

IMAP



HEALTHCARE SERVICES SECTOR UPDATE

MAY 2025

HEALTHCARE SERVICES: M&A REPORT

AS THE NHS GRAPPLES WITH CHRONIC CAPACITY CONSTRAINTS AND RISING BACKLOGS, INVESTORS AND ACQUIRERS ARE DOUBLING DOWN ON INDEPENDENT PROVIDERS DELIVERING SCALABLE, HIGH-DEMAND CLINICAL AND DIAGNOSTIC SERVICES

The UK healthcare services sector stands at a pivotal juncture. As the NHS undergoes structural transformation and public-private collaboration deepens, independent healthcare providers are playing an increasingly vital role in alleviating systemic pressures, from long waitlists to diagnostic backlogs. This shift is catalysing a wave of M&A activity, with investors drawn to the sectors strong demand fundamentals, recurring revenues, and strategic importance. Clinical services and diagnostics are attracting growing attention from both private equity and corporates, particularly as insourcing and outsourcing models scale up to meet NHS and private market needs.

Valuations remain robust, often in the **12–15x EBITDA** range, underscoring investor confidence in the sectors resilience and long-term growth potential. With deal flow concentrated in the sub-£30m range, this report explores the forces reshaping the UK healthcare services market, and highlights why current market dynamics present a timely opportunity for both strategic investors and business owners considering a sale, partnership, or scale-up capital.

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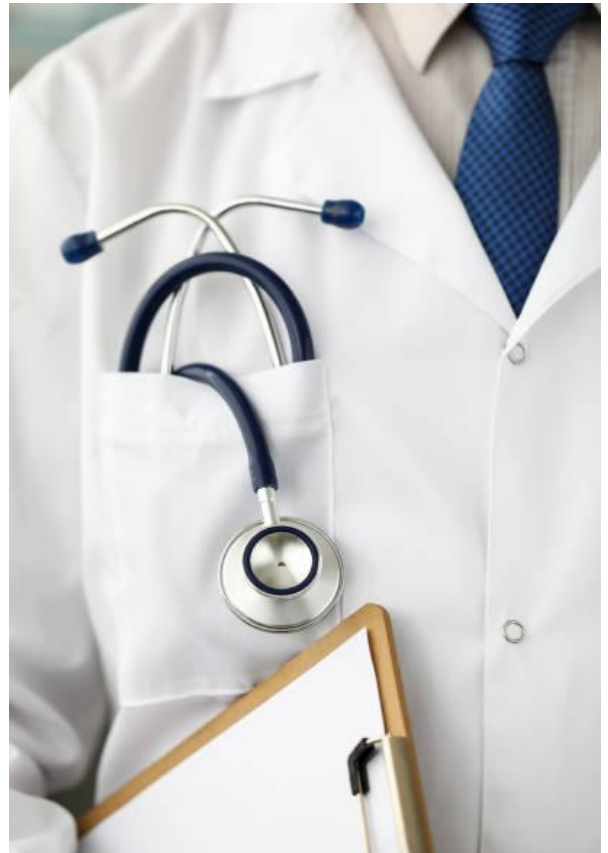


STRUCTURAL SHIFTS DRIVING CONSOLIDATION AND INVESTMENT

The UK healthcare sector is at a defining inflection point, driven by a deepening partnership between the government and private independent sector alongside a significant restructuring of the National Health Service (NHS). These shifts are creating a compelling environment for investment, scale-driven growth, and consolidation within the independent sector.

A key catalyst in 2025 is the enhanced agreement between the government and private sector providers, a move to alleviate NHS pressures by expanding private independent sector capacity. With NHS waiting lists still exceeding 7.4 million as of April 2025, and high-demand specialties such as orthopaedics (40% of patients are waiting longer than the 18-week target), gynaecology (backlog of 260,000 women waiting more than 18 weeks for treatment, ophthalmology, general surgery etc. facing persistent backlogs, this agreement underscores a long-term structural reliance on private operators.

The independent sector is playing a vital role in supporting hospitals to get on top of the backlog, delivering more than 100,000 elective appointments and procedures every week for the NHS, up by more than half since 2021. The commitment to deliver up to one million additional appointments annually signals not only immediate demand but also sustained revenue visibility for independent providers. This, in turn, strengthens the investment case for private equity and strategic acquirers, fuelling dealmaking in key sub-sectors of clinical services and diagnostics.



In addition to the direct NHS driven growth of the independent sector, the UK private healthcare market is also expanding, driven by strong growth in private medical insurance (PMI) and self-pay. Rising employer-backed PMI and increased consumer willingness to pay for faster care are boosting patient flow and revenue



Adding to the complexity, and opportunity, is the government's decision to dismantle NHS England, integrating its functions into the Department of Health and Social Care over the next two years. This move, aimed at reducing bureaucracy and exerting greater central oversight, coincides with mounting financial pressures on the NHS, with funding shortfalls estimated at £32 billion compared to 2010-11 levels. The transition will inevitably reshape commissioning structures, workforce planning, and elective recovery pathways, all of which could accelerate private sector participation and further spur M&A activity. Notably, healthcare services M&A deal volume grew 7% in 2024, with private equity accounting for 25% of all transactions, momentum that is likely to continue

as investors seek scalable assets positioned for long-term growth.

In addition to the direct NHS driven growth of independent sector, the UK private healthcare market is also expanding, driven by strong growth in private medical insurance (PMI) and self-pay. Rising employer-backed PMI and increased consumer willingness to pay for faster care are boosting patient flow and revenue.

The convergence of these factors, policy-driven expansion of private sector involvement, NHS structural reform, and rapid growth in privately funded healthcare, creates a fertile landscape for strategic transactions.

A QUICK LOOK AT THE UK M&A MARKET

A RESILIENT LANDSCAPE DRIVING STRATEGIC TRANSACTIONS

The UK M&A market has demonstrated remarkable resilience, rebounding from political and economic uncertainties to regain momentum. While early 2024 was marked by a measured slowdown as dealmakers assessed the implications of an early general election, activity accelerated in the second half of the year. The run-up to the 30th October Budget saw a surge in completions, as vendors moved decisively to lock in existing Capital Gains Tax (CGT) rates amid speculation of increases. The CGT rise from 20% to 24% was less severe than feared, providing a clearer runway for transactions heading into 2025. Despite a temporary post-budget lull, the outlook remains positive, with strong M&A activity expected across key growth sectors including healthcare, AI & technology financial services, and ESG.

Looking ahead, despite the economic headwinds, including weak GDP growth projections (halved to 1% by the Office for Budget Responsibility), expectations of interest rate reductions in 2025 are providing a more favourable funding environment. There is improved appetite for well-structured deals, particularly in financial sponsor-backed

management buyouts (MBOs). Private equity remains highly active, with substantial undeployed capital driving competitive dynamics for quality assets. While strategic buyers are weighing the impact of rising employment costs, National Insurance, and business rates, strategic M&A remains a priority for corporates and financial sponsors seeking inorganic growth opportunities. The Spring Statement provided much-needed fiscal clarity, emphasizing spending adjustments over further tax increases, at least in the short term. As a result, well-prepared sellers and buyers are moving with confidence, deploying creative deal structures, including contingent pricing mechanisms, to navigate valuation gaps. Enhanced due diligence around regulatory compliance, ESG credentials, and operational resilience remains a defining feature of transactions, reinforcing a flight to quality in the mid-market. With stabilizing economic conditions and a clear strategic imperative for growth, 2025 is set to be a strong year for UK M&A, with disciplined dealmaking and sector-focused consolidation driving market activity.



