



Charles River Laboratories Provides Business Updates

January 12, 2026 at 4:30 PM EST

- **Signs Agreement to Acquire K.F. (Cambodia) Ltd. to Further Strengthen DSA Supply Chain; Transaction Expected to be Accretive to Non-GAAP Earnings Per Share by Approximately \$0.25 in 2026 and Approximately \$0.60 in 2027 –**
- **Exercises Option to Acquire PathoQuest SAS to Enhance NAMs Capabilities for Rapid, *In Vitro* Manufacturing Quality-Control Testing –**
- **Names Former FDA Deputy Principal Commissioner Dr. Namandjé Bumpus as Senior Vice President, Chief Scientific and Innovation Officer –**
- **Providing Update on Recent Business Trends and Preliminary 2026 Outlook at J.P. Morgan Healthcare Conference –**

WILMINGTON, Mass.--(BUSINESS WIRE)--Jan. 12, 2026-- Charles River Laboratories International, Inc. (NYSE: CRL) today announced two planned acquisitions of K.F. (Cambodia) Ltd. and PathoQuest SAS; the addition of Dr. Namandjé N. Bumpus as Chief Scientific and Innovation Officer; and is also providing an update on recent business trends and a preliminary 2026 outlook at the J.P. Morgan 44th Annual Healthcare Conference.

James C. Foster, Chair, President and Chief Executive Officer of Charles River Laboratories said, “As the biopharmaceutical industry evolves, we are committed to remaining a leader in regulatory required drug development solutions. We intend to accomplish this by pairing the best traditional testing methods to ensure patient safety with scientific advancements and innovative solutions to drive greater efficiency and success in our clients’ drug development programs. Today’s announcement of the planned acquisitions will help us accomplish these goals and invest in core areas of growth. The addition of K.F. will promote enhanced efforts to secure and safeguard our supply chain for traditional *in vivo* testing practices, while PathoQuest will further enable us to champion methodologies to reduce animal use, including through its *in vitro*, next-generation sequencing technologies. We are focused on continuing to lead the industry through advances in drug development, and the addition of Dr. Bumpus to drive our scientific innovation further supports this goal. We look forward to welcoming Dr. Bumpus, as well as the teams at PathoQuest and K.F., to help enhance our ability to serve our clients.”

“We believe we are well positioned as we move into 2026 with a clear strategic direction, actions underway to unlock shareholder value, and are cautiously optimistic that the positive signs in the biopharmaceutical demand environment will continue this year. To support this view, we are pleased with the recent improvement in DSA demand trends during the second half of 2025, including a fourth-quarter increase in the net book-to-bill,” Mr. Foster concluded.

Planned Acquisition of K.F. (Cambodia) Ltd.

Charles River Laboratories has signed an agreement to acquire the assets of K.F. (Cambodia) Ltd., a Cambodia-based provider of non-human primates (NHPs) for regulatory required biomedical, pharmaceutical, and toxicological research purposes.

Strategic Rationale

The planned K.F. acquisition will further strengthen and secure the supply chain for the Company’s Discovery and Safety Assessment (DSA) segment, and will also generate meaningful operating margin improvement through significant cost savings on NHP supply. Charles River has been a long-term supply partner of K.F., and over the last two years, K.F. supplied the Company with slightly above 30% of the globally sourced NHPs used in its DSA operations. The planned ownership of K.F. will enable greater oversight and operational control of a key supply source, including a continued focus on biosecurity, regulatory compliance, and audit practices. Including Noveprim, Charles River’s NHP supplier in Mauritius for which it owns a 90% controlling interest, the transaction will enable the Company to own and internally source most of its future, annual NHP supply requirements for the DSA segment.

Financial and Transaction Details

The total purchase price is expected to be approximately \$510.0 million, subject to customary closing adjustments. The transaction is expected to close early in the first quarter of 2026. K.F. is not expected to generate meaningful third-party revenue going forward; however, the transaction is expected to be accretive to non-GAAP earnings per share by approximately \$0.25 in 2026 and by approximately \$0.60 in 2027. K.F. will become part of the Company’s DSA segment for the purpose of being vertically integrated into its DSA supply operations. Items excluded from non-GAAP earnings per share are expected to include all acquisition-related costs, which primarily include amortization, third-party advisory fees, and certain integration costs.

Proposed Acquisition of PathoQuest SAS

Charles River Laboratories has exercised its option to acquire the remaining 79% equity stake that it does not already own of PathoQuest SAS, a Paris, France-based provider of industry-leading next generation sequencing (NGS) solutions for manufacturing quality-control testing for biopharmaceutical companies.

