



DRESNER PARTNERS
INVESTMENT BANKING

Healthcare Services

Quarterly M&A Market Update

Q2 2026

*“We’re not just investment bankers —
we’re strategic partners who understand
how to maximize value and find the right
buyer, partner, or investor”*

Healthcare Services Overview

Q2 2026 Market Commentary

Key Takeaways

➤ General Summary:

- ✓ Healthcare services M&A remains active despite a tougher macro backdrop
- ✓ Deal volume in 2026 slowed; however, buyer appetite continues to be strong, particularly for scalable platforms
- ✓ Valuations have normalized from peak 2021–2022 levels but remain healthy for businesses with recurring revenue and defensible positioning
- ✓ Private equity is emphasizing subsectors with operating leverage (Behavioral, select Specialty PPMs, Home-Based Care, and HCIT/RCM)
- ✓ Diligence expectations have risen — clean financials and clarity around earnings quality are now determining both pricing and pace

➤ Subsector Activity:

- ✓ PPMs (especially Dental), Behavioral Health, and Home Health remain the most active subsectors in terms of both PE-backed platforms and transaction count
- ✓ In addition, we have seen increased activity in CROs, Pharmacy, Medical Spas, and Healthcare Staffing
- ✓ These segments continue to attract capital due to scalable operations, recurring revenue models, and strong growth runways

➤ Geographic Distribution:

- ✓ PE-backed headquarters are most concentrated in TX, FL, CA, and the Northeast — consistent with population centers, healthcare demand, and established provider ecosystems
- ✓ Regional fragmentation continues to present roll-up opportunities for both mid-market and large-cap sponsors

➤ Publicly-Traded Valuation Multiples:

- ✓ High-multiple sectors (CMO-Packaging, Long-Term Care, and Behavioral-General) highlight investor preference for specialized, high-margin niches
- ✓ Healthcare Staffing, Distribution, and Hospitals remain active but with moderate multiples, reflecting market maturity and saturation

Healthcare Services Overview

Q2 2026 Market Commentary (cont.)

Key Takeaways

- **What This Means for Founders and Operators:**
 - ✓ Buyers are paying premiums for scale, revenue visibility, and infrastructure that can support add-ons
 - ✓ Processes are moving fastest when the financial story is clean and defensible
 - ✓ Regional density continues to be a meaningful differentiator in platform value
 - ✓ Strong appetite from private equity remains — but structure now varies based on quality of earnings
 - ✓ If planning a transaction in the next 12–24 months, early preparation materially improves valuation, speed, and certainty to close

What's Driving Valuation Right Now

What Buyers Are Prioritizing

- Earnings quality and margin visibility
- Durable payor mix and compliance infrastructure
- Scalable staffing / provider throughput
- Tech enablement that protects or enhances EBITDA
- Regional density and platform “fit”

Where Buyers Are Hesitating

- Inconsistent AR / working capital timing
- Add-backs unlikely to survive diligence
- Wide performance gaps between locations
- Heavy founder dependency

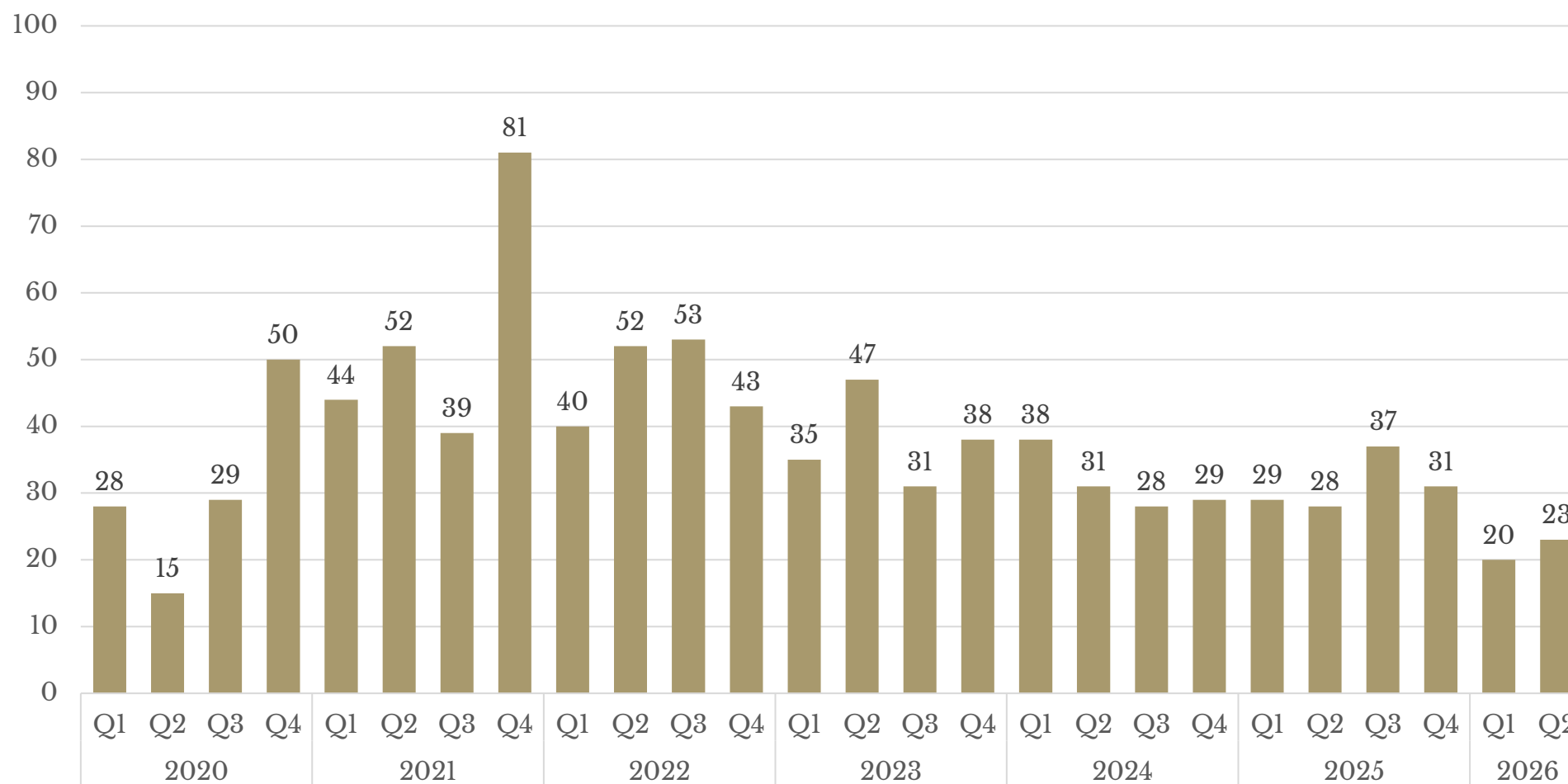
Competition is strongest for businesses with clarity, not just growth. The more diligence-ready the story, the stronger the pricing and structure