UK HEALTHCARE & LIFE SCIENCES M&A

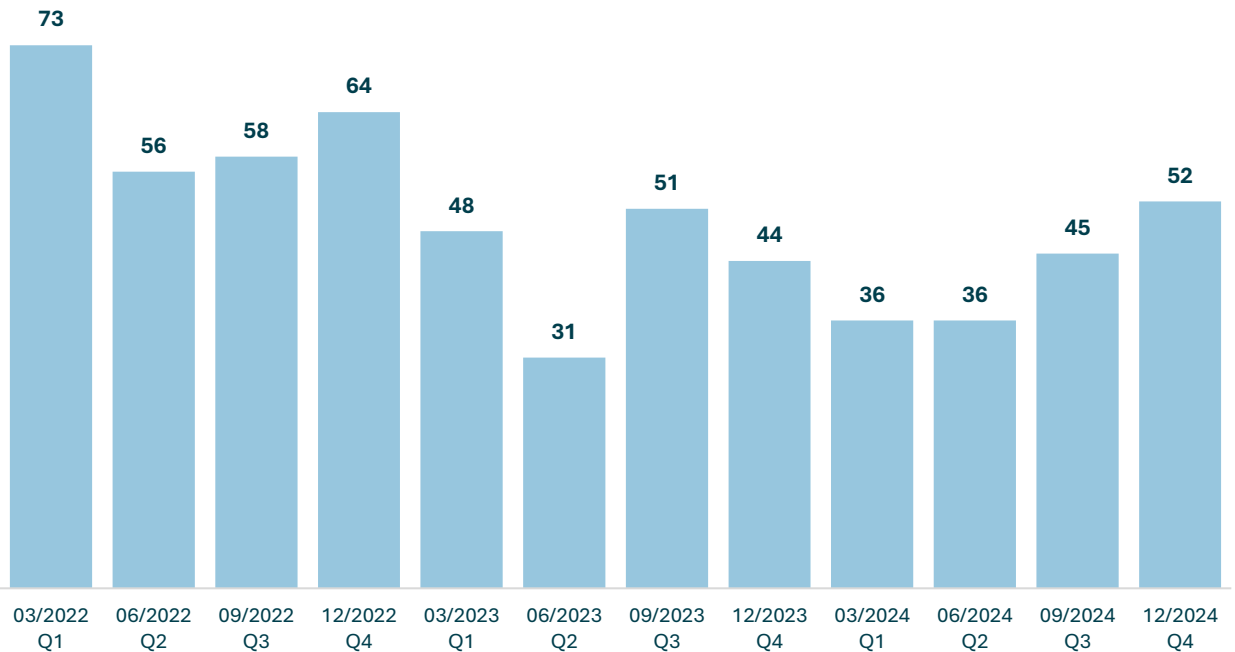
The UK healthcare & life sciences M&A market maintained a steady pace throughout 2024, with a pronounced uptick in Q4 as sellers moved swiftly to complete transactions ahead of anticipated Capital Gains Tax changes. This late-year surge underscored both the resilience of the sector and the strategic timing of deal execution.

Healthcare providers & services, along with pharma, biotech, and life sciences, continued to drive the bulk of deal activity, collectively accounting for approximately 75% of total transaction volume. The concentration of M&A in these segments reflects strong investor confidence in their long-term fundamentals and growth prospects.

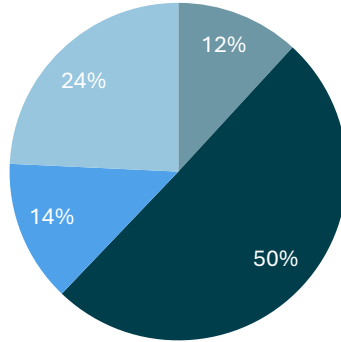
Private equity remained a key player in UK healthcare M&A, contributing to 32% of transactions. The sectors strong cash flow dynamics, scalability, and defensive qualities continued to attract PE interest, reinforcing healthcare’s position as a core investment theme.

Cross-border M&A remained a significant feature of the UK healthcare market, with US-based buyers leading inbound deal activity. The UK’s mature healthcare infrastructure, strong regulatory framework, and innovation pipeline made it an attractive destination for international acquirers seeking strategic expansion.

UK Healthcare M&A – Deal Count¹

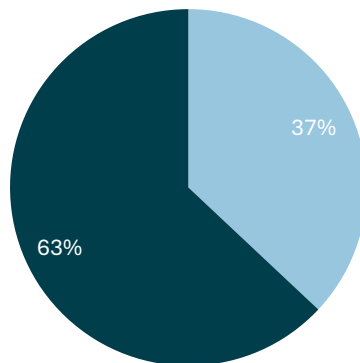


UK Healthcare M&A 2024 - Breakdown¹



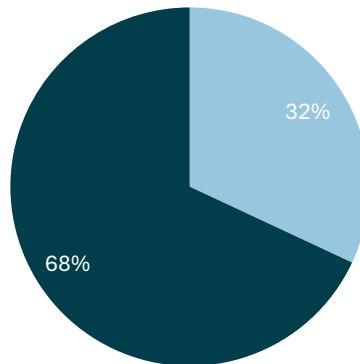
■ Healthcare Equipment ■ Healthcare Providers & Services ■ HealthTech ■ Pharma, Biotech and Life Sciences

