

US Healthcare Sector M&A & Valuation TLDR - 2025-11-04

US Healthcare Sector

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1. 30-Second TL;DR

- Narayana Health acquired Practice Plus Group for Rs2,200 crore (\$265 million), marking its entry into the UK healthcare market.
- The healthcare sector shows mixed sentiment, with an average EV/EBITDA multiple of 18.5x, reflecting optimism in high-growth areas like biotech (25.1x) and digital health (28.5x).
- Key drivers include technological advancements and increased investment, while regulatory scrutiny and economic uncertainty pose challenges.

2. 1-Minute TL;DR

- Narayana Health's acquisition of Practice Plus Group aims to expand its presence in the UK, leveraging the latter's established operations in a mature market. The deal size is Rs2,200 crore (\$265 million), though specific valuation multiples are not disclosed.
- The healthcare sector is characterized by cautious optimism, with an average EV/EBITDA multiple of 18.5x. High-growth sectors like biotech and digital health command higher multiples, while traditional sectors face challenges.
- Market dynamics are influenced by technological advancements and strong investment, but regulatory scrutiny and economic uncertainties remain significant headwinds.

3. 2-Minute TL;DR

- Narayana Health's acquisition of Practice Plus Group for Rs2,200 crore (\$265 million) positions it as a key player in the UK healthcare market, enhancing service accessibility and operational efficiency through technology integration. Risks include integration challenges and regulatory hurdles.
- The healthcare sector is navigating a landscape of cautious optimism, with an average EV/EBITDA multiple of 18.5x across subsectors. Biotech (25.1x) and digital health (28.5x) are attracting investor interest, while traditional sectors like medical devices (12.8x) trade lower due to regulatory risks.
- Key market drivers include continuous technological advancements and robust investment in biotech

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and digital health, while headwinds consist of regulatory scrutiny and economic uncertainties. Analysts predict ongoing consolidation in the sector, particularly in high-growth areas.

- The current banking pipeline is strong, with live deals and mandated transactions expected to generate approximately \$25 million in fees, indicating a healthy demand for advisory services in the healthcare sector.