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# Deloitte Corporate Finance's Life Sciences & Health Care Practice

**Deloitte Corporate Finance LLC (DCF)** is a leading, global middle-market M&A adviser. Our professionals have extensive knowledge in the life sciences and healthcare spaces and use their experience to help clients enhance value.











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**Firm Overview** 

Global M&A Advisor ranked by deals completed in 2024.<sup>(1)</sup>

Completed deals in 2024.

- Deep relationships in place to gain critical strategic intelligence and effectively market businesses.
- Worldwide, DCF has access to 2,400 **Corporate Finance professionals** throughout the Deloitte Touche Tohmatsu Limited network of member firms in 60 countries that complement the North American team.

**Sector Focus** 

- Health care services
- Health care technology
- Life sciences and pharma services
- Medical devices and supplies
- Payors and payor services

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# **Deloitte Thought Leadership**

#### **Deloitte thought leadership**

- Deloitte stays abreast of industry trends and makes significant investments in producing cutting-edge thought leadership.
- Deloitte is deeply committed to providing insights that help keep clients on the forefront of critical trends.
- Focused research on industry drivers and trends enables Deloitte to demonstrate eminence in the life sciences and health care market by redefining the lens through which industry leaders operate.

#### **Extensive knowledge network**

DCF leverages its
 expansive, cross-business
 knowledge network,
 extensive consulting
 reports, and in-depth
 industry research to help
 drive results and provide
 differentiated insights
 for our clients.









Pay It Forward Be Res

Be Resourceful Build Know

### **Recent insights**









### **Health Care Services**

#### Sector Trends (1)

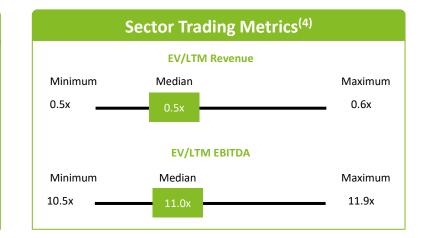
In Q2 2025, M&A activity in health care services remained robust and overall transaction volume increased moderately from the previous quarter. Investors and acquirers stayed focused on ambulatory and outpatient platform investments. Operationally, providers faced headwinds from rising labor costs, regulatory uncertainty, and reimbursement challenges, with a significant share of hospitals operating at a loss. In response, organizations prioritized efficiency initiatives and accelerated the shift toward outpatient, home-based, and digitally enabled care models. Capital deployment became more selective, reflecting ongoing margin compression and evolving payment policies, while digital health and AI adoption gained momentum as providers sought to address workforce shortages and improve productivity.

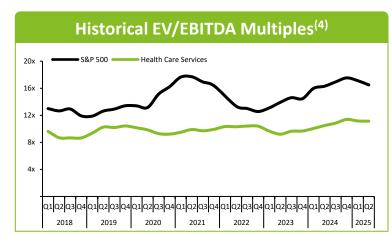
### Select Recent M&A Activity<sup>(2)</sup>

Close Date	Target	Acquiror	Implied EV (\$M)
April 2025	Opal HealthCare	Pacific Equity Partners	\$2,000.0
June 2025	Cedar Park Health System, L.P.	Ascension Texas	\$436.0
June 2025	Thrive Skilled Pediatric Care, LLC	Aveanna Healthcare, LLC	\$75.0
June 2025	Pivot Onsite Innovations	Concentra Health Services, Inc.	\$55.0
April 2025	Pathline LLC	NeoGenomics, Inc.	N/A



Company Name	Enterprise Value (\$M)
Quest Diagnostics Inc.	\$25,298.1
DaVita Inc.	\$24,562.9
Encompass Health Corporation	\$15,447.9
Option Care Health, Inc.	\$6,067.8
Amedisys, Inc.	\$3,422.0
Agilon Health, Inc.	\$606.3





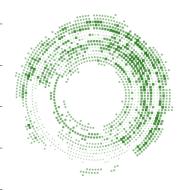
# Healthcare Technology

#### Sector Trends (1)

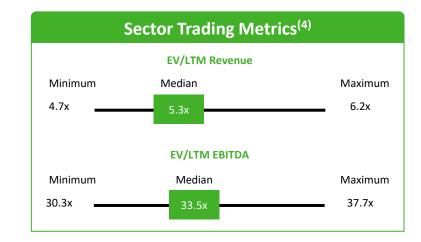
During Q2 2025, health care technology saw continued momentum, with digital health venture funding rising to \$3.4 billion and a strong focus on Al-enabled platforms for workflow and clinical efficiency. Strategic partnerships became more targeted, reflecting demand for integrated, data-driven solutions. Health systems prioritized investments in cybersecurity and compliance amid rising threats and new federal guidelines, while Al adoption accelerated across clinical and administrative workflows. Competitive dynamics favored larger, tech-enabled providers, as smaller players faced mounting pressure to consolidate or partner. Overall, innovation and regulatory change shaped a dynamic landscape, with operational impact and data security at the forefront.