UK Healthcare M&A - Domestic Vs Inbound¹



■ In-bound ■ Domestic

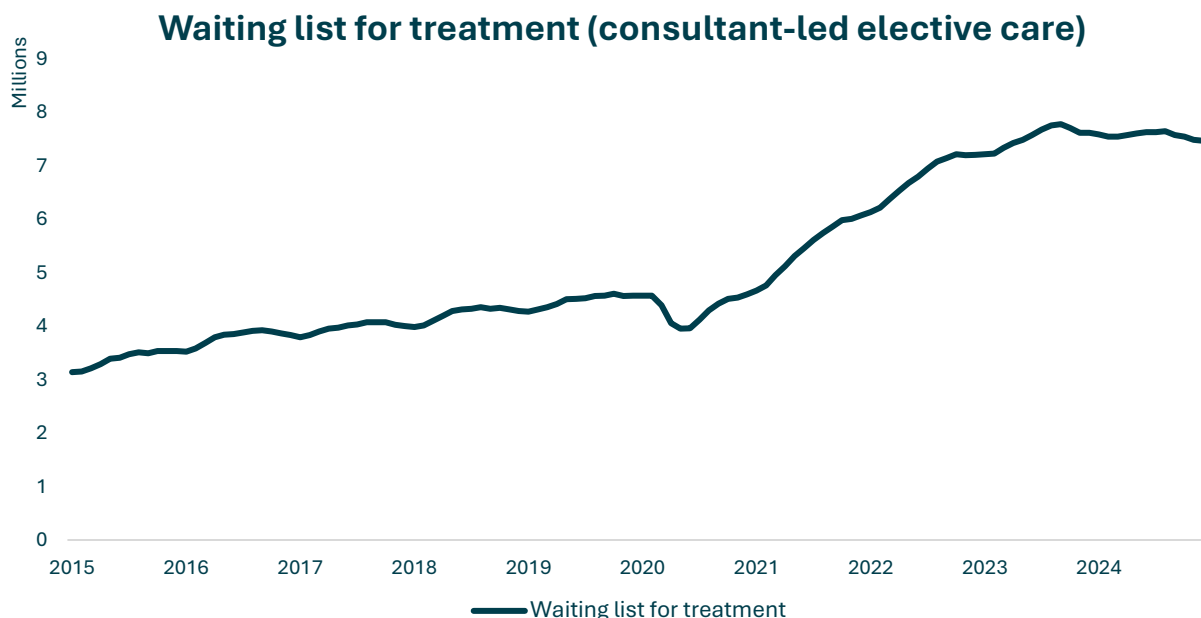
UK Healthcare M&A 2024 - PE Involvement¹



■ PE Involved ■ Trade

UK HEALTHCARE AT A CROSSROADS: PRESSURES, GROWTH AND THE RISE OF PRIVATE PROVIDERS

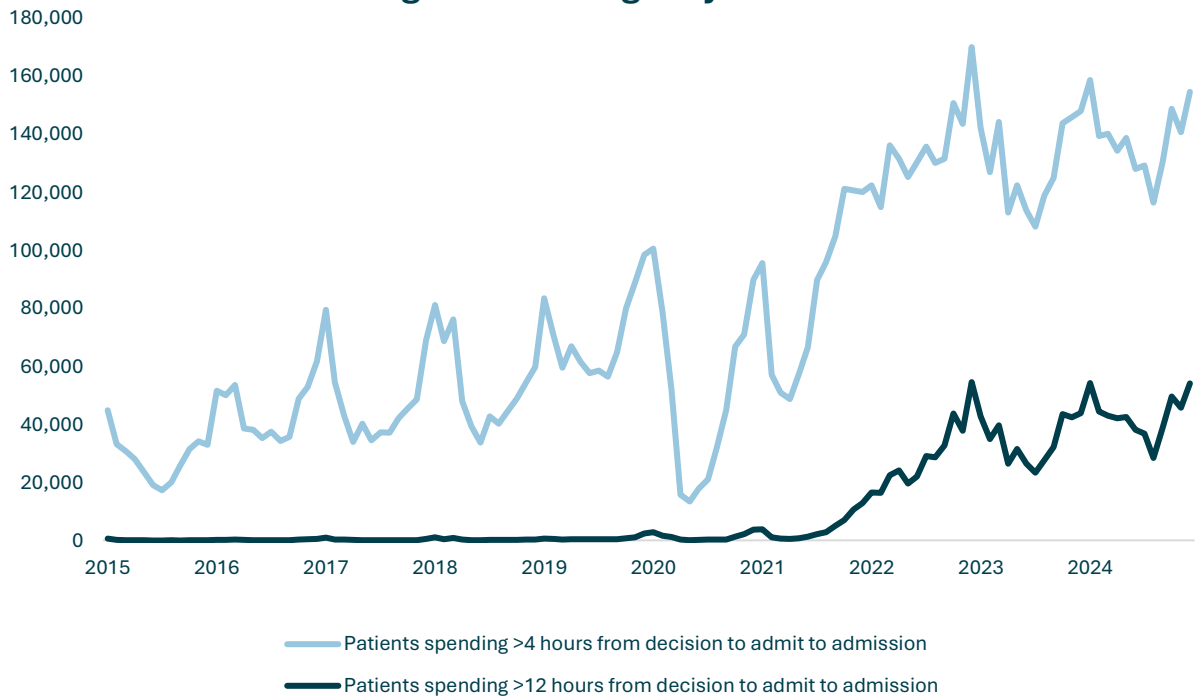
NHS LONG WAITING LIST ISSUES: PERSISTENT PRESSURES AND GROWING BACKLOGS



The NHS continues to grapple with severe capacity constraints, with waiting lists for consultant-led elective care now standing at 7.4 million cases, representing 6.3 million individual patients awaiting treatment. While there has been a marginal decline in the number of patients waiting over a year, from 200,375 in December 2024 to 198,868, long wait times remain a structural issue. More than 3.1 million patients have been on the list for over 18 weeks, well beyond the NHS’s 18-week target for elective care. The median waiting time for treatment has surged to 14.4 weeks, a stark contrast to the 8.4-week median before COVID-19.

For investors, these persistent backlogs underscore the growing reliance on independent healthcare providers to support elective recovery efforts. NHS outsourcing and insourcing arrangements are expected to expand, particularly in high-demand specialties such as orthopaedics, ophthalmology, diagnostics, and surgical services. This presents significant opportunities for private equity and trade buyers seeking scalable platforms in the NHS support healthcare space.

Waiting time - emergency admissions



Waiting list for diagnostic tests



Even before the pandemic, A&E services were under strain, with winter 2019/20 seeing the lowest ever performance against the four-hour waiting target. While the early phase of COVID-19 saw a sharp drop in A&E attendance, temporarily improving wait times, demand has since rebounded, placing renewed pressure on emergency departments. Despite some localized improvements in 2024, the overall system remains overwhelmed due to workforce shortages, service backlogs, and escalating patient demand. As of November 2024, 1.6 million people in England were waiting for a diagnostic test, double the number in 2006. Demand for diagnostic services has outpaced NHS capacity for years, with the NHS failing to meet its six-week diagnostic target since February 2017.

A major factor contributing to the backlog is the shortage of diagnostic staff. The Royal College of Pathologists reports that 97% of histopathology departments are under-staffed, while the Royal College of Radiologists identifies a 30% workforce shortfall in radiology roles. The government's Elective Recovery Plan aims to establish 170

Community Diagnostic Centres (CDCs) by March 2025, but these centres will require significant staff and resources beyond what the NHS can currently provide.

As the population grows and ages, demand for diagnostic services will continue to rise. The Office for National Statistics (ONS) projects the population in England to increase by 6.7% by 2045, with the number of people aged 85 and over nearly doubling. This demographic shift will drive a greater burden of disease, increasing the strain on diagnostic services in the coming years.

With these ongoing capacity constraints, the private sector is well-positioned to support the NHS through outsourcing and insourcing diagnostic services. This growing demand for diagnostics, especially in imaging, pathology, and point-of-care diagnostics, presents significant M&A opportunities, attracting private equity and corporate acquirers eager to invest in scalable solutions.





