

Shields & Company

INVESTMENT BANKERS

Healthcare & Human Services Sector Update

Q1 2026



Healthcare Sector Update – Q1 2026

M&A Summary & Outlook

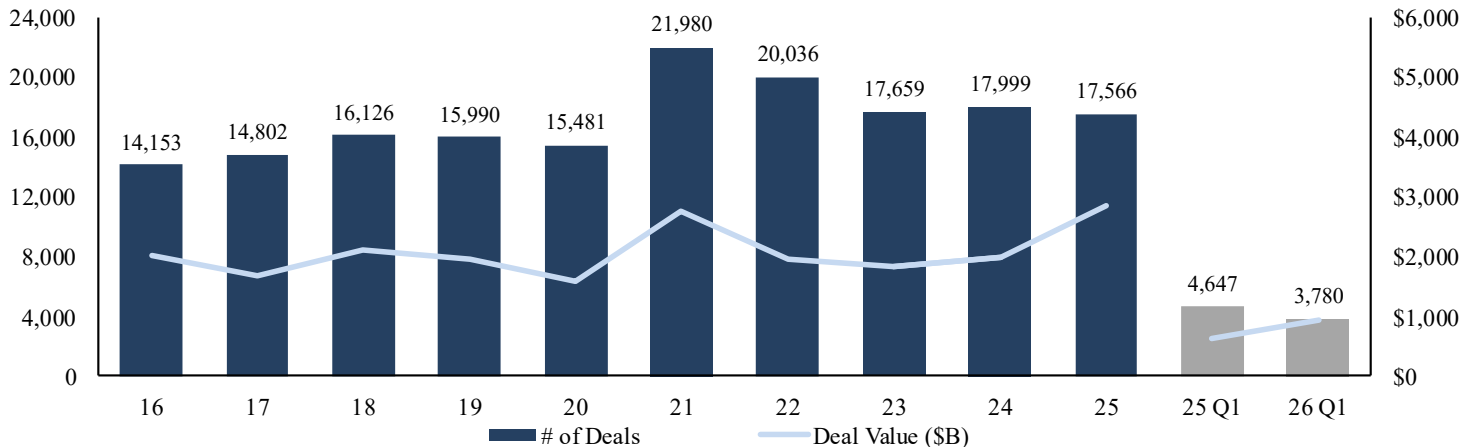
- Through Q1 2026 North American M&A volume totaled 3,780 transactions with total deal value of \$936 billion.
- Within the Healthcare sector, there were 164 transactions in Q1 2026, compared to 282 transactions in Q1 2025, representing a 41.8% decrease from last year.

Public Company Performance

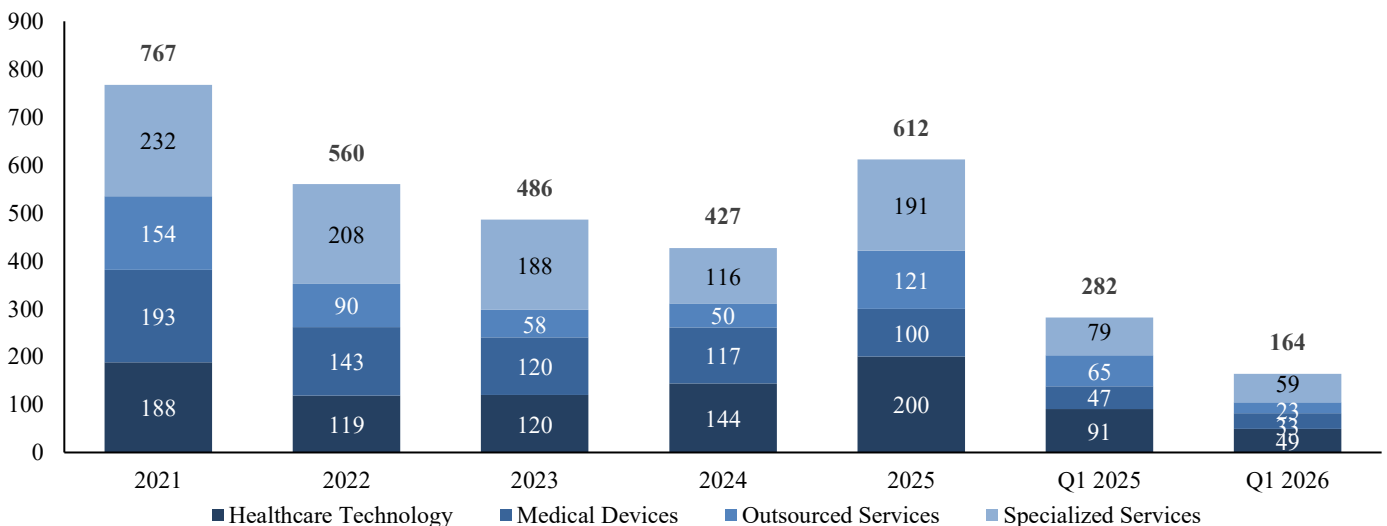
- Public company EV/EBITDA multiples decreased from last quarter with a median Healthcare multiple of 13.1x in Q1 2026 compared to a median multiple of 14.2x in Q4 2025. The median EV/EBITDA multiple in Q1 2025 was 13.4x.
- After Q1 2026, none of the Healthcare sub-sectors outperformed the S&P 500 over the past five years.