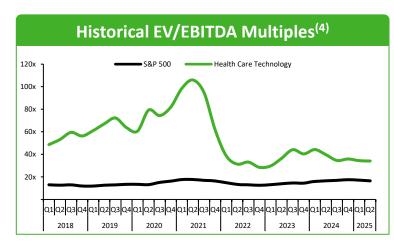
### Select Recent M&A Activity<sup>(2)</sup>

Close Date	Target	Acquiror	Implied EV (\$M)
April 2025	CentralReach, LLC	Roper Technologies, Inc.	\$1,850.0
May 2025	Office Ally	Francisco Partners, New Mountain Capital	\$1,800.0
April 2025	Uplift Health Technologies, Inc.	Teladoc Health, Inc.	\$45.0
April 2025	BioSymetrics, Inc.	Renovaro Inc.	\$11.6
May 2025	Fabric Genomics, Inc.	GeneDx Holdings Corp.	N/A



	·
Company Name	Enterprise Value (\$M)
Veeva Systems, Inc.	\$40,136.8
Claritev Corporation	\$5,375.7
Teladoc Health, Inc.	\$1,844.3
Omnicell, Inc.	\$1,290.5
Health Catalyst, Inc.	\$329.1
American Well Corporation	(\$77.2)





## Life Sciences and Pharma Services

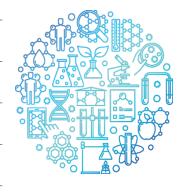
#### Sector Trends (1)

In Q2 2025, Life Sciences and Pharma Services saw robust M&A activity, highlighted by large strategic deals such as Johnson & Johnson's \$13.7B acquisition of Intra-Cellular Therapies and the recently announced \$17.5B merger between Waters and BD Biosciences unit.

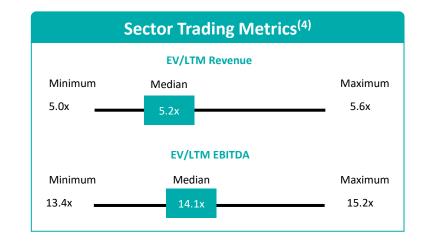
During Q2 2025, outsourced services accounted for approximately 50.0% of global pharma R&D spend and continued to experience accelerated growth. The broader Pharma Services & Software market, valued at \$300.0 billion, is projected to expand at an 8.4% CAGR, surpassing \$450.0 billion by 2030. This growth continues to be fueled by strong sector tailwinds, including rapid AI adoption, the rise of decentralized trials, advancements in biologics and gene therapies, and heightened regulatory scrutiny.

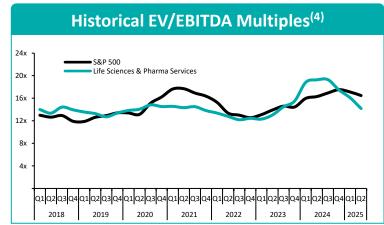
#### Select Recent M&A Activity<sup>(2)</sup>

Close Date	Target	Acquiror	Implied EV (\$M)
July 2025	BD Biosciences	Waters Corp.	\$17,500.0
April 2025	Intra-Cellular Therapies, Inc.	Johnson & Johnson Innovative Medicine	\$13,653.6
May 2025	Ajinomoto Althea, Inc.	PCI Pharma Services	\$1,000.0
May 2025	OptiNose, Inc.	Paratek Pharmaceuticals, Inc.	\$330.0
April 2025	Evergreen Theragnostics, Inc.	Lantheus Medical Imaging, Inc.	\$250.0



Company Name	Enterprise Value (\$M)
AbbVie Inc.	\$403,191.5
Merck & Co., Inc.	\$235,779.0
Amgen Inc.	\$208,285.8
Pfizer Inc.	\$189,501.0
Thermo Fisher Scientific Inc.	\$188,970.3
IQVIA Holdings Inc.	\$40,372.5





# Medical Devices and Supplies

#### Sector Trends (1)

In Q2 2025, the Medical Devices and Supplies sector saw moderate M&A activity. The deal environment was shaped by a focus on domestic manufacturing and automation.

