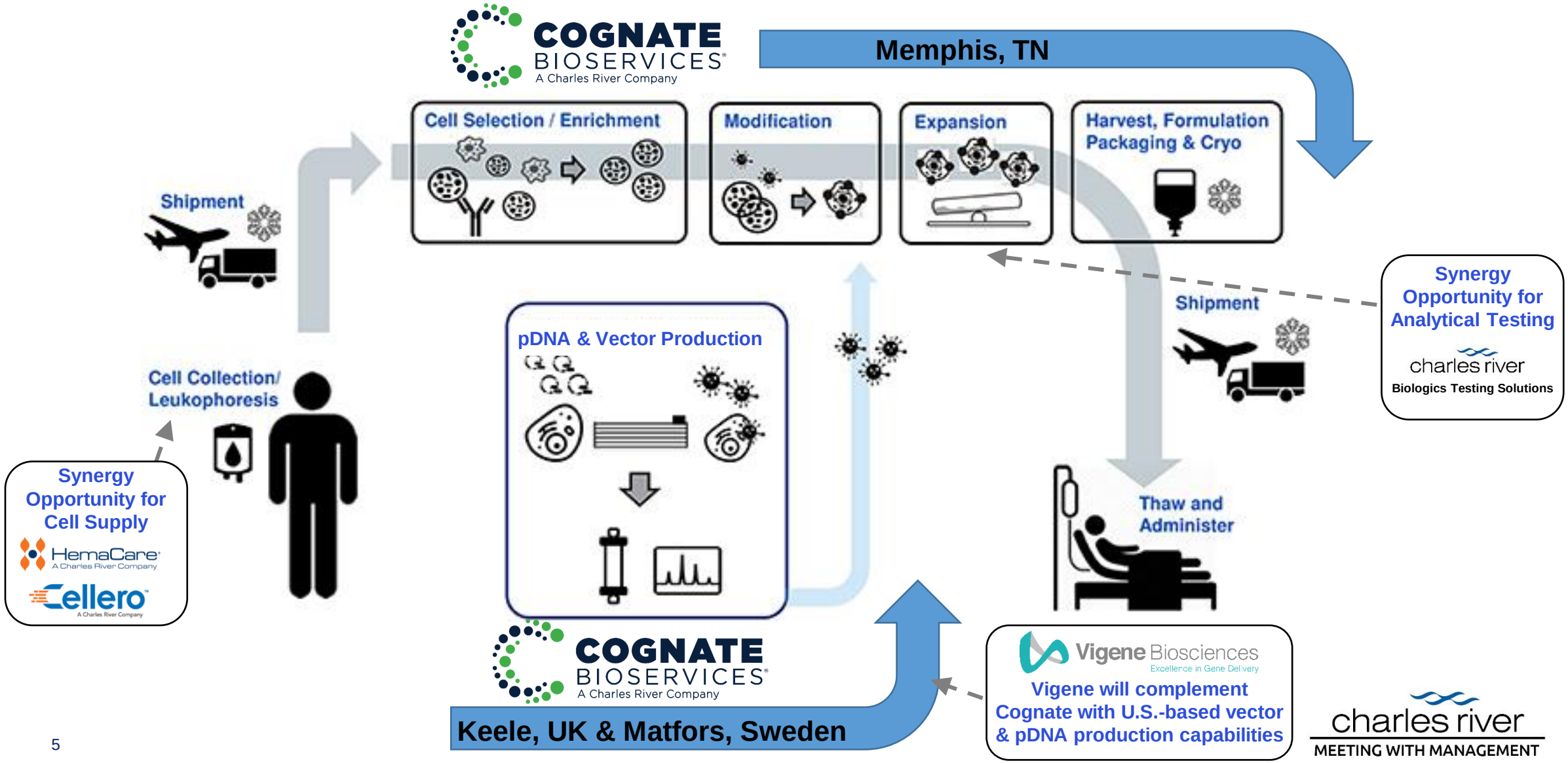
- Cell Therapy Manufacturing (Memphis TN)
- Plasmid DNA Manufacturing (Keele, UK & Matfors, Sweden)
- Viral Vector Manufacturing (Keele, UK)
- Logistics/Supply Chain Warehouse (Memphis, TN)
- Process Development & Analytical Testing (Hanover, MD)

Vigene Biosciences
Excellence in Gene Delivery

Vigene has viral vector and plasmid DNA manufacturing operations in Rockville, MD

Cognate's Gene-Modified Cell Therapy Workflow



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Cognate's Cell & Gene Therapy CDMO Capabilities

Cell Therapy (US)	Gene Therapy (UK/EU)	
Memphis, Tennessee & Hanover, MD	**Keele, UK**	**Matfors, Sweden**

• CGMP cell therapy manufacturing
• **Current capacity**:
  • >10 years of CGMP cell therapy production in Memphis
  • GMP cell therapy operations in 22 suites for US/EU standards
• **Future expansion**:
  • 9 additional suites by end of 2022
• **Other capabilities:** Process development, analytical testing, and logistics/supply chain capabilities
• Commercial-ready cell and gene therapy production capacity available
	• Plasmid DNA & Viral Vectors
	• **Current Capabilities:**
	  • 20-year track record in gene therapy
	  • High-Quality Plasmid DNA & 50L CGMP Plasmid DNA
	  • Viral Vector Process Development & GMP Production
	• **Future Expansion:**
	  • Commercial DNA & viral vector supply
		• Plasmid DNA & Other CDMO Inputs
		• **Current Capabilities:**
		  • 20-year track record for clinical/commercial GMP
		  • High-Quality Plasmid DNA
		  • Microbiota Process Development & GMP 500L
		  • Technical proteins
		  • Fill/Finish
		• **Future Expansion:**
		  • New 50L/ 300L GMP DNA suite

Vigene’s Gene Therapy CDMO Capabilities

Gene Therapy (US)

Rockville, MD

- Viral Vector & Plasmid DNA
- **Current capacity**:
  - ~110K sq. ft. state-of-the-art facility
  - 15 GMP cleanroom suites
- **Current Capabilities:**
  - 10-year track record in gene therapy
  - Major viral vectors being used for gene delivery (AAV, adenovirus, lentivirus, and retrovirus)
  - High-Quality and CGMP Plasmid DNA
  - Viral Vector Process Development & GMP Production

Vigene Biosciences
Excellence in Gene Delivery

Cell Therapy Manufacturing Capabilities

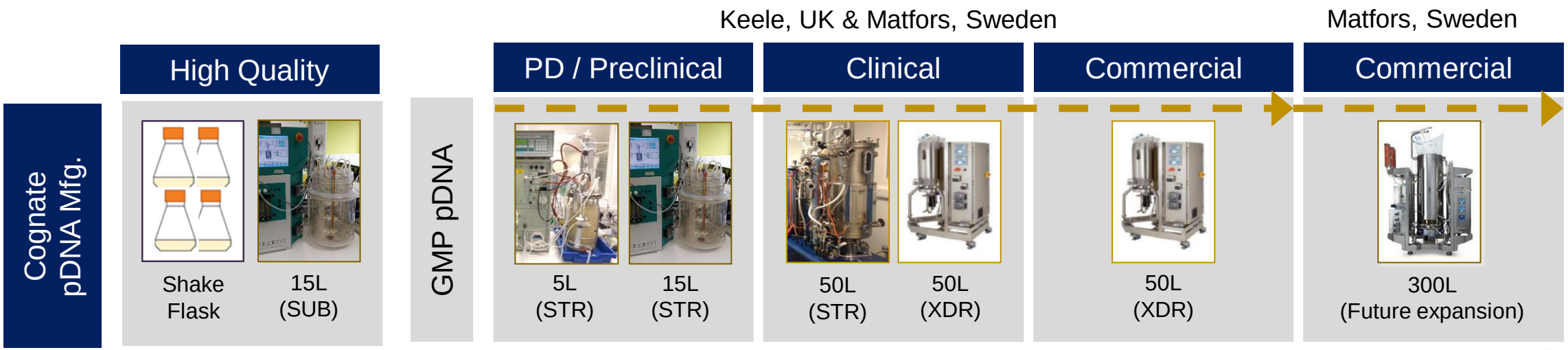
- Extensive capabilities for scientifically complex, cell therapy development and manufacturing solutions
  - CGMP manufacturing expertise across multiple cell types
  - From clinical phases to commercial-ready production
- Cell therapies are personalized medicines produced in small batches/scales with customization based on client requirements
  - Highly flexible blank slate production suites that are agnostic to equipment manufacturers
    - Accommodates a variety of client processes
  - Process scale from shake flask (<1L each) to 200L bioreactor systems
    - Near-term expansion with flexible suites to accommodate allogeneic and large autologous client programs
  - Aligned with QA/QC for critical analytics and review