THE GROWING ROLE OF INDEPENDENT PRIVATE SECTOR PROVIDERS: A VITAL SOLUTION OF NHS BACKLOG

The need for independent sector providers in supporting NHS recovery has never been more critical, and this growing demand is driving substantial opportunities for private equity and strategic buyers in the UK healthcare market. As part of efforts to address the persistent elective care backlog, the government has turned increasingly to the independent sector, recognizing the vital role these providers play in supplementing NHS capacity.

In December 2022, the Elective Recovery Taskforce was launched to explore ways of increasing the volume of elective procedures and consultations, both within the NHS and the independent sector. By March 2023, the taskforce presented its findings, which emphasized the need for better use of data to identify opportunities for collaboration between NHS and independent providers, alongside giving patients more choice in where they receive care.

The taskforce's implementation plan, released in August 2023, reinforced the critical role the independent sector would continue to play in alleviating pressure on NHS services, particularly in high-demand areas such as orthopaedics, ophthalmology, and diagnostics.

Currently, the private sector delivers around 10% of NHS elective care in England, up from 7% just five years ago, with more than 1 million NHS patients treated in the past year alone. Notably, private providers now deliver over 25% of NHS trauma and orthopaedic care and 22% of ophthalmology treatments, according to NHS England data. This expansion of private sector involvement signals a long-term shift, making it increasingly challenging to reverse outsourcing initiatives. As such, private healthcare providers are becoming indispensable partners in addressing NHS backlogs, with significant room for further growth and investment.

The momentum for growth within the independent sector is attracting heightened interest from private equity and strategic buyers seeking to consolidate market positions and capitalize on long-term opportunities. Recently, Connect Health, backed by private equity firm LDC, and Healthshare, backed by BGF, merged in December 2024, to combine resources and expertise for greater capacity to the NHS.

M&A activity is expected to intensify as private providers expand capacity, streamline operations, and develop innovative care delivery models in partnership with the NHS. These providers offer compelling opportunities for investment, with scalable platforms that are poised to benefit from the ongoing surge in demand for elective care, particularly as the NHS continues to face pressures in the coming years.

The momentum for growth within the independent sector is attracting heightened interest from private equity and strategic buyers seeking to consolidate market positions and capitalize on long-term opportunities

PRIVATE ACUTE HEALTHCARE MARKET

An ageing population, healthcare innovation, insurance coverage and health awareness are boosting healthcare demand in the UK. There is a huge shift toward private healthcare in the post pandemic period.

The UK private healthcare acute sector alone has surged to a record £12.4 billion, fuelled by long NHS waiting lists and increasing demand for faster access to treatment. According to Laing Buisson, private acute hospitals account for £6.7 billion, while private clinics and independent practitioners contribute £4.9 billion. Additionally, NHS revenue from private patients now stands at £700 million, reflecting the growing overlap between public and private care.

Ophthalmology and orthopaedics remain the primary drivers of growth within the independent healthcare sector. Notably, the independent sector now performs more NHS-funded cataract surgeries than the NHS itself, underscoring a significant shift in provision. In response to heightened demand, leading independent providers have undertaken rapid and unprecedented expansion. Key players such as Newmedica, Spamedica, CHEC, and Optegra have significantly accelerated their footprint growth in recent years.

- PMI is booming, with hospital revenue from PMI rising 17.8% year-on-year (2022–2023)
- The self-pay market has expanded at a 10.4% CAGR between 2013 and 2022, with future growth projected at 5% annually, even under conservative estimates
- NHS outsourcing has been a major growth driver, with the NHS's contribution to private healthcare acute sector revenues rising from 10% in 2003 to 31% in 2023

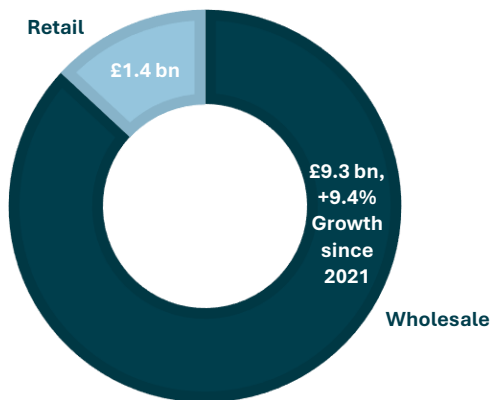
UK DIAGNOSTICS MARKET

The UK diagnostics market is undergoing significant expansion in value, primarily propelled by increased outsourcing from the NHS and a steady growth in volume. This growth is underpinned by rising demand for both imaging and pathology diagnostic testing across the population.

According to the latest LaingBuisson report, a leading authority in UK healthcare market intelligence, the market's scale and segmentation are clear:

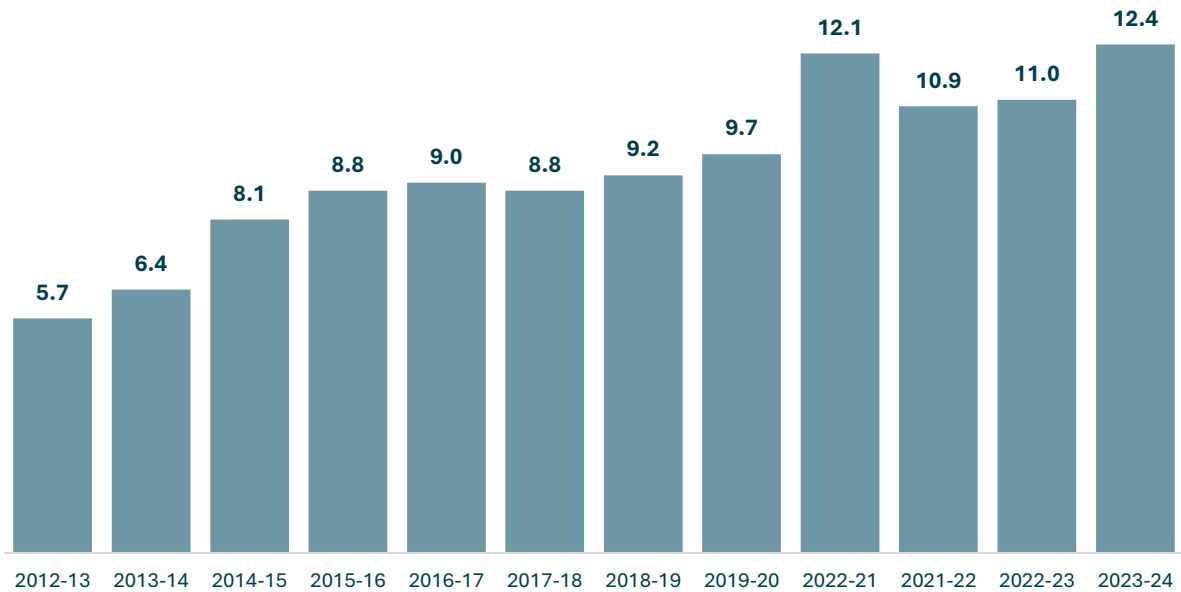
- The diagnostic 'wholesale' market, defined as the cost to NHS and independent sector providers for running image generation and reporting services, as well as pathology testing and reporting, reached £9.3 billion. This represents a robust 9.4% increase from £8.5 billion in 2021
- Of this 'wholesale' market, £8.4 billion is generated from NHS-funded services
- A further £946 million is contributed by private hospitals and clinics
- The diagnostic 'retail market', which encompasses individuals paying out-of-pocket, or through health insurance/cash plan coverage for diagnostic tests, is valued at £1.4 billion

Diagnostics market breakdown



NHS EXPENDITURE ON PRIVATE SECTOR PROVIDERS

NHS Spending on Independent Sector Providers (£ billion)



With healthcare expenditure on non-NHS providers reaching £12.4bn, outsourcing and insourcing have become critical strategies in addressing NHS capacity challenges. The government’s focus on outcomes over ideology has further reinforced the role of independent providers in tackling growing waitlists and service demand.

