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Mergers &
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Advisory

Healthcare Market Monitor

YTD July 2025 Review

Recent Hexagon Transaction- CLOSED JULY 2025

Post - Acute Care Provider
\$111,000,000

has been acquired by

Strategic Buyer

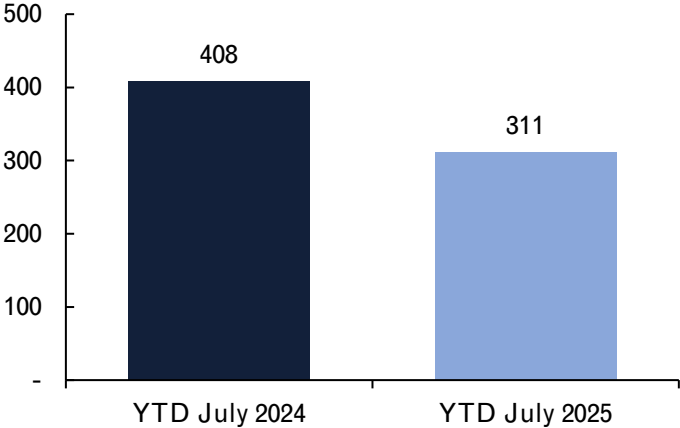


acted as exclusive advisor to
seller

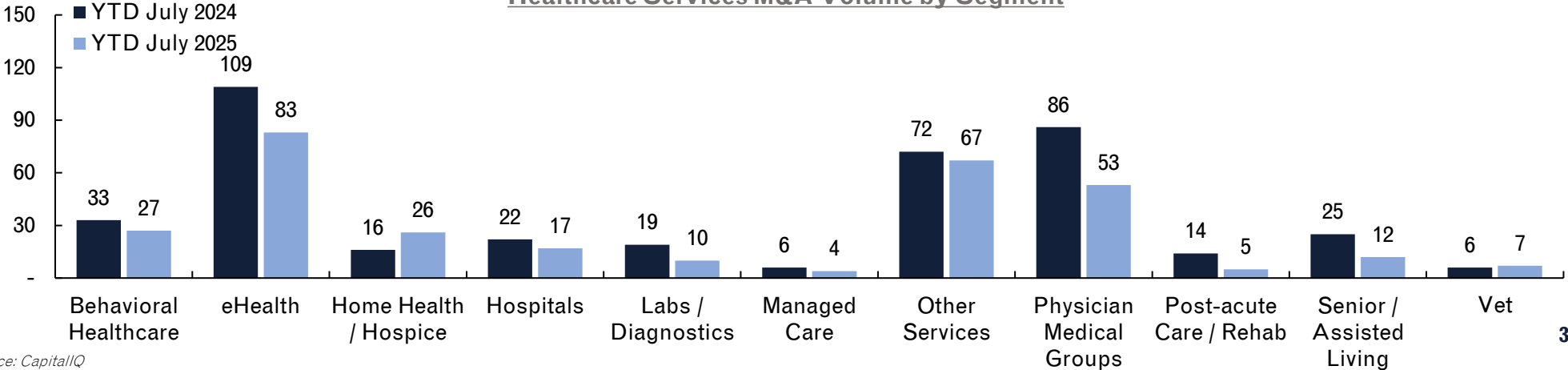
YTD July 2025 Healthcare Services M&A Activity

- Through July 2025, there were 311 U.S. healthcare services M&A transactions, representing a 23.8% decrease from the same period in 2024. The home health/hospice and veterinarian segments were the bright spots; home health is benefitting from Medicare Advantage and CMS tailwinds related to coverage and reimbursement increases, respectively. Veterinary continues to be attractive as the segment is not subject to increasing regulatory scrutiny compared to other provider roll-ups.
- While transaction activity has decreased relative to the YTD period 2024, median EV/EBITDA multiples for publicly traded healthcare services companies have increased since the beginning of 2025 from 12.3x to 13.2x, reflecting continued investor appetite for the sector.
- The healthcare sector remains comparatively insulated from shifts in consumer spending. Key M&A catalysts such as accelerated adoption of innovative care technologies, a more stable interest rate environment, supportive market fundamentals, and ample dry powder are expected to drive a rebound in transaction activity market during the second half of 2025.

