Q4 2025

Healthcare

Sector Report



WARWICK M&A GROUP

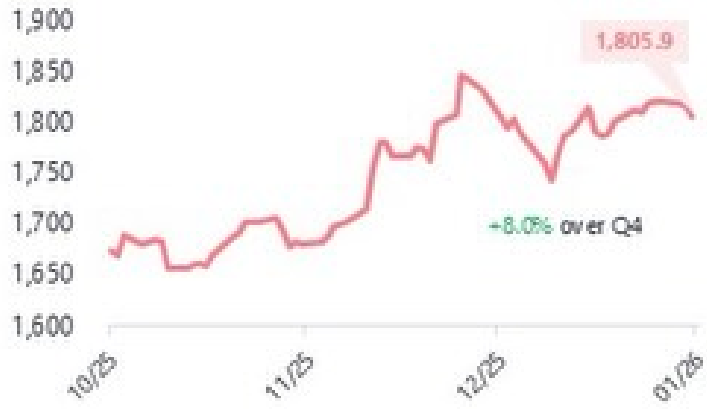
Healthcare Sector Stays Resilient with Stable Deal Activity

Q4 in numbers

$71.2bn	52	$1.3bn
Total deal value	No of deals closed	Average deal value
+13.0% (YoY)	*-10.3% (YoY)*	*+26.0% (YoY)*

Average TEV/Revenue:	14.0x	**Average Day Prior Premium:**	44.7%
Average TEV/EBITDA:	16.4x	**Average Week Prior Premium:**	45.6%
Average TEV/EBITDA:	15.8x	**Average Month Prior Premium:**	52.2%

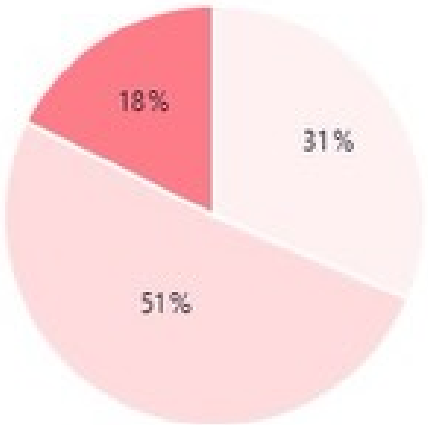
S&P Global 500 Healthcare Q4



Sectoral insight

- Q4 saw a modest slowdown in deal activity but remained stable overall. Around 530 healthcare transactions were announced, around 5% lower than Q3, reflecting a cautious but active market.
- Strategic buyers dominated Q4, with 88% of activity coming from corporate acquirers.
- Healthcare services and physician groups led deal volume, with physician medical groups accounting for the highest activity, at around 138 announced deals in Q4.
- Large, late acquisitions in the year for biopharma deals further increased overall M&A value, driven by rising biotech valuations and stronger financing conditions that revived activity by December.
- Slowdown and caution in buyer behaviour may be linked to regulatory and reimbursement factors influencing deal decisions.

Deal Count by Region



Sources: Capital IQ, S&P

Pfizer Inc. Acquisition of Metsera Inc.

Acquirer: Pfizer Inc. (NYSE: PFE)

Pfizer Inc. is an American multinational pharmaceutical and biotechnology company that researches, develops and manufactures a wide range of medicines for humans and animals, focusing on therapeutic areas such as oncology and infectious diseases.
It operates globally across 200 countries and, in addition to its own R&D, it makes targeted acquisitions to strengthen its market position. Some well-known products in its portfolio include antidepressants Zoloft and Xanax, and over-the-counter products such as Chapstick.

Market Cap:	$150.7bn
Net Debt:	$47.0bn
LTM Revenue:	$62.8bn
EV/ LTM EBITDA:	7.7x

Target: Metsera Inc. (NasdaqGS: MTSR)

Metsera is a clinical-stage biopharmaceutical company that is focused on developing medicines for obesity and cardiometabolic diseases. It is advancing a broad portfolio of therapies to address therapeutic targets and meet future needs of an evolving weight loss treatment landscape.
It was founded in 2022 and is currently based in New York City. Now, Metsera has four programs in clinical development and several next-generation programs with studies ongoing. They aim to address limitations of current therapies, such as scalability and efficacy challenges.