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OUTSOURCING: EXPANDING SCOPE AND STRATEGIC CONSOLIDATION

The Outsourced Clinical Services framework enables NHS trusts to leverage private sector capacity for both full patient pathways and targeted treatments. Under the new agreement with private providers, the government is deepening its collaboration with the independent sector,

solidifying outsourcing and insourcing as long-term strategies rather than short-term measures. This shift is creating a highly investable landscape for roll-ups, platform expansion, and sector consolidation.

- Combining technology with traditional outsourcing – disrupting by technology, providers are expanding into telemedicine, remote diagnostics, teleradiology, and community care, broadening their service offerings beyond elective procedures
- Specialization is key – providers are increasingly focusing on niche services that are more easily integrated into the NHS. Mental health and physiotherapy continue to attract strong investor interest. For example, Vita Health Group, a provider of NHS outpatient mental health talking therapies, musculoskeletal, and dermatology services - was acquired by Spire Healthcare Group from ArchiMed in October 2023. This acquisition enables Spire to expand its acute mental health services and occupational health offerings
- Rising demand for home and community-based care – Increasing NHS bed occupancy is driving a shift toward home-based healthcare, aligning with the Labour government’s mission to expand care in the community

INSOURCING: OPTIMISING NHS INFRASTRUCTURE AND ATTRACTING INVESTORS

- With NHS waitlists swelling from 4.2 million pre-pandemic to 7.5 million by 2024, insourcing has emerged as a cost-efficient solution to clear backlogs while leveraging NHS facilities. By deploying external clinical teams during off-peak hours, insourcing providers deliver services below NHS tariff rates, making them an increasingly attractive investment opportunity
- PE-backed leaders are driving M&A in the insourcing space through investments and strategic acquisitions. Insourcing pioneers Medinet and 18 Week Support have secured investments from Fremman Capital and Summit Partners, respectively, to drive expansion. Fremman Capital reinforced its commitment to the space with the acquisition of HealthHarmonie in early 2024, following its 2023 acquisitions of Medinet and Remedy Healthcare

GROWTH IN PRIVATE MEDICAL INSURANCE AND SELF-PAY ARE AIDING THE PRIVATE HEALTHCARE SERVICES MARKET

The rapid growth of private medical insurance (PMI), health cash plans, and dental cover is fuelling the expansion of the UK private healthcare market, as more patients seek alternatives to NHS delays. The total private health cover market has surged to a record £7.59 billion, an £825 million year-on-year increase, with PMI alone valued at £6.15 billion, reflecting 12.2% annual growth. This surge in PMI directly supports the private healthcare sector, funding nearly 50% of private hospital and specialist treatments.

The dental cover market has also surpassed £1 billion, reinforcing the private sector’s increasing role in dentistry. With two-thirds of PMI policies employer-funded, corporate-backed healthcare spending is further driving patient flow, revenue growth, and service expansion across private providers.

The market continues to grow faster than both recent and historic norms and would now appear to be the strongest it has been since prior the 2008 financial crisis – with nearly 12% of the UK population estimated to be covered under some type of subscription. However, the background drivers are very different to those in the mid-2000s. The ongoing waiting list challenges alongside a sharp fall in support for the NHS amongst the public suggests there are limited reasons to expect a significant slowdown in health cover take-up over the next couple of years

- Tim Read, LaingBuisson

The rise of self-pay is marking a critical shift in how patients access care. As NHS wait times persist, consumers are increasingly willing to pay for faster diagnoses and treatments, driving long-term structural demand for private healthcare. According to LaingBuisson, the self-pay market has grown at a 10.4% CAGR between 2013 and 2022, with recent expansion fuelled by private GP services, diagnostics, and outpatient consultations.

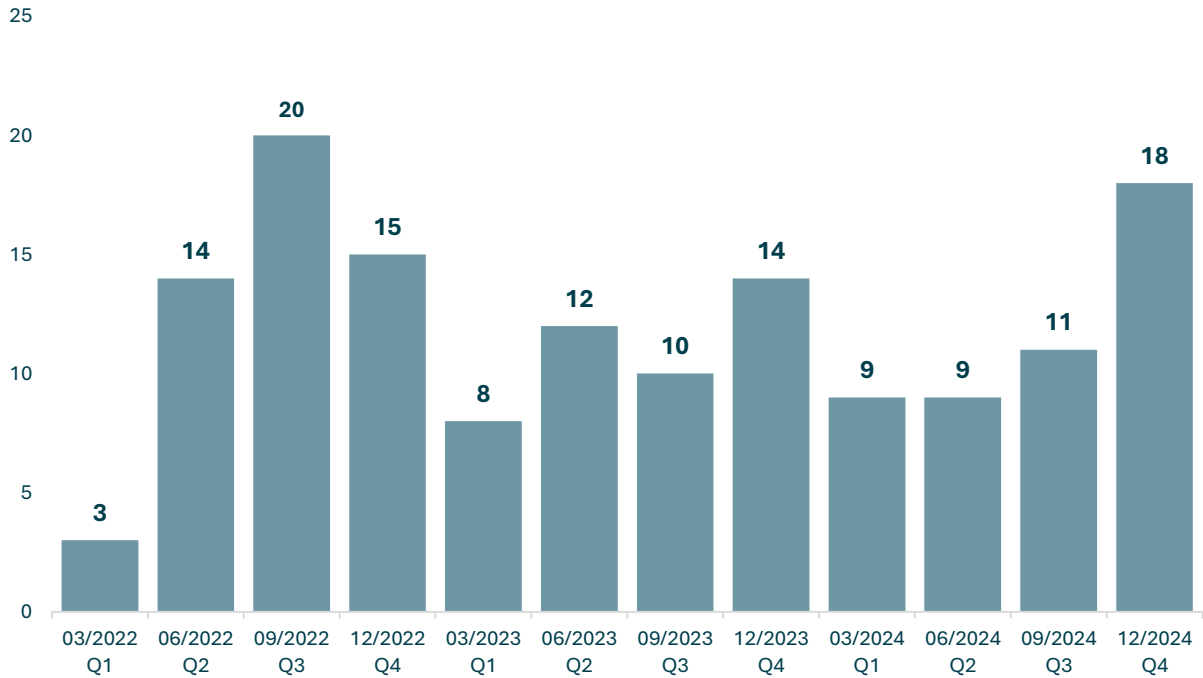
While the post-pandemic surge has moderated, self-pay remains a powerful force, reshaping provider strategies and investor priorities. As private healthcare cements its role as a core pillar of the UK system, M&A activity in private services provider is expected to accelerate - driven by the search for scalable, patient-centric platforms that can capture the growing private market.