CGMP CELL THERAPY MANUFACTURING:

- MILs
- Dendritic Cells (DC's)
- Natural Killer (NK) Cells
- T-Cells
- Car-T
- BMSC's
- MSC's
- Whole Blood
- Apheresis
- Leukapheresis
- Tumor Isolate
- Stem cells (variety)

Gene Therapy Manufacturing Capabilities

- Gene therapy capabilities to support clients with the production of gene therapies and gene-modified cell therapies from preclinical to commercial-ready scale
  - Cognate's primary focus area is plasmid DNA manufacturing
  - Also produce other value-added CDMO inputs from viral vectors to technical proteins
- Cognate's plasmid DNA offering includes:
  - Scalable production platform from high quality to 50L commercial-ready scale
    - Near-term expansion to 300L commercial-ready scale
  - Aligned with analytical testing platform for critical quality control (QC) protocols



Cell & Gene Therapy CDMO Capabilities

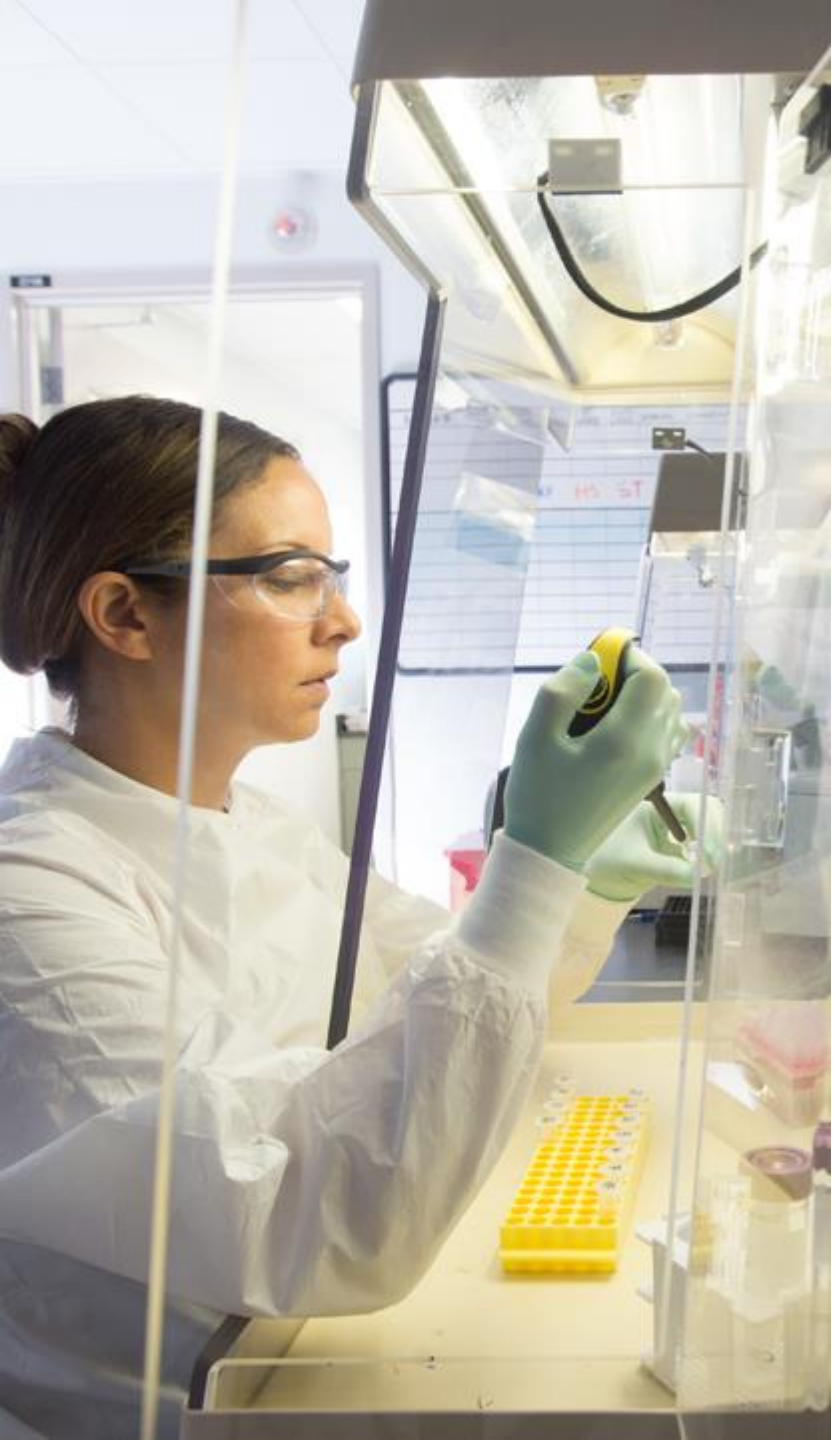
Cell Therapy (US)
Cognate Production Suite
Memphis, Tennessee

Gene Therapy (UK/EU)
Cognate 200L Bioreactor Production
Keele, UK

Charles River + Cognate: Strategic Fit

- Cognate has solutions across the major C&GT CDMO platforms
  - Intend to continue to add capabilities and capacity to accommodate robust client demand
- Cognate is highly complementary to CRL's existing, non-clinical capabilities
- Cognate's strategic fit with CRL's Biologics business enables clients to be able to seamlessly conduct analytical testing, process development, and manufacturing for advanced modalities with the same scientific partner
  - Enables clients to achieve their goals of driving greater efficiency and accelerating speed to market
- Cellular products from HemaCare and Cellero (also in Memphis) can be the starting point for clients' cell therapy programs

CRL + Cognate: A premier scientific partner for C&GT development, testing, and manufacturing



Research Models & Services

Colin Dunn, Ph.D.
Corporate Senior Vice President,
Global Research Models & Services

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MEETING WITH MANAGEMENT

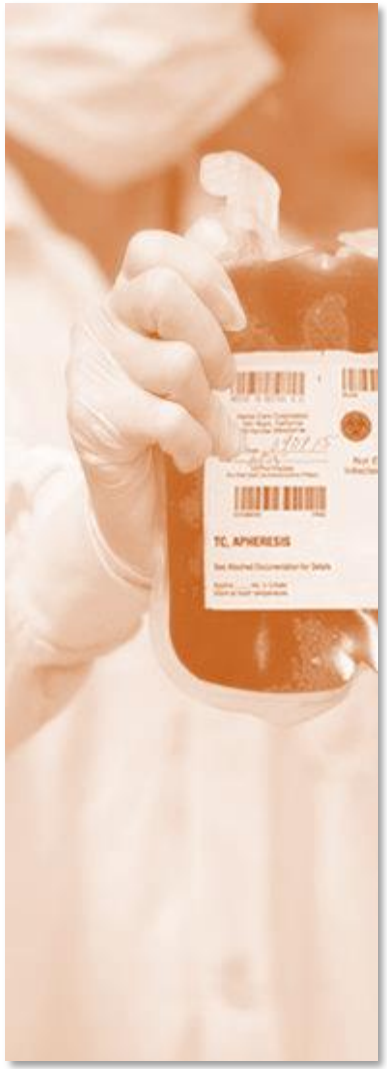
Leading Provider of High-Quality Research Models & Services

Research models & human cells are foundational tools spanning the research and development continuum and beyond

~1 of 2
Small models sold in Western markets is a CRL model

~$1.7B
RMS market sector opportunity

#1
position in research models



HemaCare/ Cellero involved in **100%** of FDA-approved cell therapies*

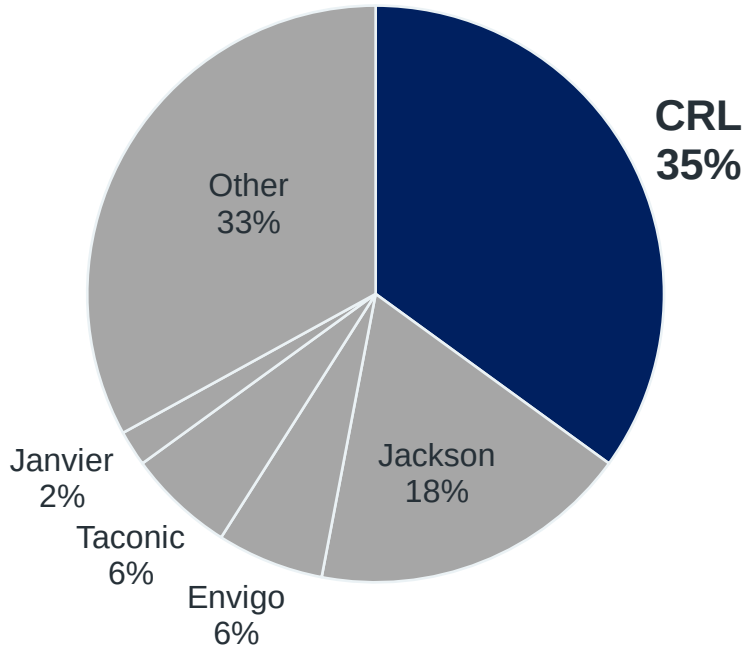
>70
years of innovation and leadership in laboratory animal science

* Excludes cell transplantation and cell-based regenerative medicine products.