Market Cap:	$7.4bn
Net Debt:	($446.0m)
LTM Revenue:	N/A*
LTM EBITDA:	($265.0m)

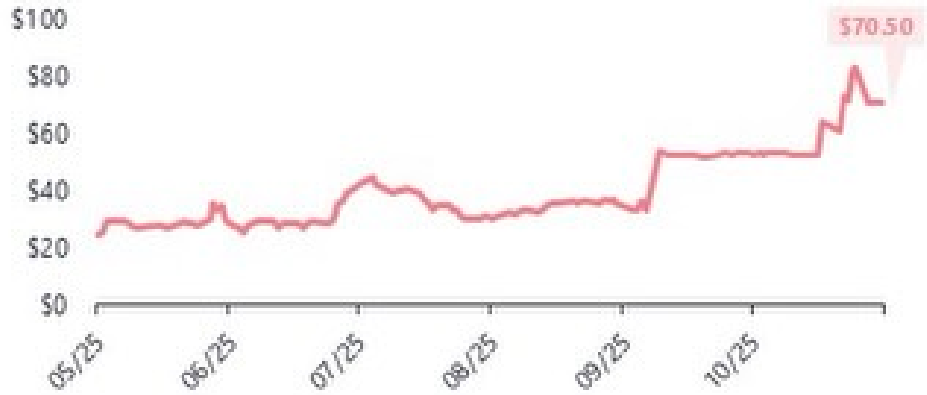
*Revenue not available as Metsera is in the R&D stage and has not yet commercialised any drugs.

Sources: Capital IQ, Pfizer

Transaction Summary

- On November 13th, 2025, Pfizer announced its completed acquisition of Metsera Inc for up to $10bn, including $7bn cash upfront and contingent milestone payments (via a CVR).
- The deal followed a bidding war between Pfizer and Novo Nordisk, including an unsolicited bid and a Pfizer antitrust lawsuit.
- This acquisition will support Pfizer's strategic focus on cardiometabolic disease by adding innovative programs.

Metsera Inc. (NASDAQGS:MTSR) Share Price



Announcement date:	8th November 2025
Offer per share:	$65.6 (+ CVR up to $20.6)
Transaction value:	$9.8bn
Implied Premium:	158.9%
Acquirer adviser(s):	Citi
Target adviser(s):	Goldman Sachs, Guggenheim Securities, BofA Securities, Allen & Co.

Strengthening Pfizer's Pipeline in Obesity and Metabolic Drugs

Rationale and Outlook

Strategic R&D Alignment:

The acquisition of Metsera aligns with Pfizer's focus on directing investments to the most impactful opportunities, helping Pfizer's growth in this area. The deal strengthens Pfizer's competitive position against established leaders like Novo Nordisk by introducing promising therapies with improved efficacy and tolerability to the pipeline. The deal supports Pfizer's growth in an area expected to remain a key driver of pharmaceutical innovation.

Operational Synergies:

Pfizer has gained Metsera's lead candidate MET-097i, which should replace Pfizer's discontinued late-stage obesity asset. Pfizer is expected to leverage its clinical development capabilities to accelerate the timeline. The firms say that it could be best-in-class in a new generation of injectable GLP-1 drugs.

Execution Uncertainties:

Four clinical-stage programs in the highly differentiated obesity pipeline have been acquired, so there are uncertainties around safety, regulatory approval and timelines. This makes it unlikely for them to generate any revenue before 2030.

Strategic and Financial Risk:

The company is now in direct competition with Novo Nordisk and other large firms with advantages such as scale and physician relationships. Investors are likely concerned that these assets must rapidly deliver value to justify the large investment and offset likely revenue declines under a challenging drug pricing environment.

Past Deals & Acquisitions

药友制药 YAOPHARMA

In December 2025, Pfizer signed an exclusive collaboration and licensing agreement with YaoPharma for up to $1.9bn to develop and manufacture YP05002, a molecule used for weight management drugs.

biohaven

Pfizer acquired Biohaven Pharmaceuticals in 2022 to commercialise NURTEC ODT, an innovative compound for the prevention and acute treatment of migraine.

Seagen

Pfizer acquired Seagen for $43bn in 2023 to use Seagen's ADC technology with its own capabilities to advance cancer treatments. This grew Pfizer's industry-leading oncology portfolio.