Strategic Rationale

The proposed acquisition of PathoQuest will strengthen Charles River’s existing Biologics Testing capabilities by adding rapid, *in vitro* GMP and non-GMP testing solutions. PathoQuest’s innovative NGS approach supports Charles River’s Alternative Methods Advancement Project (AMAP) initiative by utilizing new approach methodologies (NAMs) to replace animal use in viral safety workflows, and also accelerates clients’ quality-control testing timelines and the overall biologics development process.

Since 2016, Charles River has partnered with PathoQuest to provide clients access to PathoQuest's NGS solutions, which combine NGS platforms with proprietary sample preparation and bioinformatics processes for novel, animal-free viral safety testing, biopharmaceuticals characterization, and product release applications for the global biopharmaceutical industry. PathoQuest's NGS solutions, including its iDTECT® quality-control assays, are powerful tests for identifying adventitious agents in a single, comprehensive analysis that minimizes false negatives while also providing a tool for the genetic characterization of cell lines and viral vectors. It offers biopharmaceutical companies a genomic approach to ensure the safety of biologics, such as monoclonal antibodies, cell and gene therapies, vaccines, and recombinant proteins, ultimately enhancing clients' efficiency and speed to market for these innovative treatments. PathoQuest has two state-of-the-art, GMP-compliant testing laboratories in Paris, France and at Charles River's Biologics Testing site in Wayne, Pennsylvania.

Financial and Transaction Details

Following its initial investment in 2018, the Company has already acquired an approximate 21% equity stake in PathoQuest. The purchase price for the remaining 79% equity stake is expected to be €51.6 million (or approximately \$60 million based on current exchange rates), subject to customary closing adjustments. The transaction is expected to close by the end of the first quarter of 2026.

PathoQuest is expected to generate annual revenue of approximately \$15 to \$20 million in 2026. The transaction is not expected to have a material impact on Charles River's 2026 or 2027 GAAP or non-GAAP financial results. PathoQuest will become part of the Company's Biologics Testing business in the Manufacturing Solutions segment. Items excluded from non-GAAP earnings per share are expected to include all acquisition-related costs, which primarily include amortization of intangible assets, third-party advisory fees, and certain integration costs.

Addition of Dr. Bumpus as Chief Scientific and Innovation Officer

Charles River Laboratories has named Dr. Namandjé N. Bumpus as Senior Vice President, Chief Scientific and Innovation Officer. In this role, Dr. Bumpus will lead the Company's scientific strategy, oversee research and development initiatives, and advance innovation to support clients in accelerating the drug development process.

Last October prior to joining the Company, Charles River announced that Dr. Bumpus would lead its Scientific Advisory Board, which provides guidance to strengthen the Company's commercial and regulatory strategy. In addition, the Scientific Advisory Board is focused on developing and accelerating the adoption of NAMs across the biopharmaceutical industry.

Prior to Charles River, Dr. Bumpus joined the Food and Drug Administration (FDA) in August 2022 as Chief Scientist and later served as the agency's Principal Deputy Commissioner until December 2024. Before joining the FDA, Dr. Bumpus was Professor and Director of the Department of Pharmacology and Molecular Sciences at the Johns Hopkins University School of Medicine.

Update on Recent Business Trends and Preliminary 2026 Outlook

The Company is providing the following update on recent business trends and a preliminary 2026 outlook at the J.P. Morgan Healthcare Conference. This outlook does not reflect the potential impact of planned divestitures or the aforementioned acquisitions.

- DSA demand trends continued to improve throughout the second half of 2025, resulting in a preliminary estimate for the DSA net book-to-bill of approximately 1.1x in the fourth quarter of 2025. The sequential improvement from the third-quarter level was primarily driven by small and mid-sized biotechnology clients, while net bookings from global biopharmaceutical clients also increased.
- With regard to its preliminary outlook for 2026, the Company expects the top end of the guidance ranges for 2026 organic revenue growth will be at least flat for both its consolidated outlook and for the DSA segment.
- Foreign currency translation, or FX, is expected to benefit the reported revenue growth rate by an incremental 100 to 150 basis points in 2026.
- In the DSA segment, the Company is cautiously optimistic that the favorable demand trends will continue in 2026, resulting in expected DSA organic revenue growth in the second half of the year. In addition, the Company expects an improvement in the Manufacturing Solutions segment's organic revenue growth rate in 2026 will be offset by anticipated headwinds to Research Models and Services revenue related to the timing of NHP shipments and CRADL™ occupancy rates.

J.P. Morgan Healthcare Conference Presentation

Charles River will present at the J.P. Morgan 44th Annual Healthcare Conference in San Francisco, California, on Tuesday, January 13th, at 10:30 a.m. PT (1:30 p.m. ET). Management will provide an overview of Charles River's strategic focus, business developments, and recent trends.

