

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

US Healthcare Sector

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1. 30-Second TL;DR

- Selectis Health acquired two transitional care facilities in Georgia for \$13.18 million, enhancing its market presence in skilled nursing.
- The healthcare sector is currently facing a slowdown in M&A activity due to regulatory scrutiny and market volatility.
- Average EV/EBITDA for healthcare is around 18.5x, with biotech and digital health commanding higher multiples.
- Overall, cautious optimism persists, driven by innovation but tempered by economic uncertainties.

2. 1-Minute TL;DR

- Selectis Health's acquisition of Sparta and Warrenton Transitional Care Facilities for \$13.18 million aims to expand its operational capacity in Georgia's skilled nursing sector.
- Recent M&A activity in healthcare has slowed, attributed to regulatory hurdles and market volatility, shifting focus towards organic growth strategies.
- The healthcare sector's average EV/EBITDA multiple is 18.5x, with biotech at 25.1x and digital health at 28.5x, reflecting investor interest in high-growth areas.
- Market dynamics are influenced by technological advancements and regulatory scrutiny, leading to a mixed sentiment across subsectors.

3. 2-Minute TL;DR

- Selectis Health's acquisition of two transitional care facilities for \$13.18 million is a strategic move to enhance its footprint in Georgia's skilled nursing market. This deal allows for increased bed availability and improved patient care, although integration challenges and regulatory compliance remain risks.
- The healthcare sector has seen a decline in M&A activity recently, primarily due to increased regulatory scrutiny and market volatility, prompting companies to focus on organic growth instead of

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acquisitions.

- The average EV/EBITDA multiple for the healthcare sector stands at 18.5x, with notable variations: pharmaceuticals at 15.3x, biotech at 25.1x, medical devices at 12.8x, healthcare services at 14.7x, and digital health at 28.5x. This indicates a premium for high-growth sectors.
- The market is characterized by cautious optimism, driven by technological advancements and strategic collaborations, but faces headwinds from regulatory challenges and economic uncertainties. Stakeholders are advised to focus on high-growth areas and monitor regulatory developments closely to navigate this evolving landscape effectively.