North American M&A Overview

(\$ in billions)



M&A Deal Volume: Healthcare Sector



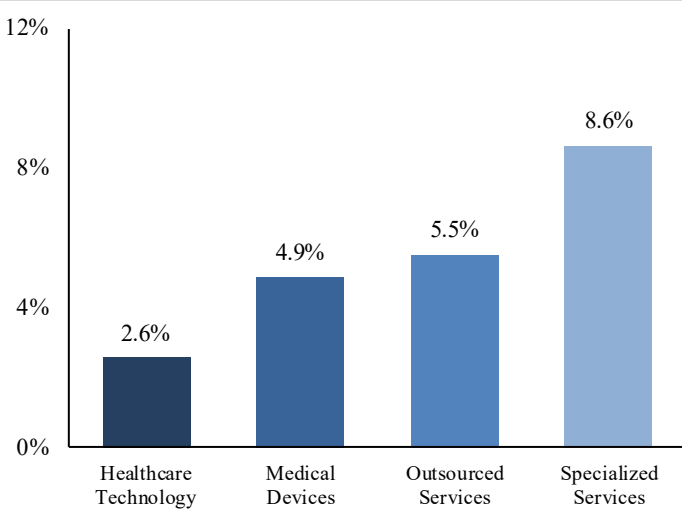
Select Recent M&A Transactions

(\$ in millions)