The concept of paying to secure rapid access to diagnosis and treatment now appears well-embedded among the general population. A large part of this is clearly connected to NHS waiting lists and waiting times for treatment, which have not improved. We are also seeing the younger generation much less wedded to the idea of loyalty to the NHS and choosing to pay for rapid access and convenience. Even in older generations, a ‘mix and match’ approach to NHS and privately funded care now seems increasingly normalised.

- Liz Heath, LaingBuisson

UK HEALTHCARE SERVICES M&A

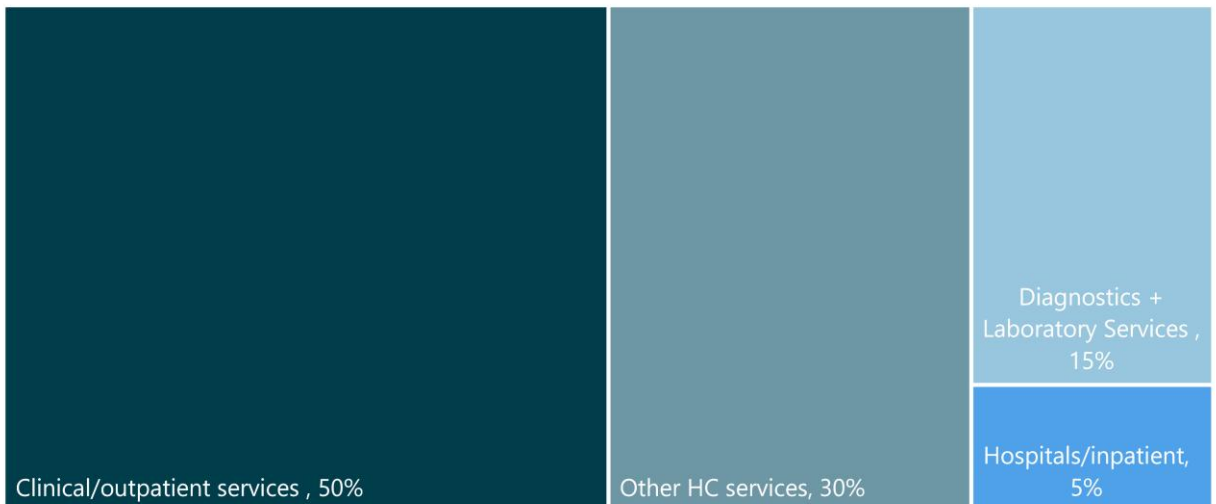
Healthcare Services- Deal Volume¹



The UK Healthcare Services sector experienced a 7% increase in M&A activity in 2024, with a significant 30% surge in Q4, fuelled in part by sellers looking to finalize deals ahead of anticipated tax changes.

Deal flow was largely concentrated in the sub-£30m segment, as mid-market transactions continued to drive market activity. Larger deals, however, were harder to come by, with fewer high-value opportunities available for both private equity and corporate acquirers.

Healthcare Services Deal Breakdown¹



Clinical services accounted for nearly 50% of total deal volume within the broader Healthcare Services sector in 2024, reflecting the growing role of independent providers in alleviating pressures on the NHS. Investors continue to be drawn to the sector's strong demand fundamentals, with mature contracts and revenue visibility serving as key value drivers.

RISING DEMAND IN KEY SPECIALITIES

The combination of private pay growth and an increasing reliance on NHS outsourcing has driven significant investor interest in sub-sectors such as dental, eyecare, physiotherapy and musculoskeletal (MSK), gynaecology, mental health, fertility, weight loss, and wellbeing services. Both private equity and strategic acquirers are actively targeting businesses positioned to benefit from these trends.

- Ophthalmology accounts for a significant share of NHS-funded activity in the independent sector, fuelling the rapid expansion of ophthalmic clinic chains, while clinical insourcing remains crucial in tackling backlogs, the outsourcing of services to community-based providers has become a dominant trend in recent years. Certain segments of the ophthalmology market, particularly cataract surgeries, are well-suited to the outsourced care model. Rising investor interest has led to a series of private equity-backed deals in the sector, including G Square's investment in CHEC, MidEuropa's acquisition of Optegra, and Nordic Capital's purchase of SpaMedica
- Mental Health: Demand for mental health services is rising, with the BMA reporting 1.4 million adults and 0.5 million children in contact with mental health services as of December 2024. This surge has fuelled strong investor interest
- Spire Healthcare's acquisition of Vita Health Group (October 2023) expands its acute mental health and occupational health services, while EMK Capital-backed OneBright's acquisition of Psicon strengthens its neurodevelopmental assessment capabilities. Investor focus has also extended to neurodiversity services, with Agathos investing in Lexxic, a provider of workplace neurodiversity assessments and psychological support, to scale its offerings and develop new technologies. With increasing awareness and diagnosis of neurodiverse conditions, investor appetite in this space continues to grow
- The UK dental market is facing a significant capacity issue, with 96% of dental practices in England unable to take on new adult NHS patients, according to a Daily Mirror investigation. The top four corporate owners control 12.4% of all practices, many of which are private equity-backed. Investors are drawn to the sector due to its fragmented market, offering strong consolidation opportunities, robust cash flow, and potential for technological and operational improvements. Notable recent private equity deals include Nordic Capital's acquisition of Dentex and the merger of Rodericks with Dental Partners in 2023, following Capvest's investment in both. PE-backed groups are increasingly focused on expanding specialist capabilities and developing multi-site operations with advanced support functions

- The UK fertility market is growing rapidly, driven by rising demand from single women and same-sex couples. Private IVF cycles have surged 24.1% since the pandemic, now representing over 65% of all treatments. Technological advances, such as AI-driven embryo selection, are improving success rates. M&A activity remains strong, with FutureLife acquiring CRGH and BCMR, reflecting the trend of PE-backed pan-European healthcare providers expanding their UK footprint. Care Fertility also purchased CRGW. Continued consolidation and investor interest are expected
- The physiotherapy sector and MSK have seen continued consolidation, driven by a few private equity-backed players. Six Physio (part of Ascenti) recently acquired Chelsea Home Physio, strengthening its home physiotherapy services. Since BD-Capital’s investment in Ascenti in 2021, the group has expanded through multiple acquisitions, including Six Physio in 2022
- The community-based clinical services segment continues to attract investor interest, with ABL Health securing investment from Bay Tree. This deal marked a successful exit for Foresight, which first invested in 2018, achieving returns of over 4x. Commissioned by the NHS and local authorities, ABL Health delivers weight management programs, mental health services, and smoking cessation clinics, reflecting growing demand for holistic, community-driven healthcare solutions

DIAGNOSTIC GAINING MOMENTUM

Diagnostic imaging services have become a key growth area, with private sector providers expanding to meet rising demand. IK Partners acquired a market leader in teleradiology and the broader imaging diagnostics sector. Meanwhile, Diagnostic Healthcare, backed by G-Square, acquired ECG On-Demand, following its purchase of Venturi Cardiology.