If you're considering a transaction within the next 12–24 months, the window remains favorable — especially if your business offers scale, tech enablement, and/or clinical differentiation

Healthcare Services Transaction Volume

M&A Deal Volume for PE-Backed Platform Investments Lower in 2026

Quarterly U.S. PE-Backed Healthcare Services Platform Investments

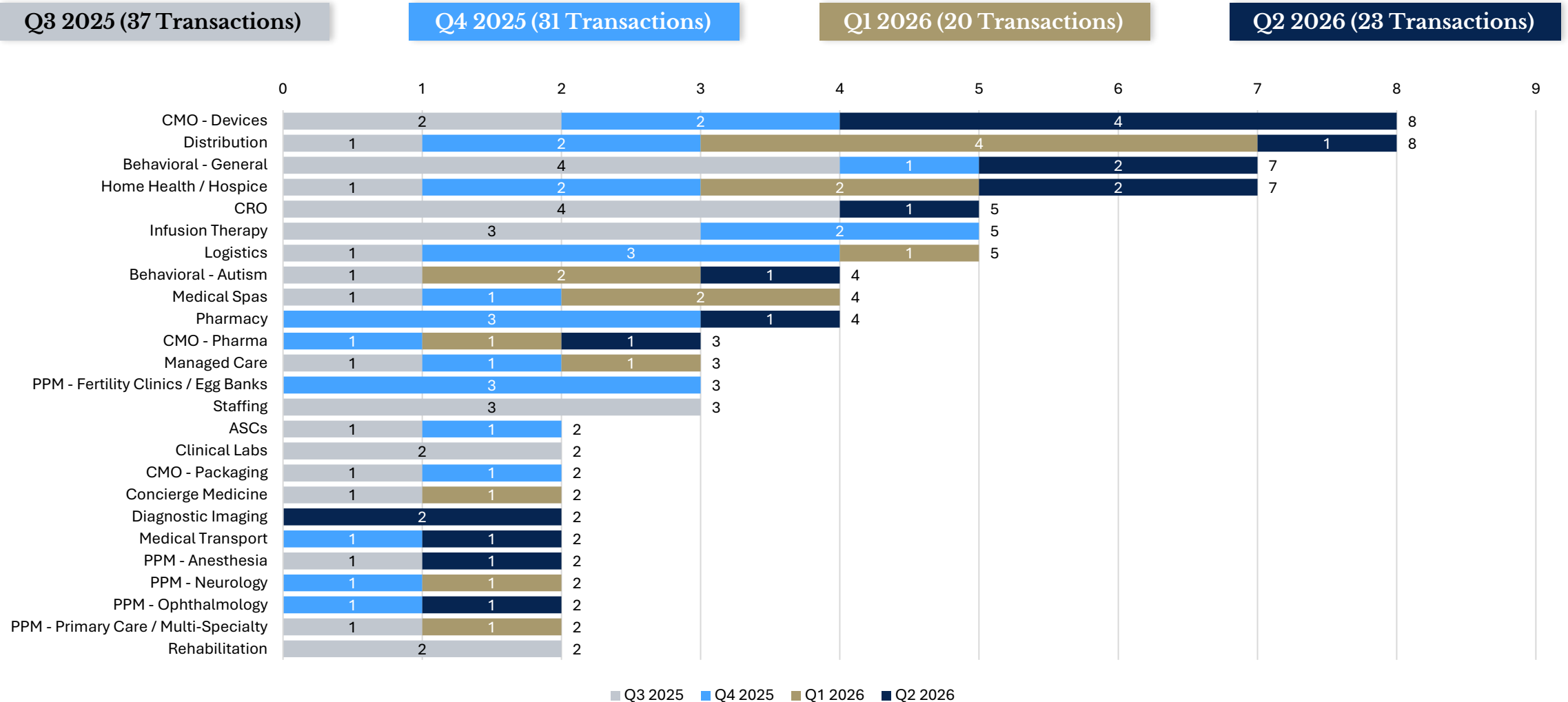


Source: S&P Capital IQ, Proprietary Research

Subsectors With Most Active M&A Deal Flow

Number of Platform Transactions by Subsector

Quarterly U.S. PE-Backed Healthcare Services Platform Investments by Subsector



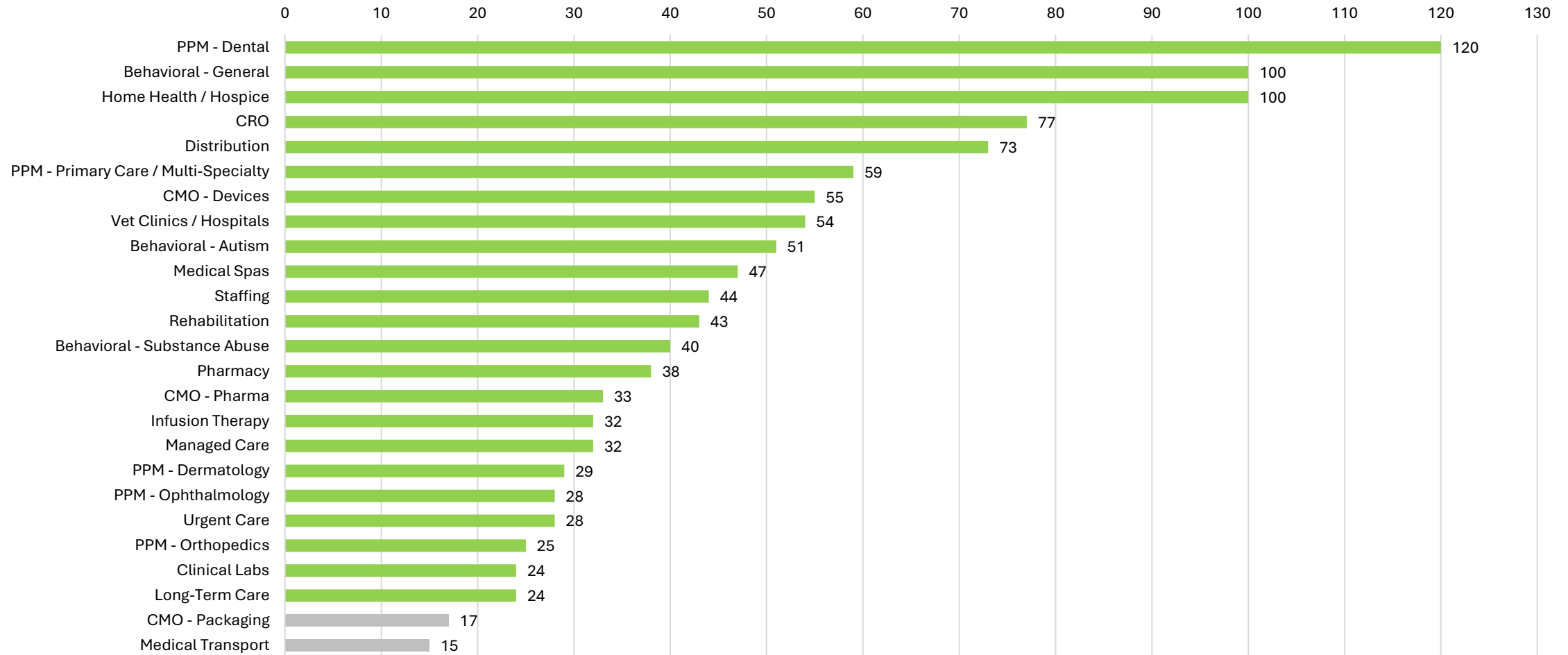
Selected subsectors with multiple transactions