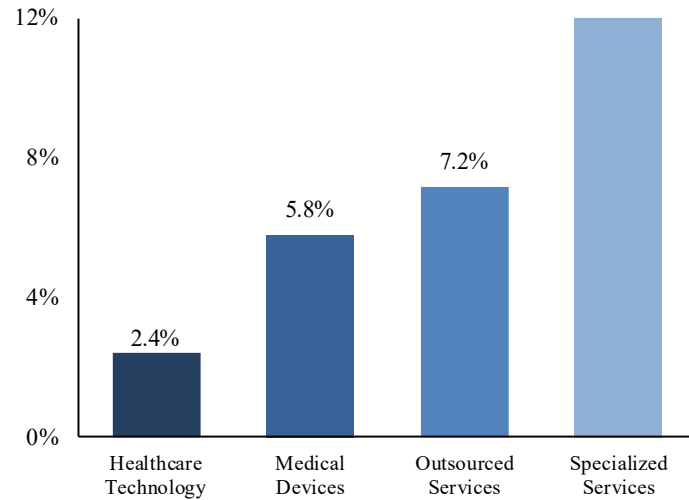
Date	Target	Description	Buyer	Transaction Value
3/30/2026	HEAL Access Canada Inc.	HEAL Access Canada Inc. develops and provides an AI-based health intelligence platform and healthcare services.	AI Maverick Intel, Inc.	\$7
3/25/2026	MODA Platform	MODA Platform develops a platform that provides modular, scalable software for end-to-end quality control.	STARLIMS Corporation	NA
3/17/2026	Allina Health System	Allina Health System operates a network of clinics, hospitals, specialty care centers, and retail pharmacies.	Sutter Health	NA
3/17/2026	Maple City Health Care Center, Inc.	Maple City Health Care Center, Inc operates as a health center that provides medical care to people of all ages.	Child And Parent Services, Inc.	NA
3/12/2026	Home Health Specialists, Llc	Home Health Specialists, LLC provides home care services.	Pediatric Services Of America Inc (ga)	\$176
3/10/2026	Scientia Vascular, Inc.	Scientia Vascular, Inc. develops and manufactures neurovascular access products using proprietary microfabrication technology.	Medtronic plc	\$550
3/9/2026	Biocare Medical, LLC	Biocare Medical, LLC develops and supplies automated immunohistochemistry instrumentation products.	Agilent Technologies, Inc.	\$950
3/5/2026	RadCentre	RadCentre offers radiology services.	Editions et Developpement De Logiciels SAS	NA
2/26/2026	Sciometrix Inc.	Sciometrix Inc. designs and develops Clinicus, a platform that unifies care workflows, data, and execution.	Tevogen Bio Holdings Inc.	NA
2/24/2026	Wheeling Hospital, Inc.	Wheeling Hospital, Inc. provides medical care services including audiology, childbirth, and community education.	Orchard Park Hospital, LLC	NA
2/18/2026	MWI Veterinary Supply, Inc.	MWI Veterinary Supply, Inc. operates as a distributor and service provider of animal health products and equipment.	Covetrus, Inc.	\$3,500
2/17/2026	Masimo Corporation	Masimo Corporation develops, manufactures, and markets various patient monitoring technologies worldwide.	Danaher Corporation	\$10,026
2/12/2026	Paradigm Management Services, LLC	Paradigm Management Service, LLC, provides acute and ongoing catastrophic and complex case management services.	Patient Square Capital, LP	NA
2/5/2026	UroMedica, Inc.	UroMedica, Inc. develops and manufactures urological implants and devices for the treatment of stress and urinary incontinence.	Coloplast Corp.	NA
2/3/2026	Titus County Hospital District	Titus County Hospital District provides healthcare services including behavioral health and emergency medical services.	CHRISTUS Health	NA
1/30/2026	Ethoss Regeneration Ltd	Ethoss Regeneration Ltd manufactures and sells synthetic bone graft materials internationally.	Lifco AB (publ)	NA
1/15/2026	Penumbra, Inc.	Penumbra, Inc. designs, develops, manufactures, and markets medical devices.	Boston Scientific Corporation	\$14,513
1/14/2026	Hospice Of Southern Maine	Hospice of Southern Maine provides hospice care and support to individuals and families in Southern Maine.	Andwell Health Partners	NA
1/5/2026	Conformal Medical, Inc.	Conformal Medical, Inc. develops devices for treating the left atrial appendage (LAA).	W. L. Gore & Associates, Inc.	NA
1/5/2026	Englewood Hospital & Medical Center	Englewood Hospital & Medical Center, Inc. provides healthcare services across various disciplines.	RWJBarnabas Health, Inc.	NA