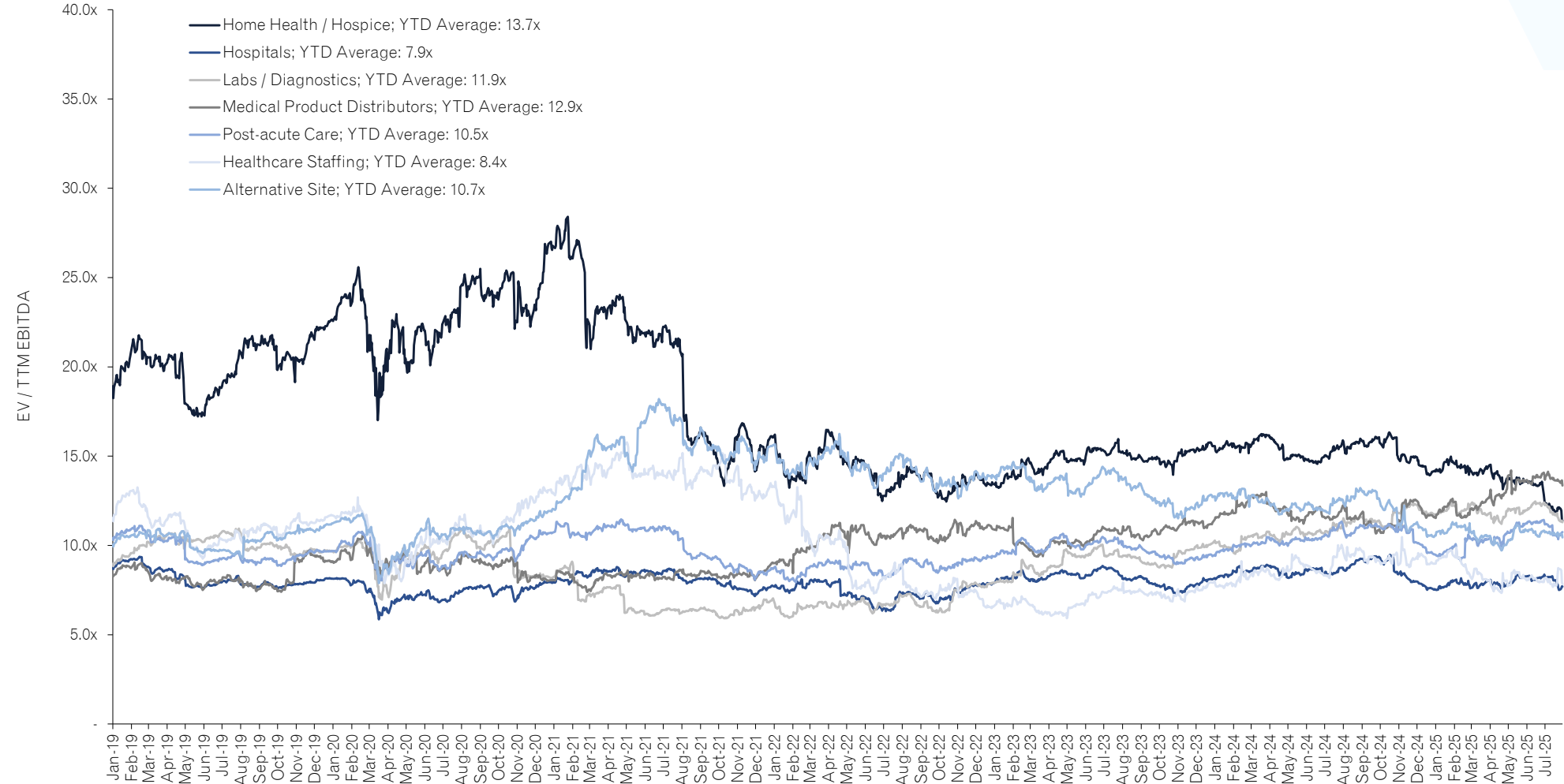
Total U.S. Healthcare Services M&A Volume



Healthcare Services M&A Volume by Segment



Public Company Valuation Timeline



Source: CapitalIQ, company filings.