Research Models & Services (RMS)

- Global leader in breeding and distribution of research models
  - Largest selection of the most widely used research model strains in the world
  - Expertise in biosecurity supports production of high-quality models, reducing risk to critical research
- Global footprint with facilities strategically located in close proximity to clients
  - Increasing presence in high-growth China market
- Premier provider of services that support the use of research models in discovery/development of new molecules
  - Genetically Engineered Models & Services (**GEMS**)
  - Research Animal Diagnostic Services (**RADS**)
  - Insourcing Solutions (**IS**)
- Acquired cell supply businesses HemaCare and Cellero in 2020
  - Enhances RMS segment's growth profile and ability to supply biomaterials to clients
  - Focused on providing clients with critical research tools to support their drug research, early-stage development, and manufacturing activities

RMS Share
(including HemaCare/Cellero & IS)

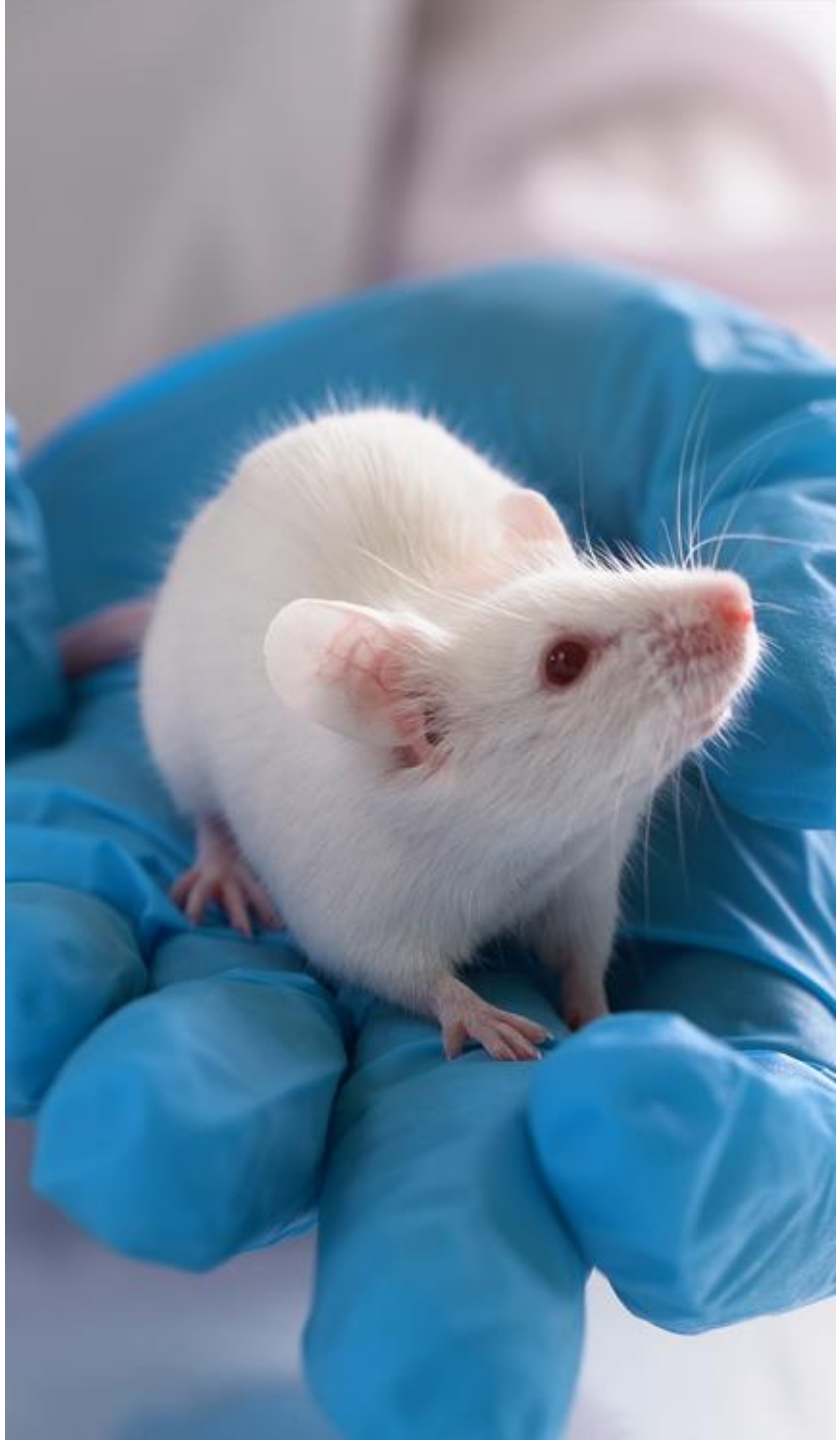


RMS Current Addressable Market Sector: $1.7B
(including HemaCare/Cellero & IS)

Sources: CRL management estimates.

C&GT Spans the RMS Portfolio

- Humanized immunodeficient rodent models using human cellular materials are critical for C&GT development and preclinical safety assessment
  - Many cell and gene therapies are in the area of oncology (i.e. CAR T therapies)
- Strong presence in the key Cambridge and South San Francisco biohubs offering turnkey CRADL vivarium space (Charles River Accelerator and Development Labs)
  - Attracting a range of biopharma companies – small and large
  - Key cell supply clients of HemaCare/Cellero have occupancy in our CRADL facilities emphasizing the role of CRADL in supporting C&GT clients
  - Additional synergies for CRADL from growing biotech clients providing new business opportunities in the GEMS business
    - Illustrates the highly bespoke nature of the *in vivo* models that clients use in their R&D programs
  - Our investments in CRADL will expand to other geographies with biotech hubs



HemaCare and Cellero Join Forces with Charles River

Advancing discoveries across the cell therapy continuum by providing high quality human-derived biological products and services

HemaCare® A Charles River Company

Cellero™ A Charles River Company

charles river

A leading provider for cell supply across healthy donors, patients, research/RUO, and GMP

Cell supply market sector expected to grow at

~30% CAGR to

$2B in 10 years

charles river
MEETING WITH MANAGEMENT

HemaCare and Cellero Expand Scientific Capabilities in the High-Growth Cell Therapy Sector

ENHANCES SCIENTIFIC CAPABILITIES

- Premier, leading providers of research, clinical, and CGMP-quality human-derived cellular products used in allogeneic (donor-derived) and autologous (patient-derived) cell therapies
- Differentiated by customizable, reliable, and recallable highly characterized donor network
- Differentiated R&D portfolio of specialty immune cells and assays, such as antigen-specific T-cells

INCREASES EXPOSURE TO HIGH-GROWTH MARKET SECTOR

- Addressable market sector for cell supply products expected to increase from ~$200M today to nearly $2B in 10 years
  - At least 30% CAGR
- Driven by expected rapid increase in cell therapy product approvals

CREATES A COMPREHESIVE CELL THERAPY SOLUTION

- Cell therapy developers can work with one scientific partner iteratively throughout the discovery, development, and manufacturing processes
  - Enhances client retention and accelerates biopharmaceutical clients' speed to market

CELL SUPPLY OPPORTUNITY

~2,000
cell therapy programs in development today (Preclinical to Phase 3); ~two-thirds in preclinical stage

~$1.5M(2)
est. spend per program on human biomaterials for autologous cell therapies (Preclinical-Phase 3)