Public Company Trading Statistics

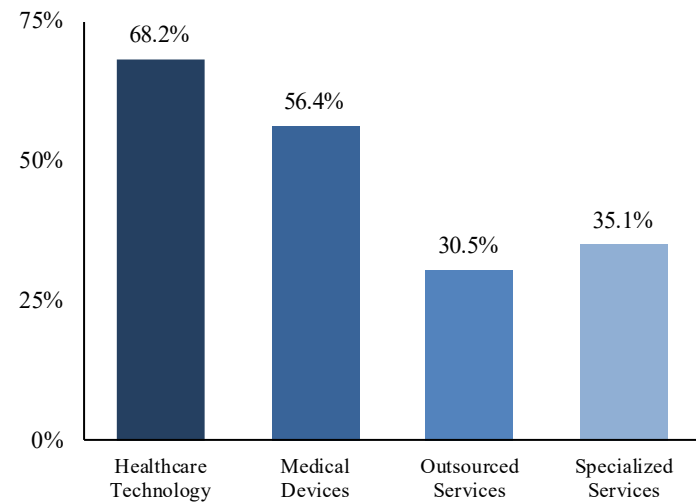
3-Year Revenue CAGR



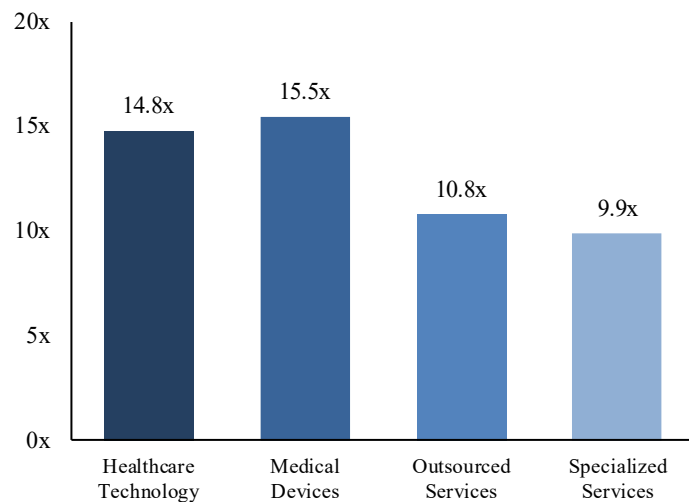
3-Year EBITDA CAGR