Source: S&P Capital IQ, Proprietary Research

Healthcare Services U.S. PE-Backed Companies DRESNER PARTNERS INVESTMENT BANKING

U.S. Private Equity-Backed Companies Operating as of the end of Q2 2026

Subsector Overview



Dental PPM transactions remain the most active subsector

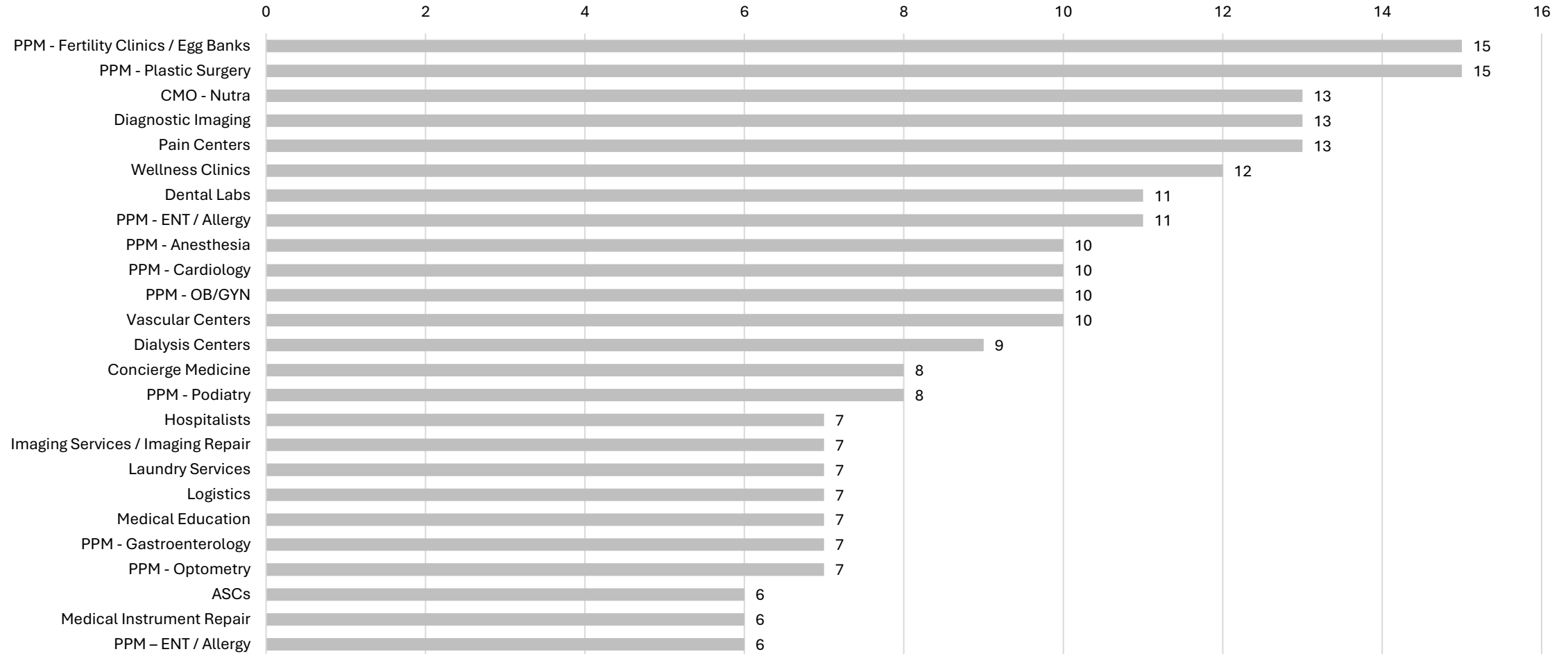
Selected subsectors with multiple transactions

Source: S&P Capital IQ, Proprietary Research

Healthcare Services U.S. PE-Backed Companies

U.S. Private Equity-Backed Companies Operating as of the end of Q2 2026 (cont.)

Subsector Overview (cont.)

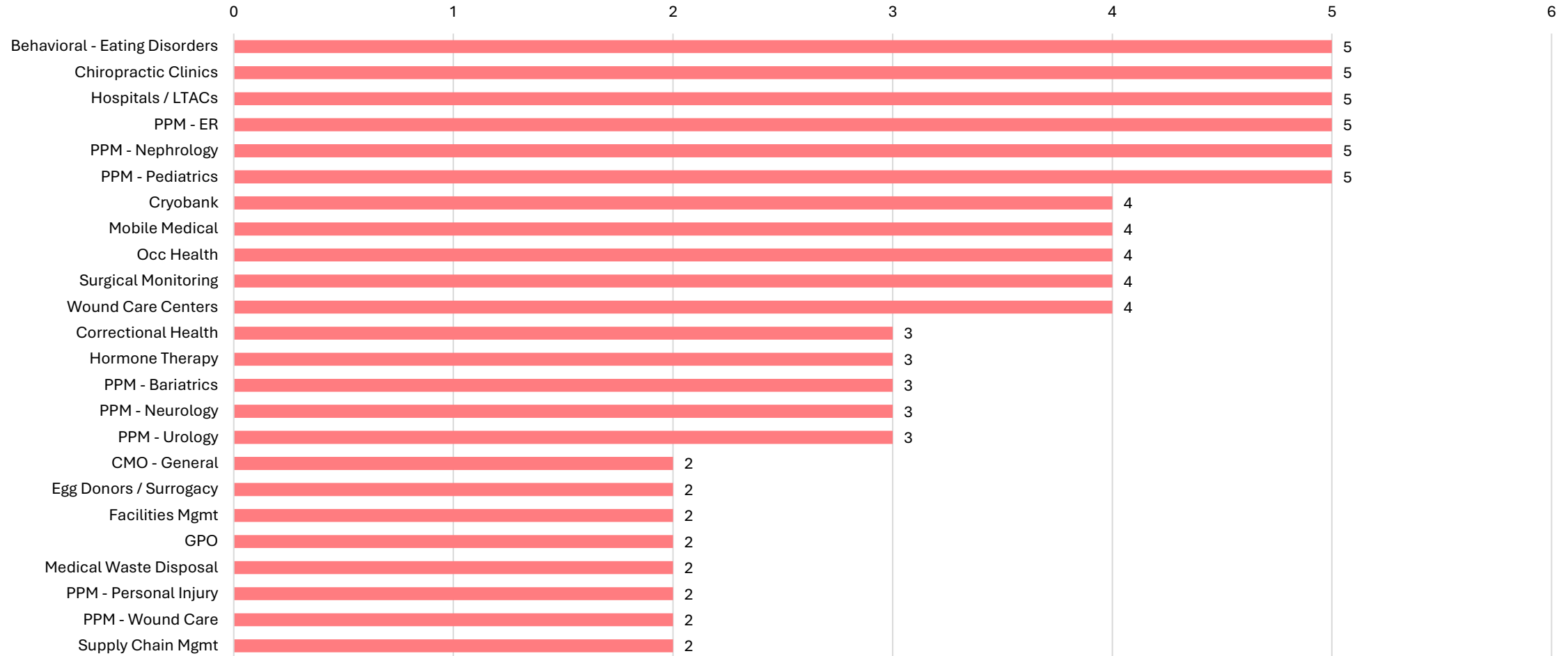


Dental PPM transactions remain the most active subsector

Healthcare Services U.S. PE-Backed Companies

U.S. Private Equity-Backed Companies Operating as of the end of Q2 2026 (cont.)