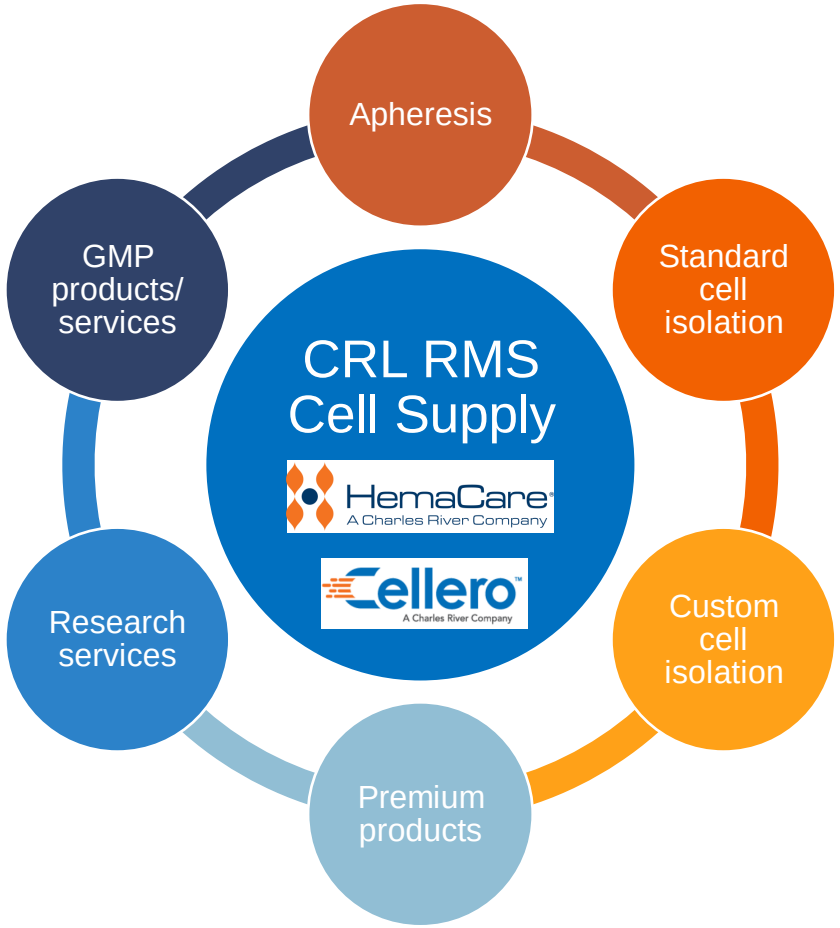
~75%(1)
of these cell therapy programs addressable by HemaCare/Cellero

~$3-$4M(2)
est. spend per program on human biomaterials for allogeneic cell therapies (Preclinical-Phase 3)

Sources: CRL management estimates, PwC Strategy&, L.E.K., and PharmaProjects.
(1) Based on analysis of ~900 cell therapy compounds in development excluding Asia-Pacific.
(2) Assumes $0.3-$0.5M spent per development phase for research and process development; For allogeneic cell therapies only, assumes an additional $0.5M-$1M per clinical development phase for manufacturing (does not include potential commercial manufacturing spend).

HemaCare and Cellero Acquisitions

Enhancing CRL's comprehensive solutions for cell therapies



Specialty Services:

- Coast-to-coast cell collection services ensure supply chain continuity
- Healthy and disease-state donor collections
- Patient collections for cell-based therapies
- Customized assay development
- Customized product development including antigen-specific T cells
- Contract immunology research services

Global Cell Therapy Supply Chain Leadership

Delivering an easy-to-use, end-to-end cell therapy supply chain solution

Donor Management & Testing
- Donor management
- Recallable donor pool
- Donor recruitment & retention
- Donor screening & characterization

Cell/Tissue Sourcing & Collection
- Normal & disease state cell collections for autologous & allogeneic therapies
- High-quality cells
- Research use, clinical grade, & GMP-compliant
- Global footprint
- Human stem cells/ CD34+ mobilized cells
- Cord blood access
- Disease tissue access

Cell Processing & Isolation
- High yield/quality
- Customization
- Scalable & automated processes
- GMP cell isolation & processing
- Biostorage

Product / Release Testing
- Product release testing for GMP cellular materials including cell recovery, viability, sterility, endotoxin, & mycoplasma
- Stability testing

Cryopreservation & Storage
- GMP cryopreservation
- Best-in-class cryomedia
- Cryostorage & biorepository services
- Scalability & automation

Cold Chain & Logistics
- Global logistics team
- Specialty logistics for international & complex shipments
- Cold chain logistics & product management
- Secure supply chain management with GMP documentation

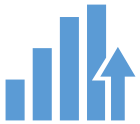
Selection & Expansion
- Cleanroom access
- GMP capabilities
- Customizable cell models
- Exclusive antigen-specific T cell lines
- Cell culture for customized selection & expansion
- Critical media, growth factors, & other reagents

Purification & Formulation
- Cell banking & formulation
- Integration & bridging with GMP manufacturing for ease of scale-up
- Critical media, buffers, & reagents for stable, high-quality finished product & injectables

Patient Administration

- Highly respected products/services with strong recallable and reliable donor network
- Broad cell supply access and global footprint
- Automation & digital logistics to enhance speed, efficiency, security, and consistent supply
- Optimized “solutions” to make cell therapy “plug-and-play” with cells, media, growth factors, and other critical reagents

Key RMS Growth Drivers



1 **Continue China expansion**

Support double-digit growth amidst healthy funding environment

2 **Drive Insourcing Solutions and GEMS growth**

Expand CRADL footprint; enhance IS penetration; Expand GEMS strategic relationships

3 **Target growth in biotech and academia**

Targeted sales strategies aimed at growing biotech and academic markets

4 **Enhance digital enterprise**

Enhance client experience and productivity through innovative uses of technology

5 **Cell supply strategy**

Excel in customization from a deep donor pool as the trusted partner for RUO and GMP materials

Technology Partnerships

Julie Frearson, Ph.D.
Corporate Vice President, Strategic Alliances

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MEETING WITH MANAGEMENT

Strategic Partnership Portfolio - May 2021

A diverse group of partnerships providing cutting-edge technologies & capabilities to the CRL portfolio

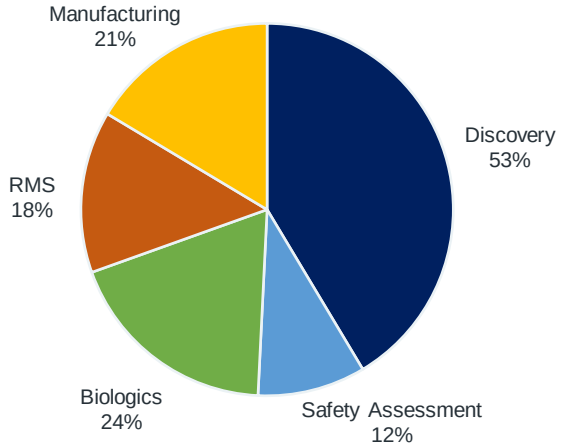
Three-year strategy has matured, resulting in a portfolio of 12 business-enhancing partnerships and its first acquisition (Distributed Bio)

$40M+ investment in signed partnerships to date
$40M+ investment opportunity in current pipeline

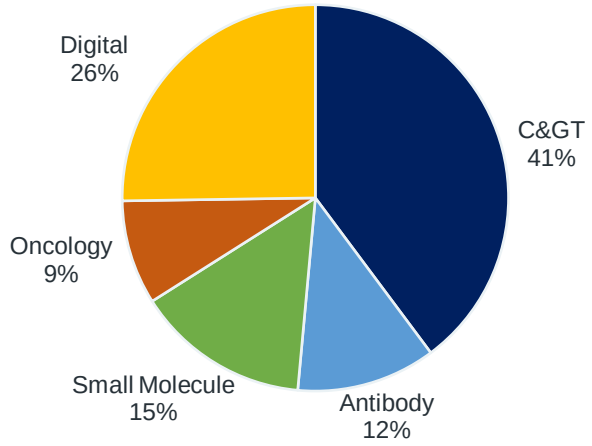
9 companies with acquisition opportunities in high-growth market sectors

Anticipate a steady state portfolio: 15-20 active partners representing all business units with concentration in Discovery and key strategic themes: C&GT and Digital

Partnership Distribution (incl. Pipeline) by CRL Business



Partnership Distribution (incl. Pipeline) by Scientific Area



Note: Partnership distribution (by number of active and pipeline partnerships) does not add to 100% because certain partnerships are in multiple CRL businesses and scientific areas.