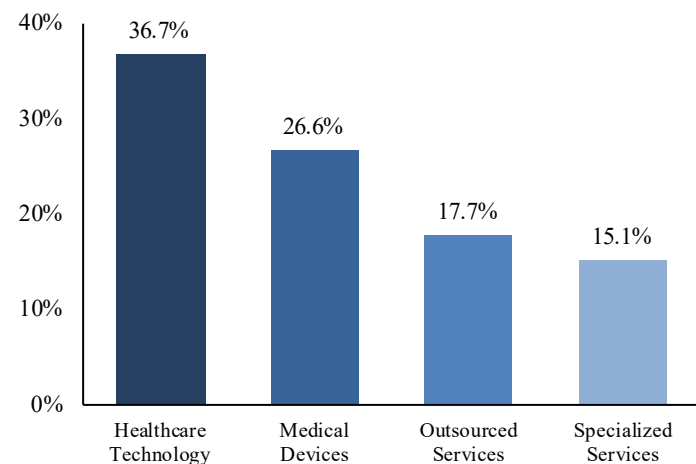
Gross Margin



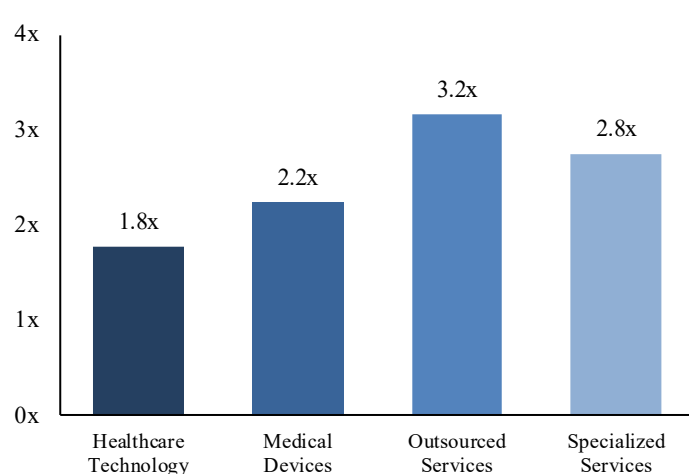
TEV/EBITDA



EBITDA Margin