Subsector Overview (cont.)



Dental PPM transactions remain the most active subsector

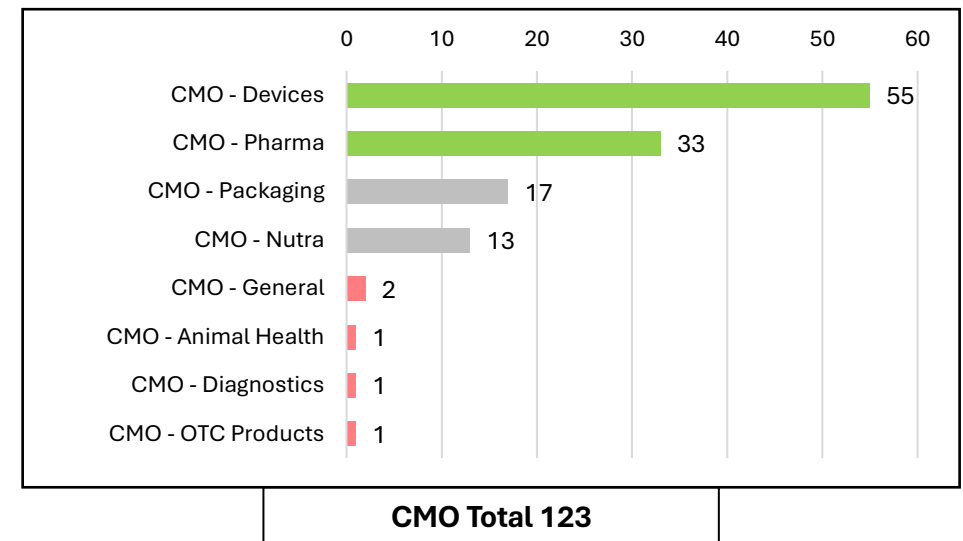
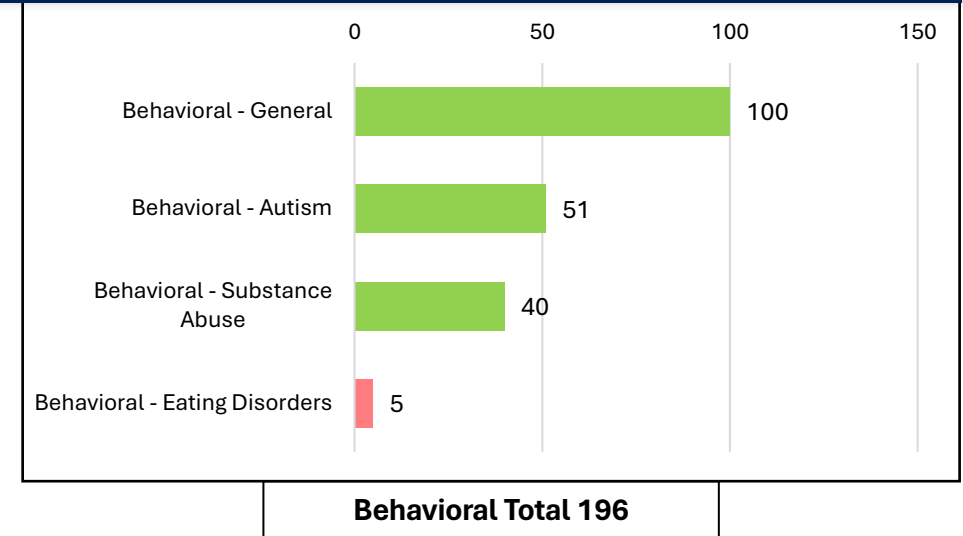
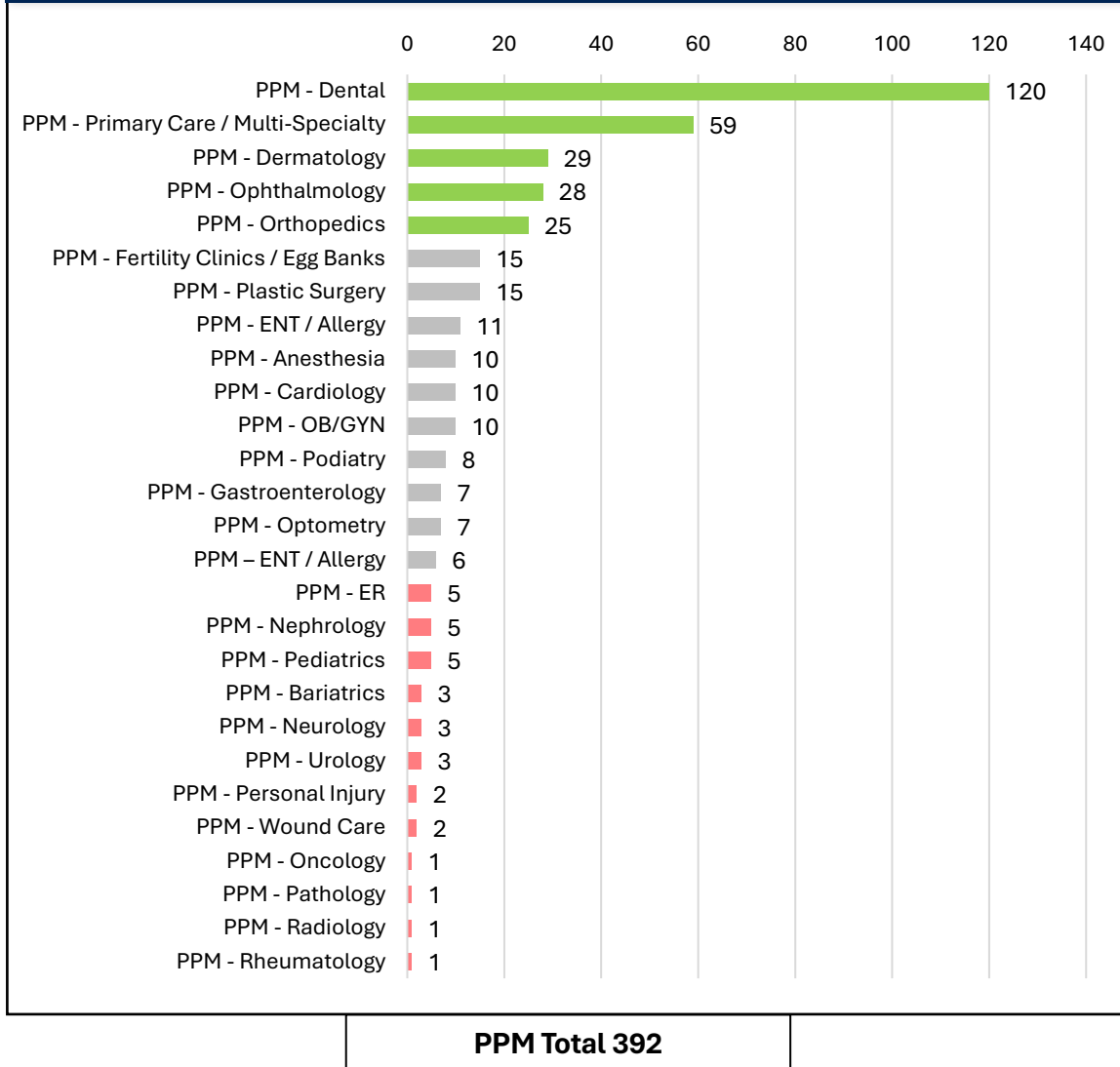
Selected subsectors with multiple transactions