MARKET DATA

Public Company Valuations

\$ in millions, except per share data		7/31/25 Share Price	Market Cap	Enterprise Value	TTM Data					EV Multiple			
Category	Company Name				Sales	Gross Profit	Gross Margin	EBITDA	EBITDA Margin	TTM Sales	TTM EBITDA	NTM Sales	NTM EBITDA
eHealth	Veeva Systems Inc.	\$284.20	\$46,442	\$40,451	\$2,855	\$2,156	75.5%	\$811	28.4%	NM	49.9x	NM	28.8x
	Omnicell, Inc.	31.01	1,453	1,426	1,150	499	43.4%	67	5.9%	1.24x	21.2x	1.23x	10.4x
	Teladoc Health, Inc.	7.21	1,274	1,629	2,542	1,786	70.3%	19	0.7%	0.64x	NM	0.65x	5.8x
	Evolent Health, Inc.	10.05	1,164	1,981	2,399	366	15.2%	84	3.5%	0.83x	23.5x	0.92x	12.5x
	Health Catalyst, Inc.	3.65	254	314	311	143	45.9%	(20)	NA	1.01x	NA	0.92x	6.9x
	Median Average		\$1,274 \$10,117	\$1,629 \$9,160	\$2,399 \$1,851	\$499 \$990	45.9% 50.1%	\$67 \$192	4.7% 9.6%	0.92x 0.93x	23.5x 31.5x	0.92x 0.93x	10.4x 12.9x
Home Health / Hospice	Chemed Corporation	\$412.30	\$5,985	\$5,881	\$2,512	\$845	33.6%	\$434	17.3%	2.34x	13.5x	2.25x	11.7x
	Amedisys, Inc.	98.60	3,243	3,398	2,402	1,038	43.2%	253	10.5%	1.41x	13.4x	1.36x	12.4x
	Addus HomeCare Corporation	106.78	1,939	2,092	1,274	415	32.6%	148	11.6%	1.64x	14.2x	1.47x	11.6x
	Aveanna Healthcare Holdings Inc.	3.97	819	2,240	2,093	673	32.2%	186	8.9%	1.07x	12.0x	1.03x	11.1x
	The Pennant Group, Inc.	22.17	764	1,118	748	156	20.9%	49	6.5%	1.49x	22.8x	1.28x	16.3x
	Enhabit, Inc.	6.72	340	875	1,032	506	49.0%	80	7.7%	0.85x	11.0x	0.81x	8.2x
	Median Average		\$1,379 \$2,182	\$2,166 \$2,601	\$1,684 \$1,677	\$589 \$605	33.1% 35.2%	\$167 \$192	9.7% 10.4%	1.45x 1.47x	13.5x 14.5x	1.32x 1.37x	11.7x 11.9x
Hospitals	HCA Healthcare, Inc.	\$353.99	\$85,161	\$133,742	\$72,698	\$29,727	40.9%	\$14,499	19.9%	1.84x	9.2x	1.75x	8.7x
	Tenet Healthcare Corporation	161.28	14,249	29,352	20,683	8,434	40.8%	4,333	20.9%	1.42x	6.8x	1.37x	6.6x
	Universal Health Services, Inc.	166.45	10,726	15,712	16,460	7,057	42.9%	2,412	14.7%	0.95x	6.5x	0.89x	6.2x
	Community Health Systems, Inc.	2.60	348	11,914	12,647	5,291	41.8%	1,256	9.9%	0.94x	9.5x	0.96x	8.0x
	Median Average		\$12,488 \$27,621	\$22,532 \$47,680	\$18,572 \$30,622	\$7,745 \$12,627	41.4% 41.6%	\$3,372 \$5,625	17.3% 16.4%	1.19x 1.29x	8.0x 8.0x	1.16x 1.24x	7.3x 7.4x
Labs / Diagnostics	Labcorp Holdings Inc.	\$260.08	\$21,561	\$27,476	\$13,484	\$3,795	28.1%	\$1,823	13.5%	2.04x	15.1x	1.92x	11.1x
	Quest Diagnostics Incorporated	167.41	18,720	24,903	10,522	3,500	33.3%	2,058	19.6%	2.37x	12.1x	2.26x	11.2x
	Median Average		\$20,140 \$20,140	\$26,190 \$26,190	\$12,003 \$12,003	\$3,647 \$3,647	30.7% 30.7%	\$1,940 \$1,940	16.5% 16.5%	2.20x 2.20x	13.6x 13.6x	2.09x 2.09x	11.2x 11.2x

Note: Not meaningful (NM) if EV/Sales is greater than 10x, or EV/EBITDA is greater than 50x. NA if denominator is 0, for percentages and multiples, or if estimates are not available. NTM figures are based on the median estimate of Wall St. analysts.
 Source: CapitalIQ, company filings.