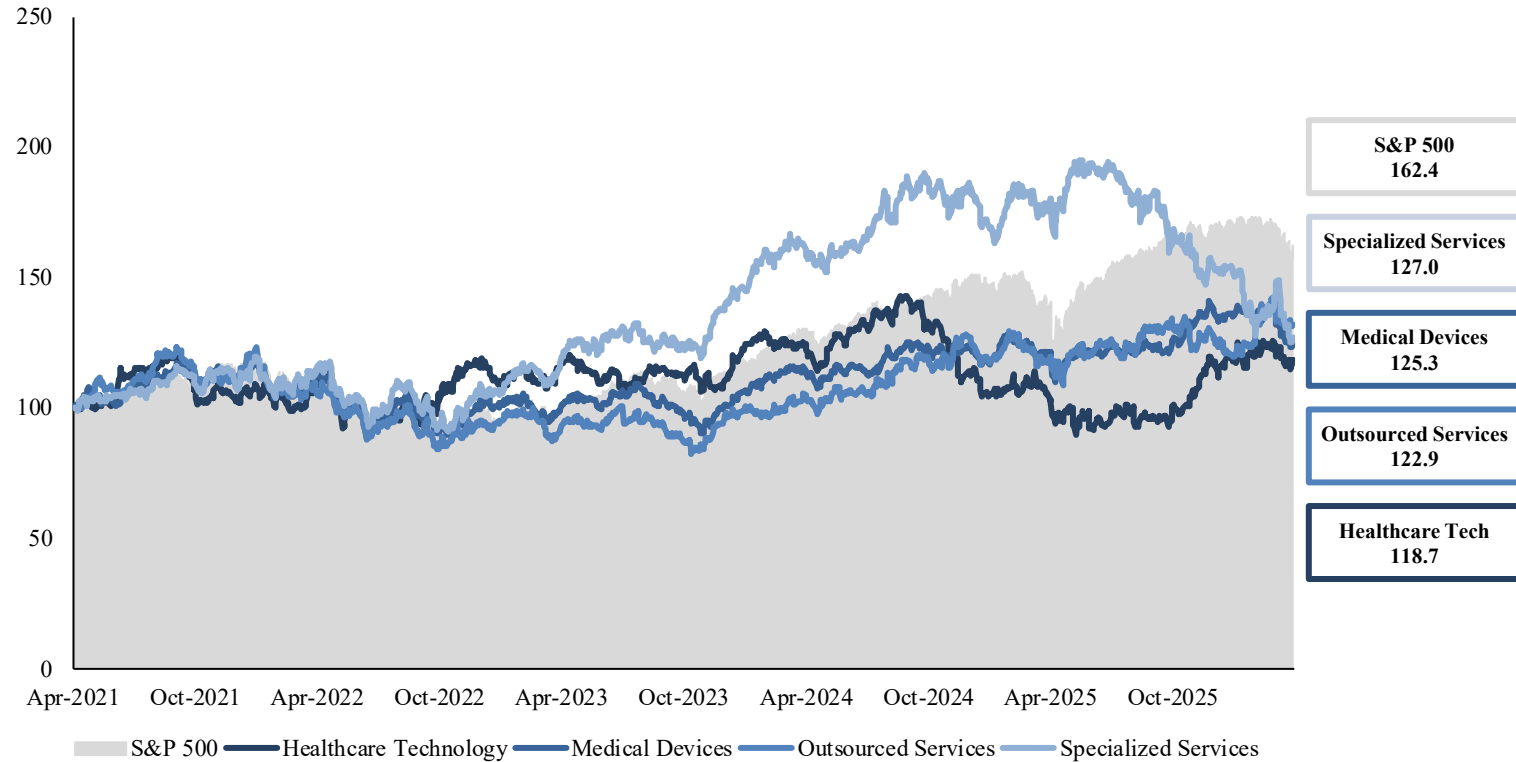
Total Debt/EBITDA



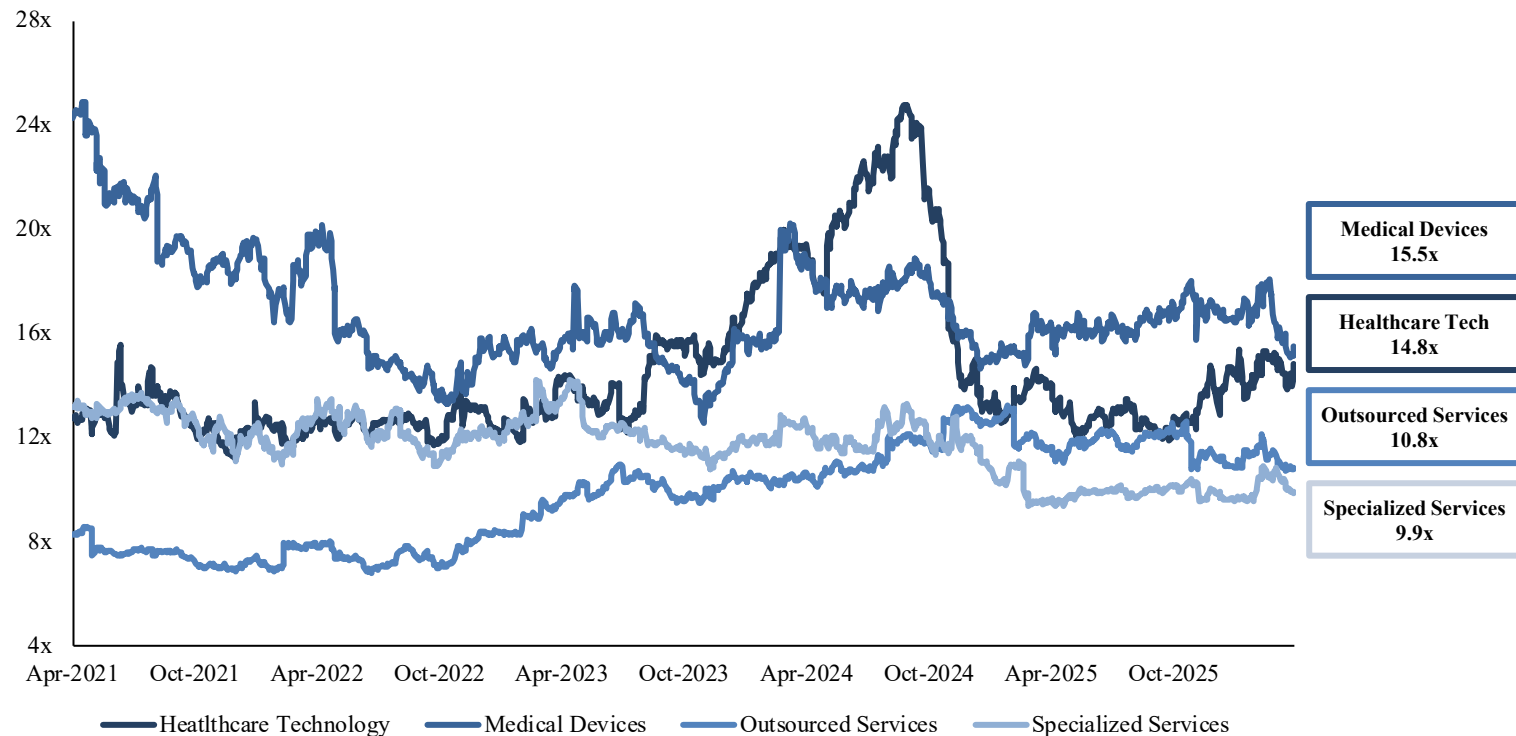
Public Company Trading History

5-Year Stock Return

(Indexed to 100)