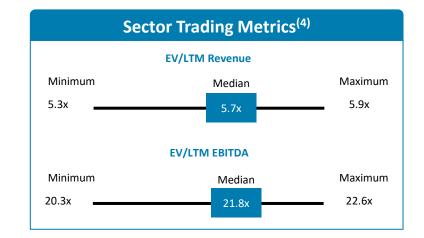
Manufacturers faced rising operational and compliance costs, with profit margins pressured by increased input costs and payer resistance to price hikes. Notable innovations included FDA approval of the Edison Histotripsy System and expanded use of 3D-printed pediatric prosthetics, reflecting trends toward affordability and customization. Regulatory changes centered on cybersecurity, device tracking, and stricter data security requirements, increasing compliance complexity. Demand for minimally invasive and remote monitoring solutions, as well as supply chain resilience amid ongoing macro volatility, continued to be key M&A drivers.

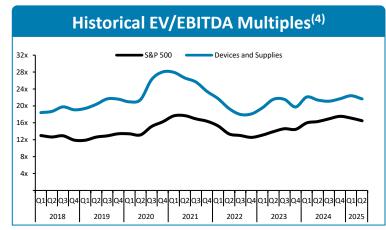
#### Select Recent M&A Activity<sup>(2)</sup>

Close Date	Target	Acquiror	Implied EV (\$M)
April 2025	Patterson Companies, Inc.	Patient Square Capital, LP	\$4,100.0
April 2025	Paragon 28, Inc.	Zimmer Biomet Holdings, Inc.	\$1,200.0
April 2025	North Coast Medical Supply, LLC	Cardinal Health, Inc.	\$1,100.0
April 2025	Bolt Medical, Inc.	Boston Scientific Corporation	\$897.3
April 2025	Nevro Corp.	Globus Medical, Inc.	\$250.0



Company Name	Enterprise Value (\$M)
Johnson & Johnson, Inc.	\$390,791.4
Abbott Laboratoires Corporation	\$236,409.6
Stryker Corporation	\$164,549.3
Medtronic, Inc.	\$135,843.9
Becton, Dickinson and Company	\$69,342.3
Baxter International, Inc.	\$22,623.1





# **Payors and Payor Services**

#### Sector Trends (1)

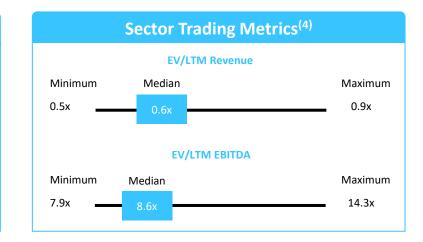
In Q2 2025, payors and payor services experienced moderate M&A activity, with continued investments in managed Medicaid, Medicare Advantage, and integrated "payvider" models. Deal activity was tempered by rising costs, utilization shocks, and revenue headwinds in Affordable Care Act (ACA) and Medicaid plans. Major insurers faced operational pressures from elevated utilization, subsidy expirations, and Medicaid redeterminations, resulting in premium hikes, layoffs, and market exits.

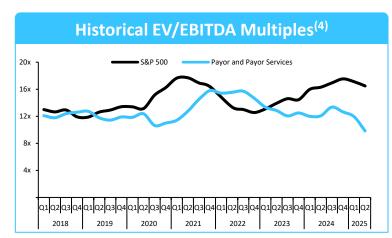
### Select Recent M&A Activity<sup>(2)</sup>

Close Date	Target	Acquiror	Implied EV (\$M)
April 2025	ModMed	ClearLake Capital Group LP	\$5,300.0
June 2025	Management Resource Group, LLC	EqualizeRCM Services	N/A
June 2025	Decent, Inc.	Nice Healthcare Management Company	N/A
May 2025	Boelzner & Associates Insurance Services Inc.	Inszone Insurance Services, Inc	N/A
May 2025	Contego Solutions, LLC	Nimble solutions	N/A



Company Name	Enterprise Value (\$M)
UnitedHealth Group, Inc.	\$333,353.3
The Cigna Group Corporation	\$102,535.2
Elevance Health, Inc.	\$99,453.6
Humana, Inc.	\$37,004.9
Centene Corporation	\$18,854.6
Molina Healthcare, Inc.	\$10,777.1





# **Appendix**

### **Citations**

#### Page 1:

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#### Page 4:

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# **Appendix**

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#### Page 8:

- 1. Sector trends in Q2, 2025.
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