Public Company Valuations

\$ in millions, except per share data		7/31/25				TTM Data				EV Multiple			
Category	Company Name	Share Price	Market Cap	Enterprise Value	Sales	Gross Profit	Gross Margin	EBITDA	EBITDA Margin	TTM Sales	TTM EBITDA	NTM Sales	NTM EBITDA
Medical Product Distributors	McKesson Corporation	\$693.54	\$86,765	\$88,868	\$359,051	\$12,821	3.6%	\$5,416	1.5%	0.25x	16.4x	0.22x	13.3x
	Cencora, Inc.	286.08	55,449	63,403	316,654	10,901	3.4%	4,662	1.5%	0.20x	13.6x	0.19x	12.9x
	Cardinal Health, Inc.	155.22	37,047	42,450	222,286	7,848	3.5%	3,165	1.4%	0.19x	13.4x	0.17x	11.8x
	Henry Schein, Inc.	67.65	8,234	12,740	12,773	4,002	31.3%	1,056	8.3%	1.00x	12.1x	0.97x	11.4x
	Owens & Minor, Inc.	6.93	531	2,743	10,720	2,210	20.6%	487	4.5%	0.26x	5.6x	0.25x	4.8x
	Median Average	\$37,047 \$37,605	\$42,450 \$42,041	\$222,286 \$184,297	\$7,848 \$7,556	\$3,165 \$2,957	3.6% 12.5%	\$3,165 \$2,957	1.5% 3.4%	0.25x 0.38x	13.4x 12.2x	0.22x 0.36x	11.8x 10.8x
Post-acute Care	Encompass Health Corporation	\$110.11	\$11,099	\$14,484	\$5,669	\$2,402	42.4%	\$1,293	22.8%	2.55x	11.2x	2.41x	11.7x
	Select Medical Holdings Corporation	150.00	8,593	10,218	4,615	761	16.5%	490	10.6%	2.21x	20.8x	1.92x	16.4x
	The Ensign Group, Inc.	14.79	1,834	4,993	5,277	901	17.1%	380	7.2%	0.95x	13.1x	0.90x	9.3x
	Median Average	\$8,593 \$7,175	\$10,218 \$9,899	\$5,277 \$5,187	\$901 \$1,355	\$1,293 \$721	17.1% 25.3%	\$490 \$721	10.6% 13.5%	2.21x 1.91x	13.1x 15.1x	1.92x 1.74x	11.7x 12.5x
Healthcare Staffing	ASGN Incorporated	\$50.14	\$2,196	\$3,343	\$4,005	\$1,155	28.8%	\$368	9.2%	0.83x	9.1x	0.84x	7.9x
	AMN Healthcare Services, Inc.	18.34	702	1,683	2,852	860	30.1%	261	9.2%	0.59x	6.4x	0.64x	7.8x
	Cross Country Healthcare, Inc.	13.45	441	364	1,258	256	20.3%	10	0.8%	0.29x	35.8x	0.31x	9.3x
	Median Average	\$702 \$1,113	\$1,683 \$1,797	\$2,852 \$2,705	\$860 \$757	\$368 \$213	28.8% 26.4%	\$261 \$213	9.2% 6.4%	0.59x 0.57x	9.1x 17.1x	0.64x 0.59x	7.9x 8.3x
Alternate site	Option Care Health, Inc.	\$29.35	\$4,763	\$5,786	\$5,374	\$1,057	19.7%	\$400	7.4%	1.08x	14.5x	0.99x	11.7x
	RadNet, Inc.	54.73	4,207	5,475	1,869	348	18.6%	224	12.0%	2.93x	24.4x	2.75x	18.3x
	Surgery Partners, Inc.	21.95	2,794	8,286	3,237	769	23.7%	641	19.8%	2.56x	12.9x	2.39x	14.5x
	Acadia Healthcare Company, Inc.	21.77	2,005	4,398	3,230	1,363	42.2%	645	20.0%	1.36x	6.8x	1.29x	6.1x
	dentalcorp Holdings Ltd.	5.83	1,156	2,130	1,101	551	50.0%	160	14.5%	1.94x	13.3x	1.69x	9.0x
	U.S. Physical Therapy, Inc.	73.15	1,111	1,640	692	151	21.7%	91	13.2%	2.37x	18.0x	2.14x	17.7x
	Pediatric Medical Group, Inc.	12.25	1,032	1,468	1,941	473	24.4%	237	12.2%	0.76x	6.2x	0.78x	6.3x
	ModivCare Inc.	2.89	41	1,326	2,754	417	15.1%	112	4.1%	0.48x	11.8x	0.50x	10.1x
	Median Average	\$1,581 \$2,139	\$3,264 \$3,814	\$2,347 \$2,525	\$512 \$641	\$230 \$314	22.7% 26.9%	\$230 \$314	12.7% 12.9%	1.65x 1.68x	13.1x 13.5x	1.49x 1.57x	10.9x 11.7x
Overall Healthcare Services		Median Average	\$2,101 \$12,346	\$4,696 \$16,120	\$3,042 \$31,421	\$969 \$3,212	30.7% 31.2%	\$390 \$1,350	9.9% 10.9%	1.07x 1.28x	13.2x 14.9x	0.99x 1.21x	11.1x 11.1x