Strategic Partnership Summary

Partner	Scientific Expertise	CRL Business Unit
PathoQuest (April 2018)	Next-gen sequencing	Biologics Testing Solutions
Distributed Bio October 2018 (acquired Dec. 2020)	Large molecule discovery platform; Antibody libraries	Discovery
Atomwise January 2019	Artificial intelligence (AI) for Discovery	Discovery
Novatek April 2019	Laboratory information mgmt. systems (LIMS)	Microbial Solutions
Resero Analytics May 2019	SEND compliance software	Safety Assessment
Bit Bio December 2019	Translation discovery platform for stem cells/iPSCs	Discovery
Fios Genomics January 2020	Bioinformatics	Discovery & Safety Assessment
Deciphex March 2020	Preclinical digital pathology	Discovery & Safety Assessment
JADE Biomedical January 2021	Biologics testing in China	Biologics Testing Solutions
Cypre January 2021	3D tumor modeling platform; immuno-oncology assays	Discovery
Kibur Medical February 2021	Implantable microdevice (IMD) for oncology	Discovery & Safety Assessment
Valence Discovery April 2021	Artificial intelligence (AI) for Discovery	Discovery

Company logo denotes active partnership

Italicized text denotes future target partnership

Science Trends Driving Market Actions

Partnerships are helping Charles River evolve to meet the changing needs of our clients

Market Driver	CRL Strategic Imperative	Partnership Portfolios
BROAD THERAPEUTIC OPTIONS Clients are drugging disease using small molecules, antibodies, genes, cells, and combinations thereof	Accelerate the portfolio for advanced modalities across Discovery, Safety, and Manufacturing	**Advanced Modalities: Cell and Gene Therapy** JADE Biomedical distributed bio *Microfluidics-enabled cell separation* *Cell supply* *Next gen plasmids* *Allogeneic cell therapy* *Rapid label-free testing platform* *Next gen viral vectors*
HUMAN TRANSLATION & DATA RICHNESS Clients need to understand how drugs will behave in human systems as early as possible and tackle the best human targets, not the easiest	Enhance “human-ness” of our assays and adopt next generation bio-analytics to unlock difficult targets and improve decision making	**Next-gen biology** bit.bio CYPRE KIBUR MEDICAL *CryoEM* *Organ on a chip* *Next gen DNA encoded platform* *Cell printing*
DIGITALIZATION OF SCIENCE Clients are increasingly using data and AI/ML to drive decisions and increase clock speed of discovery and development	Digitally transform CRL core portfolio to drive efficiencies, competitive differentiation, and reach patients sooner	**Digital, AI, and Informatics** Atomwise Better medicines faster. Valence Resero Analytics fios GENOMICS DECIPHEX *Closed loop SM platform* *Automated Lab*

Company logo denotes active partnership

Italicized text denotes future target partnership

Advanced Modalities

Cell & gene therapy plays across the continuum of services

1 Designing advanced modalities

Antibody fragments (scFv) are optimal building blocks, enabling the design and engineering of advanced biologic modalities: multi-specifics, bioconjugates, and cell therapies including CAR-T and CAR-NK

Example: distributed bio, a charles river company

(Former partner acquired Dec 2020)

Nearly one-third of all DBio discovery programs are for cell or gene therapies

2 Donor cell materials for cell therapy

Using microfluidics to standardize the processing of donor cell materials, facilitating greater quality and supply chain consistency

Example:

Microfluidics-enabled cell separation

3 Analytical testing of cell and gene therapies across the globe

By combining our expertise with partners' localized knowledge to offer GMP and GLP services, we affirm our commitment as a global partner in advanced modalities

Example: JADE Biomedical

Construction of new lab facilities in Suzhou is underway; target to be operational in Q3 2021

Company logo denotes active partnership

Italicized text denotes future target partnership

Next Generation Biology

Increasingly sophisticated models coupled with more challenging biology

1 Improved translational models

Directed differentiation of iPSC-derived cells that reproduce human physiology at scale and bio-printed 3D tumor models incorporating human tumor, immune, and stroma cells to reproduce the tumor micro-environment

Examples: bit.bio CYPRE

Bit Bio awarded Biotech of the Year, Cambridge UK 2021

2 Advanced model systems and readouts

In depth readouts – biomarkers, transcriptomics, metabolomics, immune profiling – allowing in depth characterization and generating large data sets from single experiments

Examples: CYPRE KIBUR MEDICAL

Clients need to maximize data intensity from precious samples and animal models

3 Unlocking difficult targets: CryoEM

Enables structure-based design for large protein complexes and membrane proteins that are intransigent to X-ray crystallography

Examples:

CryoEM

Recent evidence of being able to visualize individual atoms in a target protein: 1.2A resolution. Cryo-EM structures will outnumber X-ray crystallography by 2024

Company logo denotes active partnership

Italicized text denotes future target partnership

Digital, AI, & Informatics

Better use of data to drive speed and efficiencies into our workflows

1

Informatics enables better-informed decision-making

In-depth analysis and biological interpretation of multi-dimensional data sets supports identification of novel therapeutic targets, biomarkers, new indications for known drugs, and informs translational research

Example: fios GENOMICS

Interest in genomics of COVID-19 variants has helped Fios grow sales by 60% and headcount by 30%; Fios will move to a larger facility in late 2021

2

Transforming the speed and efficiency of preclinical pathology

Maximize efficiency with digital workflows, AI-powered tools and automated processes that expedite delivery of actionable data into the hands of scientific experts

Example: DECIPHEX

Industry's first end-to-end fully digital pathology assessment of a GLP-compliant study completed with big pharma client, more early adopters of digital workflow on the horizon

3

AI enhances innovation and streamlines small molecule drug discovery

Explore novel areas of chemical space, and optimize multiple parameters simultaneously to reduce the number of design cycles necessary to reach target product profile

Examples: Atomwise Better medicines faster. Valence

A new drug candidate created using an AI-platform began clinical study after just 12 months of preclinical research (avg is 4.5 years)

Strategic Partnership Takeaways

Risk-mitigated approach to enhance client access to new technologies for drug discovery, development, and manufacturing

1

Driving strategy and growth

We expect the partnership strategy to provide a differentiated, high growth and market-tested set of acquisition targets over next 3-5 years

2

Innovation for better program efficiency and speed to clinic

Partnerships enable CRL clients to leverage cutting-edge technologies with the assurance that the technologies and companies have been vetted by CRL

3

Underpinning Key Strategy Areas

Partnerships will support all business units with special emphasis on the key strategic themes of digital and AI/machine learning plus cell and gene therapy discovery, development, and manufacturing

Charles River Laboratories Meeting with Management 2021 Regulation G Financial Reconciliations

May 27, 2021

charles river
MEETING WITH MANAGEMENT

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)[1]
(in thousands, except percentages)

	Three Months Ended	
	March 27, 2021	March 28, 2020
Research Models and Services		
Revenue	$ 176,910	$ 145,996
Operating income	44,935	27,373
Operating income as a % of revenue	25.4 %	18.7 %
Add back:		
Amortization related to acquisitions	5,339	5,652
Severance	7	(9)
Acquisition related adjustments [2]	456	285
Site consolidation costs, impairments and other items	-	229
Total non-GAAP adjustments to operating income	$ 5,802	$ 6,157
Operating income, excluding non-GAAP adjustments	$ 50,737	$ 33,530
Non-GAAP operating income as a % of revenue	28.7 %	23.0 %
Depreciation and amortization	$ 9,679	$ 8,752
Capital expenditures	$ 2,983	$ 5,412
Discovery and Safety Assessment		
Revenue	$ 501,178	$ 438,683
Operating income	90,949	72,283
Operating income as a % of revenue	18.1 %	16.5 %
Add back:		
Amortization related to acquisitions	22,648	23,007
Severance	412	83
Acquisition related adjustments [2]	5,270	1,289
Site consolidation costs, impairments and other items	147	-
Total non-GAAP adjustments to operating income	$ 28,477	$ 24,379
Operating income, excluding non-GAAP adjustments	$ 119,426	$ 96,662
Non-GAAP operating income as a % of revenue	23.8 %	22.0 %
Depreciation and amortization	$ 44,608	$ 41,330
Capital expenditures	$ 17,040	$ 14,729
Manufacturing Support		
Revenue	$ 146,478	$ 122,380
Operating income	49,437	41,112
Operating income as a % of revenue	33.8 %	33.6 %
Add back:		
Amortization related to acquisitions	2,214	2,247
Severance	294	256
Acquisition related adjustments [2]	42	2
Site consolidation costs, impairments and other items	40	-
Total non-GAAP adjustments to operating income	$ 2,590	$ 2,505
Operating income, excluding non-GAAP adjustments	$ 52,027	$ 43,617
Non-GAAP operating income as a % of revenue	35.5 %	35.6 %
Depreciation and amortization	$ 6,569	$ 6,366
Capital expenditures	$ 7,110	$ 5,161

