

# US Healthcare Sector M&A & Valuation TLDR - 2025-12-09

*US Healthcare Sector*

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## 1. 30-Second TL;DR

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- EQT Partners is set to exit its \$1 billion investment in CitiusTech, valuing the company at \$2.2-\$2.4 billion with an EV/EBITDA multiple of 18-20x.
- The healthcare sector is currently facing a slowdown in M&A activity due to regulatory scrutiny and market volatility.
- Overall, the healthcare market sentiment is cautiously optimistic, driven by technological advancements, with an average EV/EBITDA multiple of 18.5x across subsectors.

## 2. 1-Minute TL;DR

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- EQT Partners plans to sell its 40% stake in CitiusTech for \$1 billion, reflecting a valuation of \$2.2-\$2.4 billion and an EV/EBITDA multiple of 18-20x, indicating strong demand for healthcare technology.
- Recent M&A activity in healthcare has slowed, attributed to regulatory hurdles and market volatility, leading companies to focus on organic growth.
- The healthcare sector sentiment remains mixed, with pharmaceuticals performing well while biotech and digital health sectors show high growth potential, reflected in an average EV/EBITDA multiple of 18.5x.
- Key drivers include technological advancements and strong investment interest, while headwinds consist of regulatory scrutiny and economic uncertainties.

## 3. 2-Minute TL;DR

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- EQT Partners is preparing to exit its investment in CitiusTech, a healthcare technology firm, for \$1 billion. The estimated valuation of CitiusTech is between \$2.2-\$2.4 billion, translating to an EV/EBITDA multiple of 18-20x based on projected FY26 EBITDA of \$120 million. This sale aligns with EQT's strategy to monetize its investment after six years, capitalizing on CitiusTech's renewed growth momentum.
- The healthcare sector has seen a slowdown in M&A activity recently, attributed to increased

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regulatory scrutiny and market volatility, prompting companies to reassess their strategic priorities and focus on organic growth rather than acquisitions.

- Market sentiment in healthcare is cautiously optimistic, with the average EV/EBITDA multiple across the sector at 18.5x. Pharmaceuticals are performing well, driven by advancements in drug development, while biotech and digital health sectors are attracting significant investor interest, reflected in higher multiples of 25.1x and 28.5x, respectively.

- Key market drivers include continuous technological advancements, particularly in AI and digital health, alongside strong venture capital investment. However, challenges such as regulatory scrutiny and economic uncertainties pose risks to future growth and M&A activities.

- In summary, the healthcare landscape is evolving, presenting both opportunities and challenges. Investors and bankers should focus on high-growth areas while remaining vigilant about regulatory developments and market dynamics.