Note: Not meaningful (NM) if EV/Sales is greater than 10x, or EV/EBITDA is greater than 50x. NA if denominator is 0, for percentages and multiples, or if estimates are not available. NTM figures are based on the median estimate of Wall St. analysts.
Source: CapitalIQ, company filings.

What We're About

Results Driven

Meticulously craft a transaction blueprint with steadfast commitment to achieve our clients' goals

Experienced Investment Banking Professionals

A 26-year firm with professionals with more than 150 years combined experience in middle market mergers & acquisitions and corporate finance advisory services

Objective Advice

We provide frank advice, backed with analysis and perspective, to map out and execute a process to reach our clients' transaction objectives

Industry Expertise

Real-time pulse of sector activity, corporate, family office & private equity participants and enterprise valuation metrics

The Right Capital

Capital is a commodity ... the investor behind the capital is targeted based on our clients' objectives

Senior Banker Immersion

From engagement inception through post-closing transaction functions, our senior bankers are front and center

Services & Industries

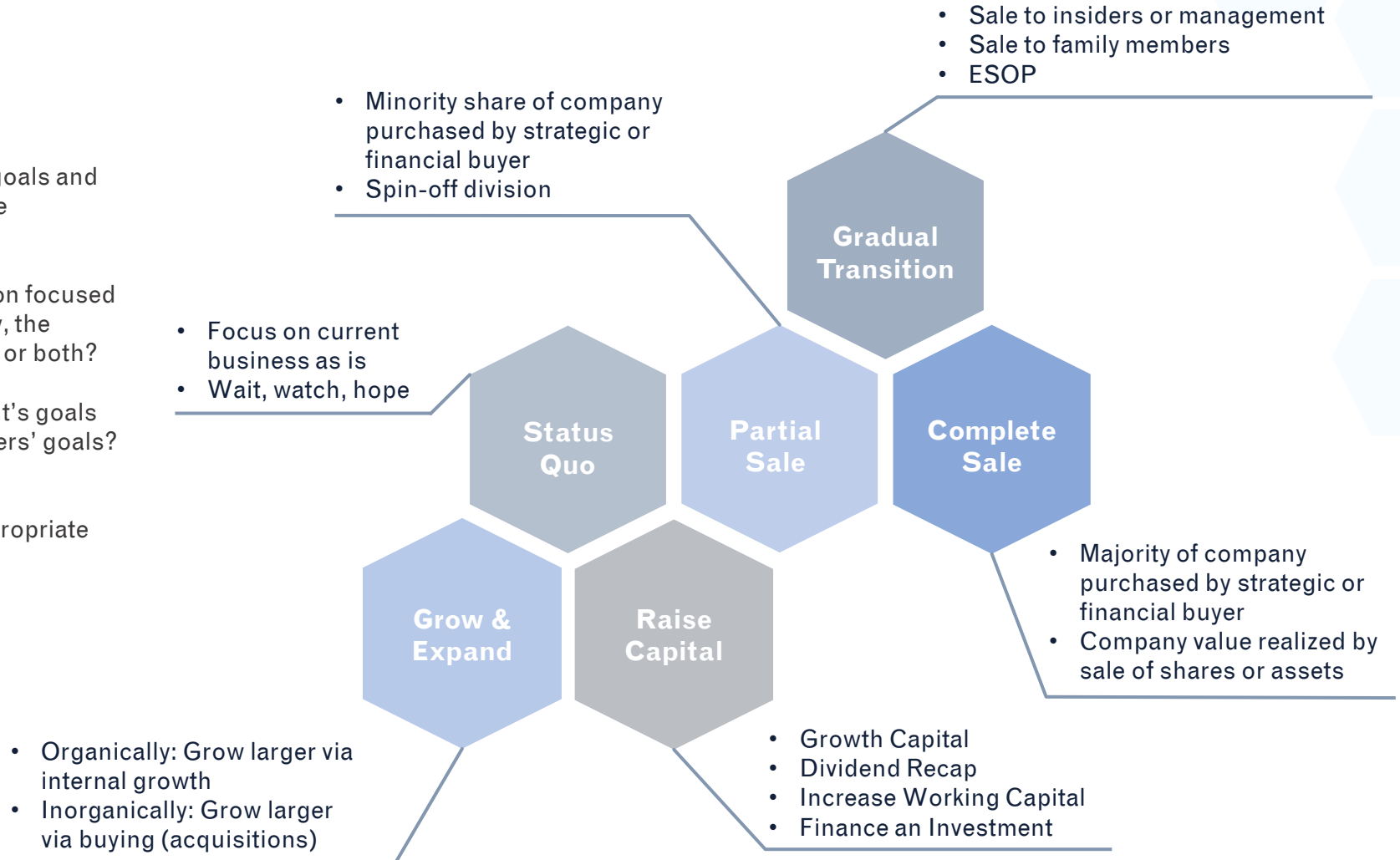
With more than 250 completed transactions, HCA's investment bankers maintain relationships with key decision-makers among strategic buyers and investors and comprehensive coverage of relevant private equity groups and family offices