A live webcast of the presentation will be available through a link that will be posted on ir.criver.com. A webcast replay will be accessible through the same website shortly after the presentation and will remain available for at least two weeks.

Use of Non-GAAP Financial Measures

This press release contains a forward-looking, non-GAAP financial measure: non-GAAP earnings per share accretion related to the proposed acquisitions described herein. Non-GAAP financial measures exclude, but are not limited to acquisition-related costs, which primarily include amortization, third-party advisory fees, and certain integration costs. The corresponding GAAP financial measure is not provided because the items that are excluded from GAAP to calculate the comparable non-GAAP measure are dependent on future events that are not able to be reliably predicted by management and are not part of routine operating activities. The Company is unable to provide such a reconciliation without unreasonable effort due to the uncertainty and inherent difficulty in predicting the occurrence, the financial impact, and the periods in which the aggregate acquisitions may be recognized. The occurrence, timing and amount of any of the items excluded from GAAP to calculate non-GAAP could significantly impact our GAAP results.

There are limitations in using non-GAAP financial measures, as they are not presented in accordance with generally accepted accounting principles, and may be different than non-GAAP financial measures used by other companies. In particular, we believe that the inclusion of supplementary

non-GAAP financial measures in this press release helps investors to gain a meaningful understanding of our core operating results and future prospects without the effect of these often-one-time charges, and is consistent with how management measures and forecasts the Company's performance, especially when comparing such results to prior periods or forecasts. We believe that the financial impact of the proposed acquisitions (and in certain cases, the evaluation of such proposed acquisitions, whether or not ultimately consummated) is often large relative to our overall financial performance, which can adversely affect the comparability of our results on a period-to-period basis. In addition, certain activities and their underlying associated costs, such as business acquisitions, generally occur periodically but on an unpredictable basis. Non-GAAP results also allow investors to compare the Company's operations against the financial results of other companies in the industry who similarly provide non-GAAP results. The non-GAAP financial measures included in this press release are not meant to be considered superior to or a substitute for results of operations presented 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.

Caution Concerning Forward-Looking Statements

This press release 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," "would," "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 include statements regarding: the proposed acquisitions of K.F. (Cambodia) Ltd. and PathoQuest SAS; expectations regarding the terms and the timing of the closing of the proposed acquisitions of K.F. and PathoQuest; expectations with respect to the impact of the proposed acquisitions of K.F. and PathoQuest on the Company, its product and service offerings, supply chain and requirements, NHP sourcing, methodologies to reduce animal use, client perception, operating margin and related cost savings, revenue, including third-party revenue, revenue growth rates, earnings per share, and 2026 or 2027 GAAP or non-GAAP financial results; the Company's expectations concerning projected future financial and operating performance, including with respect to revenue and booking activity and related financial metrics; the Company's commitment to, and ability to create long-term value for shareholders and to successfully execute on the strategies described herein; client demand, including trends and the future demand for the Company's products and services; the impact of foreign exchange; the impact of timing of NHP shipments; the impact of CRADL occupancy rates; and the Company's plans or prospects, expectations and long-term goals associated with our business.

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 impact of the events described herein, including the ability to successfully complete the proposed acquisitions of K.F. and PathoQuest; and the ability to successfully integrate K.F. and PathoQuest, and risks and uncertainties associated with K.F.'s and PathoQuest's businesses; and the demand, proposal and booking trends (including net book-to-bill) in the Company's DSA business segment. Furthermore, these and other risks relating to the Company are set forth in the documents filed by Charles River with the Securities and Exchange Commission, including without limitation, the Risk Factors in both the Company's Annual Report on Form 10-K filed February 19, 2025. 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 press release except as required by law.

About Charles River

Charles River provides essential products and services to help pharmaceutical and biotechnology companies, government agencies and leading academic institutions around the globe accelerate their research and drug development efforts. Our dedicated employees are focused on providing clients with exactly what they need to improve and expedite the discovery, early-stage development and safe manufacture of new therapies for the patients who need them. To learn more about our unique portfolio and breadth of services, visit www.criver.com.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20260112549794/en/): <https://www.businesswire.com/news/home/20260112549794/en/>

Investor Relations Contact:

Todd Spencer
Corporate Vice President, Investor Relations
781.222.6455
todd.spencer@crl.com

Media Contact:

Amy Cianciaruso
Corporate Senior Vice President, Chief Communications Officer
781.222.6168
amy.cianciaruso@crl.com

Source: Charles River Laboratories International, Inc.