CONTINUED ON NEXT SLIDE

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP
SELECTED BUSINESS SEGMENT INFORMATION (UNAUDITED)[1]
(in thousands, except percentages)

	Three Months Ended	
	March 27, 2021	**March 28, 2020**
CONTINUED FROM PREVIOUS SLIDE		
Unallocated Corporate Overhead	$ (61,618)	$ (46,487)
Add back:		
Severance	(151)	-
Acquisition related adjustments [2]	10,560	6,983
Other items [3]	-	(287)
Total non-GAAP adjustments to operating expense	$ 10,409	$ 6,696
Unallocated corporate overhead, excluding non-GAAP adjustments	$ (51,209)	$ (39,791)
Total		
Revenue	$ 824,566	$ 707,059
Operating income	123,703	94,281
Operating income as a % of revenue	15.0 %	13.3 %
Add back:		
Amortization related to acquisitions	30,201	30,906
Severance	562	330
Acquisition related adjustments [2]	16,328	8,559
Site consolidation costs, impairments and other items [3]	187	(58)
Total non-GAAP adjustments to operating income	$ 47,278	$ 39,737
Operating income, excluding non-GAAP adjustments	$ 170,981	$ 134,018
Non-GAAP operating income as a % of revenue	20.7 %	19.0 %
Depreciation and amortization	$ 61,508	$ 57,260
Capital expenditures	$ 28,030	$ 25,721

(1) Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

(2) These adjustments are related to the evaluation and integration of acquisitions, which primarily include transaction, third-party integration, and certain compensation costs, and fair value adjustments associated with contingent consideration.

(3) Other items relate to third-party costs, net of insurance reimbursements, incurred during the three months ended March 28, 2020 associated with the remediation of the unauthorized access into the Company's information systems which was detected in March 2019.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

RECONCILIATION OF GAAP EARNINGS TO NON-GAAP EARNINGS (UNAUDITED)[1]

(in thousands, except per share data)

	Three Months Ended	
	March 27, 2021	**March 28, 2020**
Net income attributable to common shareholders	$ 61,530	$ 50,769
Add back:		
Non-GAAP adjustments to operating income (Refer to previous schedule)	47,278	39,737
Write-off of deferred financing costs and fees related to debt financing	25,979	-
Venture capital and strategic equity investment losses, net	16,719	12,035
Other [2]	(2,370)	-
Tax effect of non-GAAP adjustments:		
Non-cash tax provision related to international financing structure [3]	1,035	1,073
Tax effect of the remaining non-GAAP adjustments	(21,013)	(11,804)
Net income attributable to common shareholders, excluding non-GAAP adjustments	$ 129,158	$ 91,810
Weighted average shares outstanding - Basic	49,980	49,189
Effect of dilutive securities:		
Stock options, restricted stock units and performance share units	1,095	777
Weighted average shares outstanding - Diluted	51,075	49,966
Earnings per share attributable to common shareholders:		
Basic	$ 1.23	$ 1.03
Diluted	$ 1.20	$ 1.02
Basic, excluding non-GAAP adjustments	$ 2.58	$ 1.87
Diluted, excluding non-GAAP adjustments	$ 2.53	$ 1.84

(1) Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

(2) This adjustment relates to the gain on an immaterial divestiture which occurred in the three months ended March 27, 2021.

(3) This adjustment relates to the recognition of deferred tax assets expected to be utilized as a result of changes to the Company's international financing structure.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP REVENUE GROWTH
TO NON-GAAP REVENUE GROWTH, ORGANIC (UNAUDITED) [1]

Three Months Ended March 27, 2021	Total CRL	RMS Segment	DSA Segment	MS Segment
Revenue growth, reported	16.6 %	21.2 %	14.2 %	19.7 %
Increase due to foreign exchange	(2.9)%	(4.2)%	(2.3)%	(4.1)%
Contribution from acquisitions [2]	(0.7)%	(2.2)%	(0.3)%	- %
Non-GAAP revenue growth, organic [3]	**13.0 %**	**14.8 %**	**11.6 %**	**15.6 %**

(1) Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

(2) The contribution from acquisitions reflects only completed acquisitions.

(3) Organic revenue growth is defined as reported revenue growth adjusted for acquisitions and foreign exchange.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF FREE CASH FLOW (NON-GAAP) [(1)]
(in thousands)

	Three Months Ended		Fiscal Year Ended
	March 27, 2021	March 28, 2020	December 25, 2021E
Net cash provided by operating activities	$ 170,229	$ 68,590	~$655,000
Less: Capital expenditures	(28,030)	(25,721)	(~220,000)
Free cash flow	$ 142,199	$ 42,869	~$435,000

[(1)] Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP REVENUE AND EARNINGS PER SHARE (EPS)
Guidance for the Twelve Months Ended December 25, 2021E

2021 GUIDANCE INCLUDING COGNATE	CURRENT
Revenue growth, reported	19% – 21%
Less: Contribution from acquisitions [1]	(4.5%) – (5.0%)
Unfavorable/(favorable) impact of foreign exchange	~(2.5%)
Revenue growth, organic [2]	12% – 14%
GAAP EPS estimate	$5.95 – $6.20
Acquisition-related amortization [3]	$2.15 – $2.40
Acquisition-related adjustments [4]	$0.75 – $0.80
Other items [5]	~$0.55
Venture capital and other strategic investment losses/(gains), net [6]	$0.25
Non-GAAP EPS estimate	$9.75 – $10.00
Free cash flow [7]	~$435 million

Footnotes to Guidance Table:

(1) The contribution from acquisitions reflects only those acquisitions that have been completed.

(2) Organic revenue growth is defined as reported revenue growth adjusted for acquisitions and foreign currency translation.

(3) Acquisition-related amortization includes an estimate of $0.45-$0.65 for the impact of the Cognate acquisition and $0.05-$0.10 for other acquisitions completed in 2021 because the preliminary purchase price allocation has not been completed.

(4) These adjustments are related to the evaluation and integration of acquisitions, and primarily include transaction, advisory, and certain third-party integration costs, as well as certain costs associated with acquisition-related efficiency initiatives.

(5) These items primarily relate to charges of a) approximately $0.15 associated with U.S. and international tax legislation, and b) approximately $0.40 associated with debt extinguishment costs and the write-off of deferred financing costs related to debt refinancing.

(6) Venture capital and other strategic investment performance only includes recognized gains or losses. The Company does not forecast the future performance of these investments.

(7) Reconciliation of the current 2021 free cash flow guidance is as follows: Cash flow from operating activities of approximately $655 million, less capital expenditures of approximately $220 million, equates to free cash flow of approximately $435 million.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TO NON-GAAP REVENUE GROWTH, ORGANIC (UNAUDITED)
EXCLUDING THE IMPACT OF FOREIGN EXCHANGE, ACQUISITIONS, CDMO DIVESTITURE, AND 53rd WEEK [1]

	Twelve Months Ended				
	December 26, 2020	**December 28, 2019**	**December 29, 2018**	**December 30, 2017**	**December 31, 2016**
Revenue growth, reported	11.5%	15.7%	22.0%	10.5%	23.3%
Impact of foreign exchange	(0.4%)	1.5%	(1.3%)	—	1.5%
Impact of acquisitions [2]	(4.1%)	(8.7%)	(12.1%)	(6.0%)	(15.8%)
Impact of CDMO divestiture [3]	—	—	0.1%	0.8%	—
Impact of 53rd week	—	—	—	1.4%	(1.3%)
Non-GAAP revenue growth, organic	**7.0%**	**8.5%**	**8.7%**	**6.7%**	**7.7%**

[1] Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

[2] The contribution from acquisitions reflects only completed acquisitions.