Source: S&P Capital IQ, Proprietary Research

Healthcare Services U.S. PE-Backed Companies DRESNER PARTNERS INVESTMENT BANKING

U.S. Private Equity-Backed Companies Operating as of the end of Q2 2026 (cont.)

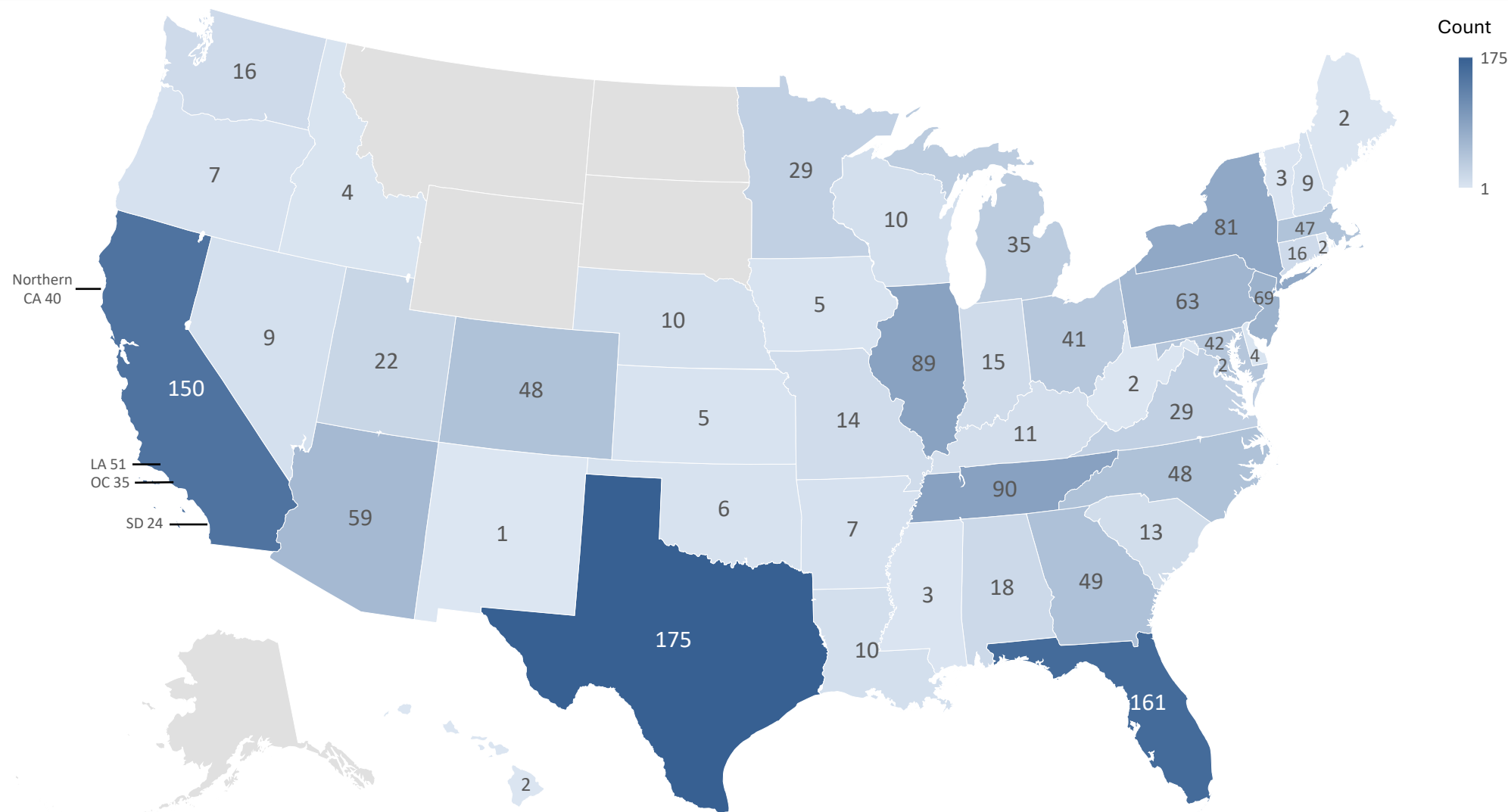
Selected Subsector Overview



Healthcare Services Geographic Distribution

U.S. Private Equity-Backed Companies Operating as of the end of Q2 2026

Corporate Headquarters Map



Source: S&P Capital IQ, Proprietary Research

Healthcare Services Publicly-Traded Comps

Public Multiples: CMO-Packaging, Long-Term Care, and Behavioral-General Lead the Way

Publicly-Traded Healthcare Services Companies by Subsector

\$ in millions

Subsector	Count	Market Cap.	Ent. Value	Revenues	EBITDA	EV/Revenue	EV/EBITDA
CMO - Packaging	3	\$16,676	\$17,180	\$2,371	\$838	5.1x	20.2x
Long-Term Care	6	5,018	7,312	3,251	338	3.7x	19.9x
Behavioral - General	4	7,133	8,676	4,646	313	1.9x	19.2x
CRO	6	11,994	15,489	4,433	912	2.8x	18.6x
Pharmacy	3	44,895	67,062	135,751	7,761	0.8x	18.3x
PPM - Primary Care / Multi-Specialty	5	1,842	1,911	2,616	104	0.6x	18.1x
CMO - Devices	8	5,851	7,023	1,673	362	3.5x	16.5x
Home Health / Hospice	7	2,945	3,315	1,930	210	1.6x	15.0x
Clinical Labs	6	8,493	10,547	4,492	1,494	2.3x	13.1x
Managed Care	18	43,812	46,985	75,443	3,630	1.3x	11.5x
Staffing	3	799	1,300	2,801	220	0.4x	10.9x
Distribution	9	26,369	30,135	111,408	2,024	0.8x	10.4x
Hospitals / LTACs	6	19,108	31,757	22,534	4,195	1.1x	6.1x
Medical Spas	3	317	201	58	32	1.2x	3.2x
Other Subsectors	36	2,461	3,819	2,185	399	1.7x	13.8x
Mean		\$13,181	\$16,847	\$25,039	\$1,522	1.9x	14.3x
Median		\$7,133	\$8,676	\$3,251	\$399	1.6x	15.0x

Data as of June 30, 2026

Public market multiples continue to anchor private valuations, but dispersion is widening — quality and financial clarity are now driving premiums

Sale Preparation and Market Outlook

How to Prepare for a Sale (Before Going to Market)

What to Get in Place Early

- Clean revenue recognition and AR aging visibility
- Standardized location / unit-level margin reporting
- Consistent provider productivity and compensation tracking
- Compliance and credentialing documents organized in advance