5-Year Historical EBITDA Multiple



Public Comparable Companies

(\$ in millions)	Ticker	TEV	Latest Twelve Months			TEV / LTM		TEV / EBITDA	
			Revenue	Gross Profit	EBITDA	Revenue	EBITDA	2026P	2027P
Healthcare Technology									
Agilent Technologies, Inc.	A	\$34,003	\$7,065	\$3,695	\$2,021	4.8x	16.8x	15.2x	14.0x
Amgen Inc.	AMGN	\$235,977	\$36,751	\$26,014	\$16,873	6.4x	14.0x	11.0x	10.7x
Biogen Inc.	BIIB	\$29,315	\$9,891	\$7,808	\$3,750	3.0x	7.8x	8.7x	8.9x
Gilead Sciences, Inc.	GILD	\$185,859	\$29,443	\$23,213	\$14,746	6.3x	12.6x	11.3x	10.7x
Illumina, Inc.	ILMN	\$19,766	\$4,343	\$2,964	\$1,225	4.6x	16.1x	13.7x	12.3x
Regeneron Pharmaceuticals, Inc.	REGN	\$63,395	\$14,343	\$6,392	\$4,282	4.4x	14.8x	11.8x	10.3x
Vertex Pharmaceuticals Incorporated	VRTX	\$103,152	\$12,001	\$6,441	\$5,111	8.6x	20.2x	16.9x	14.6x
Healthcare Technology Median						4.8x	14.8x	11.8x	10.7x
Medical Devices									
Dental Products									
3M Company	MMM	\$81,112	\$24,948	\$9,958	\$6,376	3.3x	12.7x	10.7x	10.1x
DENTSPLY SIRONA Inc.	XRAY	\$4,441	\$3,680	\$1,840	\$679	1.2x	6.5x	6.4x	6.2x
Dental Products Median						2.2x	9.6x	8.5x	8.1x
Durable Medical Equipment									
ResMed Inc.	RMD	\$31,989	\$5,398	\$3,318	\$2,068	5.9x	15.5x	NA	NA
STERIS plc	STE	\$23,331	\$5,828	\$2,583	\$1,644	4.0x	14.2x	9.8x	9.3x
Durable Medical Equipment Median						5.0x	14.8x	9.8x	9.3x
Medical Devices & Products									
Abbott Laboratories	ABT	\$184,654	\$44,328	\$25,118	\$12,424	4.2x	14.9x	13.3x	12.0x
Baxter International Inc.	BAX	\$16,460	\$11,244	\$4,018	\$2,146	1.5x	7.7x	7.6x	7.5x
Boston Scientific Corporation	BSX	\$103,503	\$20,074	\$13,807	\$5,456	5.2x	19.0x	NA	NA
Danaher Corporation	DHR	\$149,268	\$24,568	\$14,552	\$8,141	6.1x	18.3x	NA	NA
Intuitive Surgical, Inc.	ISRG	\$158,083	\$10,065	\$6,642	\$3,599	15.7x	43.9x	18.5x	17.3x
Johnson & Johnson	JNJ	\$617,992	\$94,193	\$64,128	\$34,036	6.6x	18.2x	NA	NA
Medtronic plc	MDT	\$131,004	\$35,484	\$23,121	\$9,738	3.7x	13.5x	NA	NA
Stryker Corporation	SYK	\$138,105	\$25,116	\$16,336	\$7,154	5.5x	19.3x	27.7x	24.2x
Teleflex Incorporated	TFX	\$7,704	\$1,993	\$1,123	\$495	3.9x	15.6x	0.2x	0.2x
Thermo Fisher Scientific Inc.	TMO	\$213,475	\$44,556	\$18,302	\$11,594	4.8x	18.4x	19.3x	18.0x
Medical Devices & Products Median						5.0x	18.2x	15.9x	14.6x
Medical/Surgical/Dental Distributors									
Cardinal Health, Inc.	CAH	\$56,159	\$244,673	\$9,041	\$4,023	0.2x	14.0x	12.8x	11.2x
Henry Schein, Inc.	HSIC	\$13,286	\$13,184	\$4,105	\$1,150	1.0x	11.6x	10.4x	9.9x
McKesson Corporation	MCK	\$112,971	\$397,958	\$13,857	\$6,626	0.3x	17.1x	14.2x	13.0x
Medical/Surgical/Dental Distributors Median						0.3x	14.0x	12.8x	11.2x
Medical Devices Median						4.0x	15.5x	11.7x	10.7x
Outsourced Services									
Clinical Labs									
Labcorp Holdings Inc.	LH	\$27,996	\$13,952	\$4,013	\$2,481	2.0x	11.3x	9.7x	9.3x
Quest Diagnostics Incorporated	DGX	\$27,813	\$11,035	\$3,678	\$2,687	2.5x	10.4x	9.9x	9.4x
Clinical Labs Median						2.3x	10.8x	9.8x	9.4x
Diagnostic Centers									
RadNet, Inc.	RDNT	\$5,695	\$2,040	\$359	\$374	2.8x	15.2x	12.1x	10.9x
Diagnostic Centers Median						2.8x	15.2x	12.1x	10.9x