[3] The CDMO business, which was acquired as part of WIL Research on April 4, 2016, was divested on February 10, 2017. This adjustment represents the revenue from the CDMO business for all applicable periods.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

RECONCILIATION OF GAAP EARNINGS TO NON-GAAP EARNINGS [1]

(dollars in thousands, except for per share data)

	Twelve Months Ended				
	December 26, 2020	December 28, 2019	December 29, 2018	December 30, 2017	December 31, 2016
Net income attributable to common shareholders	$ 364,304	$ 252,019	$ 226,373	$ 123,355	$ 154,765
Less: Income (loss) from discontinued operations, net of income taxes	—	—	1,506	(137)	280
Net income from continuing operations attributable to common shareholders	364,304	252,019	224,867	123,492	154,485
Add back:					
Amortization related to acquisitions	118,618	90,867	64,831	41,370	42,746
Severance and executive transition costs	7,586	11,458	8,680	3,278	8,472
Acquisition-related adjustments [2]	19,623	39,439	19,184	6,687	22,702
Government billing adjustment and related expenses	—	—	—	150	634
Site consolidation costs, impairments and other items	6,457	4,283	864	18,645	11,849
Gain on divestiture of CDMO business	—	—	—	(10,577)	—
Write-off of deferred financing costs and fees related to debt financing	—	1,605	5,060	—	987
Reversal of an indemnification asset associated with acquisition and corresponding interest [3]	—	—	—	—	54
Gain on bargain purchase [4]	—	—	—	(277)	15
Debt forgiveness associated with a prior acquisition [5]	—	—	—	(1,863)	—
Venture capital and strategic equity investment gains	(100,861)	(20,707)	(15,928)	(22,657)	(10,285)
Loss due to U.S. Pension termination	10,283	—	—	—	—
Tax effect of non-GAAP adjustments:					
Tax effect from U.S. Tax Reform [6]	—	—	(5,450)	78,537	—
Tax effect from divestiture of CDMO business	—	—	(1,000)	17,705	—
Non-cash tax provision (benefit) related to international financing structure [7]	4,444	(19,787)	—	—	—
Tax effect of the remaining non-GAAP adjustments	(18,953)	(24,811)	(17,166)	(12,286)	(18,744)
Net income from continuing operations attributable to common shareholders, excluding non-GAAP adjustments	$ 411,501	$ 334,366	$ 283,942	$ 242,204	$ 212,915
Weighted average shares outstanding - Basic	49,550	48,730	47,947	47,481	47,014
Effect of dilutive securities: Stock options, restricted stock units, performance share units, and contingently issued restricted stock	1,061	963	1,071	1,083	944
Weighted average shares outstanding - Diluted	50,611	49,693	49,018	48,564	47,958
Earnings per share from continuing operations attributable to common shareholders					
Basic	$ 7.35	$ 5.17	$ 4.69	$ 2.60	$ 3.28
Diluted	$ 7.20	$ 5.07	$ 4.59	$ 2.54	$ 3.22
Basic, excluding non-GAAP adjustments	$ 8.30	$ 6.86	$ 5.92	$ 5.10	$ 4.53
Diluted, excluding non-GAAP adjustments	$ 8.13	$ 6.73	$ 5.80	$ 4.99	$ 4.44

(1) Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

(2) These adjustments are related to the evaluation and integration of acquisitions, which primarily include transaction, third-party integration, and certain compensation costs, and fair value adjustments associated with contingent consideration. In fiscal year 2019, the amount also includes a $2.2 million charge recorded in connection with the modification of the option to purchase the remaining 8% equity interest in Vital River. In fiscal year 2016, the amount also includes a $1.5 million charge recorded in connection with the modification of the option to purchase the remaining 13% equity interest in Vital River, partially offset by a $0.7 million gain on remeasurement of previously held equity interest in an entity acquired in a step acquisition.

(3) These amounts represent the reversal of an uncertain tax position and an offsetting indemnification asset primarily related to the acquisition of BioFocus.

(4) These amounts relate to the acquisition of Sunrise Farms, Inc. and represents the excess of the estimated fair value of the net assets acquired over the purchase price.

(5) The amount represents the forgiveness of a liability related to the acquisition of Vital River.

(6) The amount for fiscal year 2017 includes a $78.5 million estimate for the impact of the enactment of U.S. Tax Reform legislation. The estimated impact of U.S. Tax Reform consists of the one-time transition tax on unrepatriated earnings (also known as the toll tax), withholding and state taxes related to the Company's withdrawal of its indefinite reinvestment assertion regarding unremitted earnings, and the revaluation of U.S. federal net deferred tax liabilities. The final impact of U.S. Tax Reform may differ from these estimates, due to, among other things, changes in interpretations, analysis, and assumptions made by the Company, additional guidance that may be issued by regulatory agencies, and any updated or changes to estimates the Company utilized to calculate the transition tax impact.

(7) The adjustment relates to the recognition of deferred tax assets expected to be utilized as a result of changes to the Company's international financing structure.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.

RECONCILIATION OF GAAP TO NON-GAAP OPERATING INCOME [1]

(dollars in thousands)

	Twelve Months Ended				
	December 26, 2020	**December 28, 2019**	**December 29, 2018**	**December 30, 2017 [2]**	**December 31, 2016 [2]**
Revenue	$ 2,923,933	$ 2,621,226	$ 2,266,096	$ 1,857,601	$ 1,681,432
Operating income	432,729	351,151	331,383	288,282	237,552
Operating income as a % of revenue	14.8 %	13.4 %	14.6 %	15.5 %	14.1 %
Add back:					
Amortization related to acquisitions	118,618	90,867	64,831	41,370	42,746
Severance and executive transition costs	7,586	11,458	8,680	3,278	8,472
Acquisition-related adjustments [3]	19,623	39,439	19,184	6,687	21,887
Government billing adjustment and related expenses	—	—	—	150	634
Site consolidation costs, impairments and other items	6,457	4,283	864	18,645	11,849
Total non-GAAP adjustments to operating income	$ 152,284	$ 146,047	$ 93,559	$ 70,130	$ 85,588
Operating income, excluding non-GAAP adjustments	$ 585,013	$ 497,198	$ 424,942	$ 358,412	$ 323,140
Non-GAAP operating income as a % of revenue	20.0 %	19.0 %	18.8 %	19.3 %	19.2 %

[1] Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

[2] Prior-year operating income and operating income margin amounts have been recast to reflect the retrospective adoption of a new accounting standard in 1Q18 (ASU 2017-07).

[3] These adjustments are related to the evaluation and integration of acquisitions, which primarily include transaction, third-party integration, and certain compensation costs, and fair value adjustments associated with contingent consideration. In fiscal year 2019, the amount also includes a $2.2 million charge recorded in connection with the modification of the option to purchase the remaining 8% equity interest in Vital River. In fiscal year 2016, the amount also includes a $1.5 million charge recorded in connection with the modification of the option to purchase the remaining 13% equity interest in Vital River, partially offset by a $0.7 million gain on remeasurement of previously held equity interest in an entity acquired in a step acquisition.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GAAP TAX RATE TO NON-GAAP TAX RATE [(1)]
(dollars in thousands)

	Twelve Months Ended				
	December 26, 2020	**December 28, 2019**	**December 29, 2018**	**December 30, 2017**	**December 31, 2016**
Income from continuing operations before income taxes & noncontrolling interest	$ 447,114	$ 304,084	$ 281,681	$ 296,955	$ 222,921
Add back:					
Amortization of intangible assets related to acquisitions	118,618	90,867	64,831	41,370	42,746
Severance related to cost-savings actions	7,586	11,458	8,680	3,278	8,472
Government billing adjustment and related expenses	-	-	-	150	634
Site consolidation costs, impairments and other items	6,457	4,283	864	18,645	11,849
Operating losses	-	-	-	-	-
Gain on CDMO divestiture	-	-	-	(10,577)	-
Costs associated with the evaluation and integration of acquisitions	19,623	39,439	19,184	6,687	22,702
Reversal of an indemnification asset associated with acquisition and corresponding interest	-	-	-	-	54
Write-off of deferred financing costs and fees related to debt refinancing	-	1,605	5,060	-	987
Debt forgiveness associated with a prior acquisition	-	-	-	(1,863)	-
Venture captial gains	(100,861)	(20,707)	(15,928)	(22,657)	(10,285)
Loss due to U.S. Pension termination	10,283	-	-	-	-
Gain on bargain purchase	-	-	-	(277)	15
Income before income taxes & noncontrolling interest, excluding specified charges (Non-GAAP)	$ 508,820	$ 431,029	$ 364,372	$ 331,711	$ 300,095
Provision for income taxes	$ 81,808	$ 50,023	$ 54,463	$ 171,369	$ 66,835
Tax effect from U.S. Tax Reform	-	-	5,450	(78,537)	-
Tax effect from CDMO divestiture	-	-	1,000	(17,705)	-
Tax effect from reversal of uncertain tax position associated with acquisition and corresponding interest	-	-	-	-	-
Non-cash tax benefit related to international financing structure	(4,444)	19,787	-	-	-
Tax effect on amortization, severance and other charges	18,953	24,811	17,166	12,286	18,744
Provision for income taxes (Non-GAAP)	$ 96,317	$ 94,621	$ 78,079	$ 87,413	$ 85,579
Tax rate (GAAP)	18.3%	16.5%	19.3%	57.7%	30.0%
Tax rate, excluding specified charges (Non-GAAP)	18.9%	22.0%	21.4%	26.4%	28.5%