- Light “pre-QoE” diagnostics to identify issues before a buyer does

Why This Matters

- Reduces diligence friction and time to close
- Protects valuation late in the process
- Builds buyer confidence in durability

Strong outcomes today are less about timing the market and more about being diligence-ready before going to market

Where the Market Is Headed Next

Market Outlook

- The environment continues to favor sellers with scale and clean financials
- Capital remains abundant — gating factor is earnings quality, not interest
- Add-on acquisitions will continue to transact fastest
- High-quality platforms will remain scarce and attract premium bids

What to Expect Over the Next 12–18 Months

- Buyer selectivity will stay high, but competition intensifies for clarity
- Margin durability will drive structure as much as valuation
- If rates ease, scarcity premiums may expand further

The window remains constructive — sellers who prepare early will capture the strongest valuations and deal terms

Dresner Partners

Healthcare Services Coverage

About Dresner Partners

Dresner Partners is an investment bank focused on serving middle-market companies with merger & acquisition advisory, institutional private placements of debt and equity, valuation, and strategic consulting services. We work with clients across a wide range of industries in the U.S. and internationally, delivering thoughtful, senior-level guidance through complex transactions. Our professionals bring deep experience, market insight, and a steadfast commitment to integrity—consistently exceeding client expectations and maximizing long-term value

Why Clients Choose Dresner Partners

- **Sector Specialization:** Deep coverage in healthcare services/HCIT, especially PPMs and clinic-based businesses, as well as medical products
- **Senior-Level Execution:** Managing Directors lead every transaction — no handoff to juniors
- **Proprietary Network:** Relationships with thousands of PE firms, family offices, and strategics
- **Customized Processes:** Tailored approach based on shareholder goals, deal structure, and timing