These deals strengthen DHC’s position as a leading specialist diagnostic and outpatient service provider, supporting its expansion beyond imaging services.

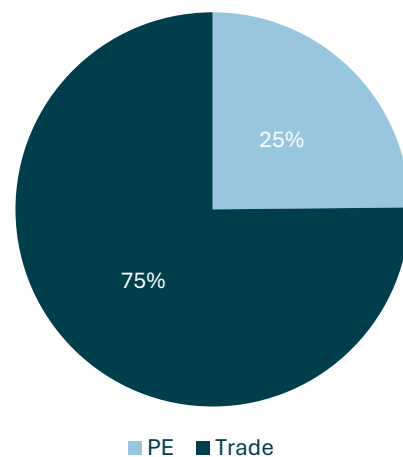
NHS OUTSOURCING AND INSOURCING DRIVING ACTIVITY

The expansion of outsourced NHS services and insourcing arrangements continues to shape clinical services M&A, attracting strong investor interest as healthcare providers seek scalable, cost-effective solutions to reduce NHS backlogs and improve patient access.

Private equity remains a key driver of M&A activity in the healthcare services sector, attracted by its resilience and long-term growth potential. Over the past three years, private equity has participated in more than 25% of transactions, underscoring sustained investor confidence in the sector.

With fewer large-scale platform deals available, many funds are actively pursuing smaller transactions in the £1-3m EBITDA range, where strong fundamentals and scalable business models present opportunities for both organic expansion and bolt-on acquisitions. This shift reflects a strategic focus on building value through sector consolidation and operational enhancements.

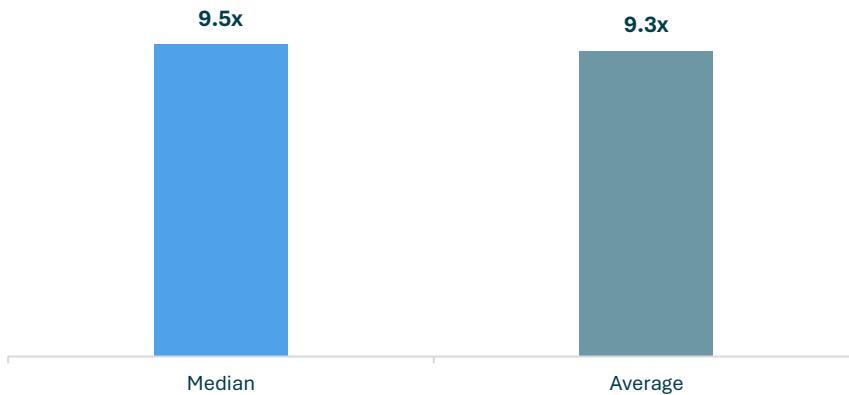
PE Involvement In Transactions- 3Y Period¹



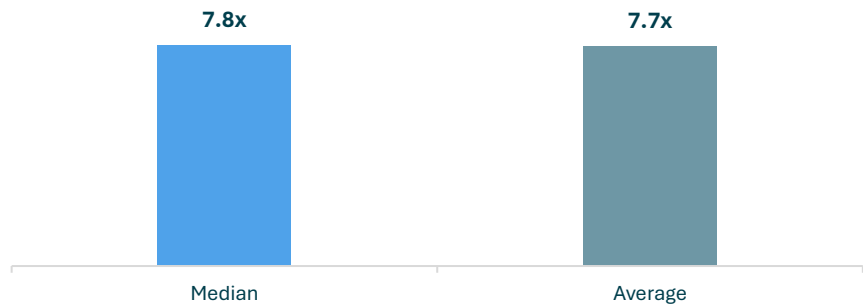
SECTOR VALUATIONS

Listed Comparables (includes non-UK players with similar market dynamics).

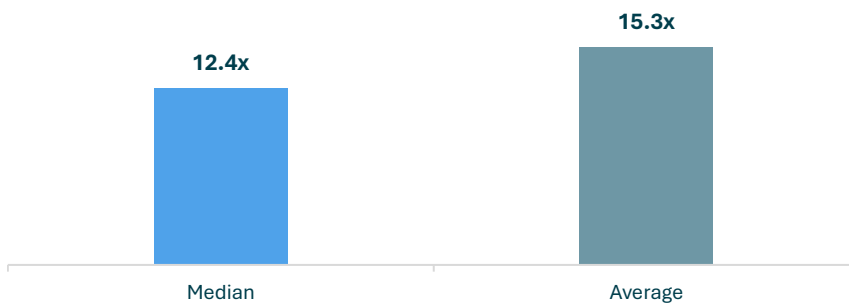
Healthcare Services - EV/EBITDA LTM¹



Private Hospitals - EV/EBITDA Multiples LTM¹



Private Transaction Multiples - LTM EV/EBITDA¹



Private Healthcare Services – Insourcing + Outsourced & Community based clinics + Other Healthcare Services (excluding hospitals, Care Facilities and Healthtech)

SELECTED TRANACTIONS 2020-2025

Target	Buyer	Sub-sector	Value (£M)	Announced Date
Audiological Science	Management	ENT & Tinnitus	12.4	24/02/2025
Healthshare	Connect Health	Clinical Services and Diagnostics	NA	20/12/2024
Health and Her	Venture Life Group	Women's Health Services	10.0	30/10/2024
Vita Health Group	Spire Healthcare	Injury management and Rehabilitation Services	74.0	19/10/2023
Alliance Medical Group	iCON Infrastructure	Medical Diagnostic Imaging Services	593.0	05/10/2023
Medinet Clinical Services	Fremman	Clinical Services	NA	31/05/2023
Medica Group	IK Partners	Radiology Reporting Services	269.0	24/04/2023
Optegra	Mid Europa Partners	Eye Clinics	NA	29/11/2022
Heart & Lung Imaging	RadNet	Chest and Cardiac Reporting	27.80	01/11/2022
TP Health (Holdings)	Marlowe	Occupational Health	21.1	14/04/2022
18 Week Support	Summit Partners	Clinical Services - Insourcing	NA	30/03/2022
Pioneer Health Care	Totally plc	Medical Consultation & Specialist Services	14.4	07/03/2022
London Vision Clinic Partners	EuroEyes International	Eye Clinic	30.9	20/01/2022
Optima Health Group	Marlowe	Occupational Health	135.0	20/01/2022
Cardinal Management	Frenkel Topping	Services in Trauma Centres	10.0	10/01/2022
Diagnostics Healthcare	G Square	Diagnostic Services	NA	14/12/2020

KEY TAKEAWAYS

Structural transformation and NHS partnerships are accelerating consolidation in the UK healthcare services sector, creating significant opportunities for scale-driven growth across clinical and diagnostic services

NHS outsourcing, insourcing, and capacity pressures are fuelling M&A activity, with £12.4bn in NHS spending on non-NHS providers and private sector solutions increasingly central to addressing long waitlists and service demand