- Merger and Acquisition Advisory
- Equity and Debt Capital Placement
- Strategic Alternatives Assessment
- Exclusive Sales and Divestitures
- Strategic Planning
- Management Buy-outs
- Recapitalizations



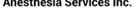
Our Clients

- What are your goals and objectives of the transaction?
- Is the transaction focused on the company, the shareholder(s), or both?
- Do management's goals differ from owners' goals? How so?
- What is the appropriate timing?



EXPERIENCE

Proven Track Record of Successful Healthcare Transactions

Post-Acute Care Provider \$111,000,000 has been acquired by Strategic Buyer	 Gallagher Pediatric Therapy has been acquired by  THE STEPPING STONES GROUP Transforming Lives Together	 ASI has been acquired by  fletch equity	 THE HALIFAX GROUP has acquired  Comfort Keepers The Worldwide Home Care division of  sodexo	 Family First ADOLESCENT SERVICES has been acquired by  NAVIMED CAPITAL  HEP	 IMAGENET ACCELERATE PRODUCTIVITY has been acquired by  bv INVESTMENT PARTNERS SINCE 1985	 has been acquired by THE STEPPING STONES GROUP Transforming Lives Together a portfolio company of  LGP LEONARD GREEN & PARTNERS	 sequoia a portfolio company of  Bootstrap VENTURE PARTNERS has been acquired by  Riverside PARTNERS
 renew consulting has been acquired by  Pathways PEOPLE. PASSION. SERVICE. a portfolio company of  ATAR CAPITAL	 Penetrex has been acquired by  wellbeam SOLUTIONS HEALTHCARE a portfolio company of  AMERICAN PACIFIC GROUP	 The Everett Clinic For the whole you. has been acquired by  Davita	 PROPHARMA GROUP has been acquired by  LINDEN	We provided investment banking services for  Medstreaming The Practice of Innovation	 MEMORIAL formed an affiliation with  Virginia Mason	 CODECORRECT An ACCURO Company has been acquired by  ucg	We provided investment banking services for  EMERGENCY REPORTING
We provided investment banking services for  SRM	 REDWOOD REGIONAL HEALTHCARE has been acquired by  St. Joseph Health St. Joseph Heritage Healthcare	 KADLEC formed an affiliation with  PROVIDENCE Health & Services	 IMAGENET ACCELERATE PRODUCTIVITY has been recapitalized by  Caltius Capital Management	 BEHAVIORAL HEALTH WORKS has been acquired by  TA ASSOCIATES	 Anesthesia Services Inc. has been acquired by  TEAMHealth.	 Community Psychiatry has been acquired by  NEW HARBOR CAPITAL	 Home Pharmacy of California has been acquired by  Walgreens

*Represents a transaction executed by principals of Hexagon Capital Alliance at a prior firm

EXPERIENCE

Proven Track Record of Successful Outcomes

- Deep expertise and strong relationships with relevant market participants
- Battle tested process that drives maximum valuation and enhanced terms
- Exclusive focus on private, middle market companies
- A life-cycle approach to client service



HEALTHPLUS⁺
Corporation



Community Psychiatry

Penetrex



Anesthesia Services Inc.



KADLEC



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