Healthcare Services Coverage Team

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Head of Healthcare

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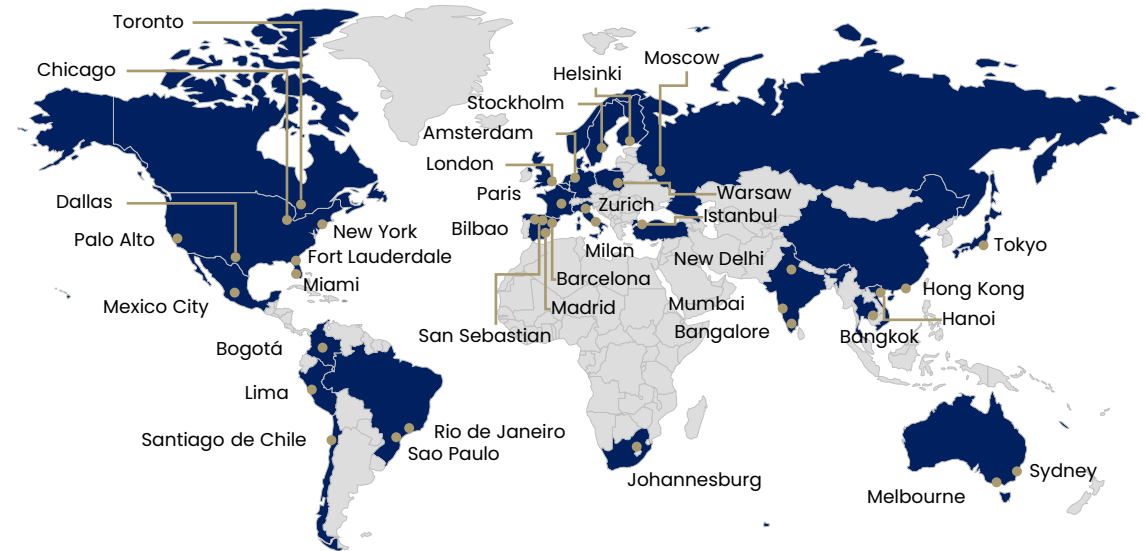
Peter Bremhorst
Associate

Lawrence Pier
Managing Director

James Jin
Associate

Mergers Alliance / Dresner Partners

- Coordinated global partnership of industry-focused bankers in all major geographies
- 300 M&A professionals across 38 offices and 25 countries
- Closed over 1,200 transactions valued at more than \$60 billion since 2015
- Consistently ranked among the Top 20 M&A advisors for mid-market transactions



For inquiries regarding potential transactions, please contact Mitchell Stern at mstern@dresnerco.com

Dresner Partners Has Deep Execution Experience Across Healthcare Verticals



 has been acquired by Sell Side Advisor 	 has been acquired by in partnership with Sell Side Advisor 	 Contract Research Organization received an equity investment /strategic partnership from Strategic Advisor 	 Home Health (Nursing, Physical Therapy, Behavioral Health) financing provided by Financial Advisor 	 Contract Manufacturer (CMO) of Life Sciences Instruments and Tools provided valuation support of tax and financial reporting purposes Financial Advisor 	 Healthcare and Nurse Staffing/HCIIT has been acquired by Sell Side Advisor 	 NovaMed Eyecare, Inc. Ophthalmology Physician Practices and Laser Vision Correction Centers / ASCs Advised in the consolidation and financing of ophthalmology practices Financial Advisor 	 Has sold a portfolio of eight skilled nursing facilities to Sell Side Advisor 	 Radiology Workflow Solutions has been acquired by Sell Side Advisor
 has been acquired by Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 Temporary Healthcare Staffing has been acquired by Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 Long-Term Care (Skilled Nursing Facilities) Divestiture of its Kansas SNFs to Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 Distributor of OTC, Health and Beauty Care Products has acquired select assets of Zila Pharmaceuticals, Inc. Buy Side Advisor 	 has been acquired by Sell Side Advisor 	 Hospital System divested its Specialty and Home Infusion Pharmacy to Sell Side Advisor
 has been acquired by Sell Side Advisor 	 Nephrology Physician Groups and Dialysis Clinics have entered into a joint venture with Sell Side Advisor 	 On-Site Wellness Clinics has been acquired by Sell Side Advisor 	 Diagnostic Imaging Centers has been acquired in separate transactions by multiple buyers Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 Hospital System divested The Pediatric Place (outpatient rehabilitation) Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 Hospital System divested its pharmacy business, CarleRX Express, to Sell Side Advisor
 has been acquired by Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 13 Dialysis Centers has been acquired by Sell Side Advisor 	 has merged with Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 has been acquired by Sell Side Advisor 	 Fertility Testing Laboratories and Services has been acquired by Sell Side Advisor 	 Hemodialysis and Peritoneal Dialysis Centers has been acquired by Sell Side Advisory and Fairness Opinion 	 has been acquired by Sell Side Advisor

Next Steps

We partner with high-growth healthcare businesses to deliver premium outcomes—through deep domain expertise, senior-level execution, and extensive investor relationships.

Thinking about a transaction in the next 12–24 Months?

Whether you're:

- **A founder/operator exploring exit options**
- **A private equity firm or family office evaluating a potential liquidity event**
- **A strategic buyer seeking proprietary deal flow**

Let's start a conversation!

For inquiries regarding potential transactions, please contact Mitchell Stern at mstern@dresnerco.com

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