Private equity and strategic buyers are actively targeting high-demand sub-sectors such as diagnostics, mental health, fertility, dental, and MSK services, driven by a mix of NHS referrals, private-pay growth including private insurance and self-pay, and scalable delivery models

Deal volume grew 7% in 2024, with a sharp 30% Q4 surge, driven by seller urgency and demand for resilient, contract-backed businesses; sub-£30m deals and £1–3m EBITDA targets dominate the landscape as buyers pursue consolidation strategies and operational value creation

END NOTES

¹CapIQ *As of 30/04/2025

[Deal between NHS and independent sector to cut NHS waiting lists - GOV.UK](#)

[NHS England » Elective recovery: a partnership agreement between the NHS and the independent sector](#)


[NHS backlog data analysis](#)

[DHSC Annual Report](#)

[NHS already outsourcing more treatment to private firms](#)

[Diagnostics UK Market Report - LangBuisson](#)



HEALTHCARE DEALS


Digital well-being platform

ACQUIRED

Frankie

Mental health platform



Private equity firm

INVESTED IN



LA TUA SALUTE

Medical care services



 

 Adria Dental Group
Dental group

INVESTED IN


Implant Dentistry

Dental polyclinic


Private equity firm

ACQUIRED


Bringing Real Change

Care addiction treatment


ASSICURAZIONI


Insurance group

ACQUIRED


LA TUA SALUTE


Private outpatient clinics




ORALCARE

Chain of dental practices

ACQUIRED



Comprehensive dental practice



Medical eyecare services

ACQUIRED



Eye care centre





Specialised clinics

ACQUIRED




Medical rehabilitation centre





Behavioural health services

ACQUIRED



Services for at-risk youth




BED & MED
CAPITAL INVESTMENT

Private equity firm

ACQUIRED




Dental care provider





Dental chain

ACQUIRED



Dental practices




Urgent and primary care clinics

INVESTED IN



Urgent medical care



2024

IN NUMBERS

252

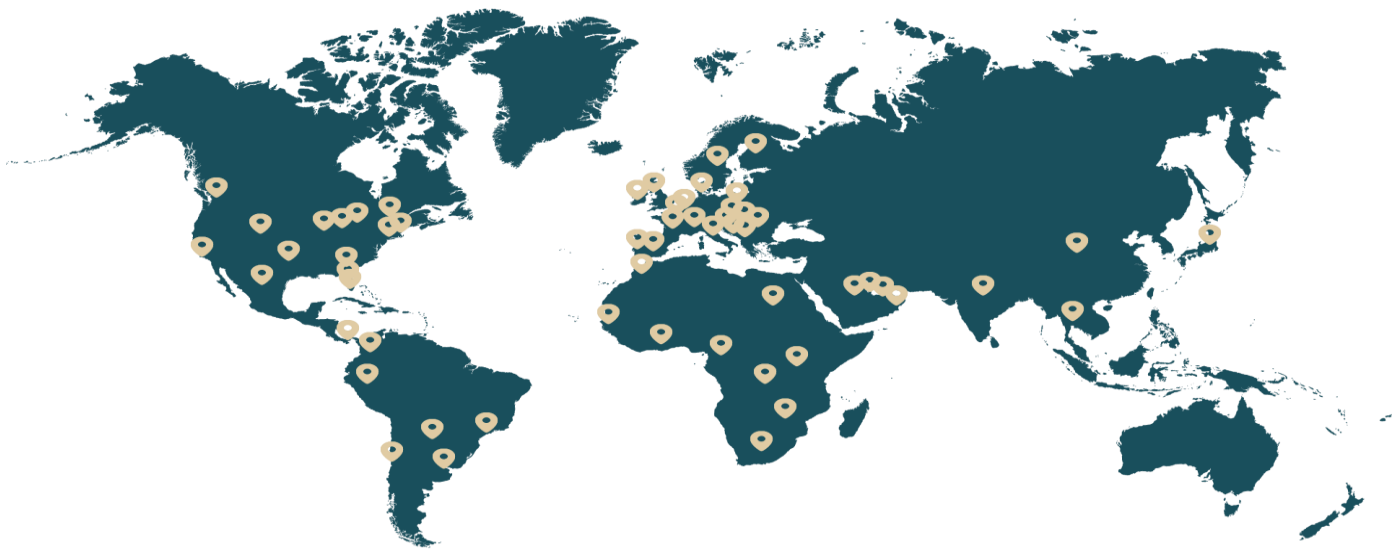
M&A
TRANSACTIONS

\$30Bn

TRANSACTION
VALUE

35%

CROSS-BORDER
DEALS



USA

- Boston
- Chicago
- Dallas
- Denver
- Detroit
- Greenville
- Irvine
- Naples
- New York
- Tampa

Canada

- Montreal
- Toronto
- Vancouver

Latin America

- Argentina
- Brazil
- Chile
- Colombia
- Mexico
- Panama
- Paraguay
- Peru

Europe

- Belgium
- Bosnia & Herzegovina
- Croatia
- Czech Republic
- Denmark

- France
- Finland
- Germany
- Hungary
- Ireland
- Italy
- Netherlands
- Poland
- Portugal
- Romania
- Serbia
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- United Kingdom

Africa

- Congo
- Egypt
- Ghana
- Mauritius
- Morocco
- Senegal
- South Africa
- Uganda
- Zimbabwe

Asia

- China
- India
- Japan
- Thailand

Middle East

- Bahrain
- Kuwait
- Oman
- Qatar
- Saudi Arabia
- UAE

A GLOBAL TOP 10 M&A ADVISOR FOR THE MID-MARKET

60+ OFFICES

- Global sector and project teams across 51 countries and 15 sector groups
- Proven cross-border advisory practice
- Leveraging local knowledge and corporate access in all relevant international markets

50+ YEARS

- Multiple decades of experience of sell-side advisory for primarily privately held companies and corporate carve outs.
- Strategic acquisitions for international corporates
- Sweet-spot transaction values £20-500m

\$30BN DEALS IN 2024

- IMAP has closed over 2,200 transactions valued at \$130 billion in the last 10 years

450+ PROFESSIONALS

- IMAP is a partner-driven, client-focused and independent M&A advisory
- Senior experience and hands on involvement in deals – 230 Senior Transaction/Transaction Advisors

GLOBAL PERFORMANCE RANK ADVISOR

1. PwC
2. Houlihan Lokey
3. Deloitte
4. **IMAP**
5. Jefferies
6. Rothschild
7. Mizuho
8. KPMG
9. Goldman Sachs
10. Lincoln International

Ranking based on number of transactions closed in Q1 2025. Undisclosed values and values up to \$500 million. Source: LSEG (Refinitiv) and IMAP internal data.



ABOUT IMAP

INTERNATIONAL MERGERS
& ACQUISITIONS PARTNERS

2025

OVER HALF A CENTURY HELPING OUR
CLIENTS THRIVE IN COMPETITIVE
EVER-CHANGING ECONOMIES

IMAP