Public Comparable Companies

		Latest Twelve Months				TEV / LTM		TEV / EBITDA	
		TEV	Revenue	Gross Profit	EBITDA	Revenue	EBITDA	2026P	2027P
(\$ in millions)									
<i>Dialysis Centers</i>									
DaVita Inc.	DVA	\$24,518	\$13,643	\$4,401	\$3,486	1.8x	7.0x	6.8x	6.7x
<i>Dialysis Centers Median</i>						<i>1.8x</i>	<i>7.0x</i>	<i>6.8x</i>	<i>6.7x</i>
<i>Outsourced Services Median</i>						<i>2.3x</i>	<i>10.8x</i>	<i>9.8x</i>	<i>9.4x</i>
Specialized Services									
<i>Acute Care Hospitals</i>									
Community Health Systems, Inc.	CYH	\$11,734	\$12,485	\$5,209	\$1,732	0.9x	6.8x	7.0x	6.9x
HCA Healthcare, Inc.	HCA	\$156,612	\$75,600	\$31,374	\$16,596	2.1x	9.4x	9.2x	8.8x
Tenet Healthcare Corporation	THC	\$32,650	\$21,310	\$8,817	\$5,309	1.5x	6.1x	6.5x	6.4x
Universal Health Services, Inc.	UHS	\$16,095	\$17,365	\$7,621	\$2,762	0.9x	5.8x	5.6x	5.4x
<i>Acute Care Hospitals Median</i>						<i>1.2x</i>	<i>6.5x</i>	<i>6.7x</i>	<i>6.6x</i>
<i>Assisted Living/Long-Term Care</i>									
Brookdale Senior Living Inc.	BKD	\$8,491	\$3,054	\$846	\$668	2.8x	12.7x	12.0x	10.9x
Constellation Software Inc.	CSU	\$40,352	\$11,623	\$4,368	\$2,628	3.5x	15.4x	10.1x	8.7x
National HealthCare Corporation	NHC	\$2,319	\$1,518	\$597	\$220	1.5x	10.6x	NA	NA
The Ensign Group, Inc.	ENSG	\$13,258	\$5,058	\$826	\$791	2.6x	16.8x	13.8x	12.8x
<i>Assisted Living/Long-Term Care Median</i>						<i>2.7x</i>	<i>14.0x</i>	<i>12.0x</i>	<i>10.9x</i>
<i>Behavioral Health</i>									
Acadia Healthcare Company, Inc.	ACHC	\$4,866	\$3,313	\$1,374	\$625	1.5x	7.8x	7.6x	7.1x
<i>Behavioral Health Median</i>						<i>1.5x</i>	<i>7.8x</i>	<i>7.6x</i>	<i>7.1x</i>
<i>Home Care/Hospice</i>									
Addus HomeCare Corporation	ADUS	\$1,788	\$1,423	\$462	\$172	1.3x	10.4x	8.5x	8.0x
Chemed Corporation	CHE	\$5,269	\$2,530	\$823	\$472	2.1x	11.2x	NA	NA
<i>Home Care/Hospice Median</i>						<i>1.7x</i>	<i>10.8x</i>	<i>8.5x</i>	<i>8.0x</i>
<i>Surgicenters/Rehabilitation</i>									
Select Medical Holdings Corporation	SEM	\$5,193	\$5,453	\$925	\$819	1.0x	6.3x	6.4x	6.1x
Surgery Partners, Inc.	SGRY	\$7,141	\$3,309	\$765	\$767	2.2x	9.3x	11.5x	10.7x
U.S. Physical Therapy, Inc.	USPH	\$1,706	\$773	\$171	\$165	2.2x	10.4x	10.3x	9.7x
<i>Surgicenters/Rehabilitation Median</i>						<i>2.2x</i>	<i>9.3x</i>	<i>10.3x</i>	<i>9.7x</i>
<i>Specialized Services Median</i>						<i>1.8x</i>	<i>9.9x</i>	<i>8.8x</i>	<i>8.4x</i>
<i>TOTAL INDUSTRY MEDIAN</i>						<i>2.8x</i>	<i>13.1x</i>	<i>10.4x</i>	<i>9.9x</i>

Source: Capital IQ.

Market Inputs as of March 31, 2026.

NA - Not Available.

NM - Not Meaningful.

Shields & Company

Founded in 1991, Shields & Company, Inc. is a leading, independent, middle-market investment bank located in the Boston area providing corporate finance advisory services to privately-owned and closely-held businesses in North America. While our services include a full range of corporate finance advisory services, our focus is on sell-side merger and acquisition advisory and valuation services. Our M&A practice focuses on five key industries (Business Services; Consumer, Food, & Beverage; Healthcare & Human Services; Industrial Products, Services, & Manufacturing; and Specialty Distribution) and our typical client generates \$5-30 million of EBITDA.

The Shields & Company team utilizes its deep experience and knowledge to provide creative, thorough, and professional financial advice. We are committed to providing senior-level attention and objective financial advice for our clients. We embrace a philosophy where our clients' goals come first and, as a result, we design and execute tailored sale processes that maximize shareholder outcomes and exceed client expectations more than 90% of the time.

SERVICES

Mergers & Acquisitions

Due Diligence Processes
Selective Buy-Side Advisory
Sell-Side Advisory

Debt Raising

Bank Debt
Mezzanine Debt

Corporate Advisory

Acquisitions
Corporate Divestitures
Corporate Governance
Joint Ventures

Valuations

409A & ASC 718
Fairness Opinions
Goodwill Impairment
Purchase Allocation
Securities Valuation

INDUSTRIES

Business Services



Consumer, Food, & Beverage



Healthcare & Human Services



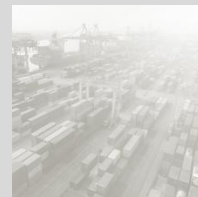
Industrial Products & Services



Niche Manufacturing



Specialty Distribution



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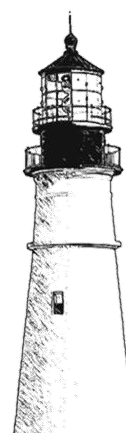
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