[(1)] Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF FREE CASH FLOW (NON-GAAP) [1]

	Twelve Months Ended				
	December 26, 2020	December 28, 2019	December 29, 2018	December 30, 2017	December 31, 2016 [2]
Net cash provided by operating activities	$ 546,575	$ 480,936	$ 441,140	$ 318,074	$ 316,899
Add back: Tax impact of CDMO divestiture [3]	—	—	—	6,500	—
Less: Capital expenditures	(166,560)	(140,514)	(140,054)	(82,431)	(55,288)
Free cash flow	$ 380,015	$ 340,422	$ 301,086	$ 242,143	$ 261,611

[1] Charles River management believes that supplementary non-GAAP financial measures provide useful information to allow investors to gain a meaningful understanding of our core operating results and future prospects, without the effect of often-one-time charges and other items which are outside our normal operations, consistent with the manner in which management measures and forecasts the Company's performance. The supplementary non-GAAP financial measures included are not meant to be considered superior to, or a substitute for results of operations prepared in accordance with U.S. GAAP. The Company intends to continue to assess the potential value of reporting non-GAAP results consistent with applicable rules, regulations and guidance.

[2] Prior-year cash flow amounts have been recast to reflect the retrospective adoption of new accounting standards in 1Q17 (ASU 2016-09, ASU 2016-15, ASU 2016-18).

[3] Free cash flow has been adjusted to exclude the cash tax impact related to the divestiture of the CDMO business, which is recorded in Cash Flows relating to Operating Activities, because divestitures are outside of our normal operations, the corresponding cash proceeds from the divestiture are reflected in Cash Flows relating to Investing Activities, and the impact of the CDMO divestiture is large, which can adversely affect the comparability of our results on a period-to-period basis.

CHARLES RIVER LABORATORIES INTERNATIONAL, INC.
RECONCILIATION OF GROSS/NET LEVERAGE RATIO, INCLUDING GAAP NET INCOME TO ADJUSTED EBITDA (1)
(dollars in thousands, except for per share data)

	March 27, 2021	December 26, 2020	December 28, 2019	December 29, 2018	December 30, 2017	December 31, 2016	December 26, 2015	December 27, 2014	December 28, 2013	December 29, 2012
DEBT (2):										
Total Debt & Finance Leases	$ 2,205,266	$ 1,979,784	$ 1,888,211	$ 1,668,014	$ 1,145,104	$ 1,235,009	$ 863,031	$ 777,863	$ 663,789	$ 666,520
Plus: Other adjustments per credit agreement	$ 33,163	$ 2,328	$ 712	$ 3,033	$ 298	$ 3,621	$ 1,370	$ 2,828	$ 9,787	$ 9,680
Less: Unrestricted Cash and Cash Equivalents up to $150M	$ (150,000)	—	—	—	—	—	—	—	—	—
Total Indebtedness per credit agreement	$ 2,088,429	$ 1,982,112	$ 1,888,924	$ 1,671,047	$ 1,145,402	$ 1,238,630	$ 864,401	$ 780,691	$ 673,576	$ 676,200
Less: Cash and cash equivalents (net of $150M above)	(315,411)	(228,424)	(238,014)	(195,442)	(163,794)	(117,626)	(117,947)	(160,023)	(155,927)	(109,685)
Net Debt	$ 1,773,018	$ 1,753,688	$ 1,650,910	$ 1,475,605	$ 981,608	$ 1,121,004	$ 746,454	$ 620,668	$ 517,649	$ 566,515

	March 27, 2021	December 26, 2020	December 28, 2019	December 29, 2018	December 30, 2017	December 31, 2016	December 26, 2015	December 27, 2014	December 28, 2013	December 29, 2012
ADJUSTED EBITDA (2):										
Net income attributable to common shareholders	$ 375,064	$ 364,304	$ 252,019	$ 226,373	$ 123,355	$ 154,765	$ 149,313	$ 126,698	$ 102,828	$ 97,295
Adjustments:										
Adjust: Non-cash gains/losses of VC partnerships & strategic investments	26,148	—	—	—	—	—	—	—	—	—
Less: Aggregate non-cash amount of nonrecurring gains	(1,423)	(1,361)	(310)	—	—	(685)	(9,878)	(2,048)	—	—
Plus: Interest expense	99,647	76,825	79,586	65,258	29,777	27,709	15,072	11,950	20,969	33,342
Plus: Provision for income taxes	79,553	81,808	50,023	54,996	171,369	66,835	43,391	46,685	32,142	24,894
Plus: Depreciation and amortization	239,172	234,924	198,095	161,779	131,159	126,658	94,881	96,445	96,636	81,275
Plus: Non-cash nonrecurring losses	13,783	16,810	427	559	17,716	6,792	10,427	1,615	4,202	12,283
Plus: Non-cash stock-based compensation	58,570	56,341	57,271	47,346	44,003	43,642	40,122	31,035	24,542	21,855
Plus: Permitted acquisition-related costs	26,183	18,750	34,827	19,181	6,687	22,653	13,451	6,285	1,752	3,676
Plus: Pro forma EBITDA adjustments for permitted acquisitions	5,420	8	12,320	15,648	690	18,573	9,199	10,787	—	253
Adjusted EBITDA (per the calculation defined in compliance certificates)	$ 922,117	$ 848,408	$ 684,259	$ 591,140	$ 524,756	$ 466,942	$ 365,978	$ 329,452	$ 283,071	$ 274,873

	March 27, 2021	December 26, 2020	December 28, 2019	December 29, 2018	December 30, 2017	December 31, 2016	December 26, 2015	December 27, 2014	December 28, 2013	December 29, 2012
LEVERAGE RATIO:										
Gross leverage ratio per credit agreement (total debt divided by adjusted EBITDA)	2.26x	2.34x	2.76x	2.83x	2.2x	2.7x	2.4x	2.4x	2.4x	2.5x
Net leverage ratio (net debt divided by adjusted EBITDA)	1.9x	2.1x	2.4x	2.5x	1.9x	2.4x	2.0x	1.9x	1.8x	2.1x

	March 27, 2021	December 26, 2020								
INTEREST COVERAGE RATIO:										
Capital Expenditures	166,578	166,560	—	—	—	—	—	—	—	—
Cash Interest Expense	99,814	77,145	—	—	—	—	—	—	—	—
Interest Coverage ratio per the credit agreement (Adjusted EBITDA minus Capital Expenditures divided by cash interest expense)	7.57x	8.84x	—	—	—	—	—	—	—	—

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(2) Pursuant to the definition in its credit agreement dated April 21. 2021, the Company has defined its pro forma leverage ratio as total debt divided by adjusted EBITDA for the trailing-twelve-month period. The Company has defined interest coverage ratio as adjusted EBITDA for the trailing-twelve-month period less the aggregate amount of capital expenditures for the trailing-twelve-period; divided by the consolidated interest expense for the period of four consecutive fiscal quarters.

Total Debt represents third-party debt and financial lease obligations minus up to $150M of unrestricted cash and cash equivalents. Adjusted EBITDA represents net income, prepared in accordance with accounting principles generally accepted in the U.S. (GAAP), adjusted for interest, taxes, depreciation and amortization, and certain items that management believes are not reflective of the operational performance of the business. These adjustments include, but are not limited to, non-cash gains/loss on venture capital portfolios and strategic partnerships, acquisition-related expenses including transaction and advisory costs; asset impairments; changes in fair value of contingent consideration obligations; employee stock compensation; historical EBITDA of companies acquired during the period; and other items identified by the company.

Total Debt and EBITDA have not been restated for periods prior to Q1-2021.

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