Sources: Capital IQ, Pfizer, Metsera

Abbot Laboratories to acquire Exact Sciences Corporation

Acquirer: Abbot Laboratories (NYSE: ABT)

Abbott Laboratories is a diversified global healthcare company that develops, manufactures and markets diagnostics, medical devices, branded generic pharmaceuticals and nutritional products.
It serves patients in more than 160 countries, with a particular strength in diagnostics, cardiovascular and neuromodulation devices, diabetes care and nutritional brands. Abbott has a broad international footprint with significant exposure to the US and Europe and a growing presence in emerging markets.

Market Cap:	$195.2bn
Net Debt:	$5.2bn
LTM Revenue:	$44.3bn
EV/ LTM EBITDA:	17.5x

Target: Exact Sciences Corporation (NASDAQ: EXAS)

Exact Sciences is a molecular diagnostics company focused on the early detection of cancer and other serious diseases. Its flagship product, Cologuard, is a stool-based DNA test for colorectal cancer screening that has achieved strong commercial adoption in the United States. The company has built a broad pipeline of multi-cancer early detection assays, minimal residual disease (MRD) tests and genomic profiling solutions across oncology. Exact Sciences combines large proprietary biomarker datasets and advanced analytics to develop non-invasive tests.

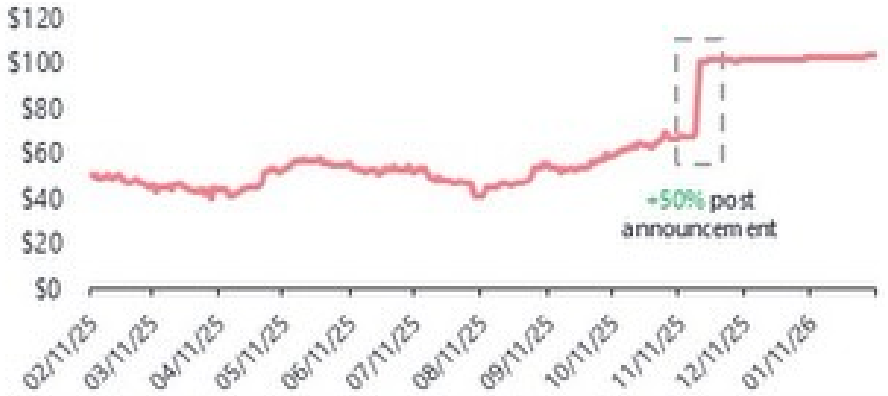
Market Cap:	$19.6bn
Net Debt:	$1.5bn
LTM Revenue:	$3.0bn
EV / LTM EBITDA:	143.9x

Sources: Capital IQ, Abbot, Exact Sciences, Reuters

Transaction Summary

- On November 20th, 2025, Abbott announced it would acquire Exact Sciences in a cash-and-stock transaction valued at $23bn.
- The transaction is structured as an acquisition of all of Exact Sciences' outstanding shares. Closing is expected in 2026 subject to customary regulatory approvals and shareholder consent
- The deal will integrate Exact Sciences' Cologuard franchise and multi-cancer detection pipeline into Abbott's diagnostics division.

Exact Sciences (NASDAQ: EXAS) Share Price



Announcement date:	20th November 2025
Offer per share:	$105.0
Transaction value:	$23.0bn EV
Implied Premium:	50.7%
Acquirer adviser(s):	Morgan Stanley
Target adviser(s):	Centerview Partners LLC and XMS Capital Partners, LLC

Why This Acquisition Matters?

Rationale and Outlook

Strategic Portfolio Integration:

This acquisition accelerates Abbott's expansion into high-growth, high-margin oncology diagnostics. By combining Exact Sciences' cancer screening portfolio with Abbott's core platforms, it creates a comprehensive offering for health systems.

Global Commercial Synergies:

Abbott will leverage its extensive global infrastructure and established payer relationships to rapidly scale Exact Sciences' flagship Cologuard test. By driving adoption in underpenetrated international markets, Abbott strongly positions itself as a premier global partner for providers seeking integrated, end-to-end cancer testing pathways.

Advanced Innovation Pipeline:

Exact Sciences' robust pipeline features next-generation Cologuard versions and breakthrough blood-based multi-cancer early detection assays. As cancer screening shifts toward non-invasive solutions, these pipeline products could reshape standard screening paradigms, significantly expanding the addressable patient population.

Long-Term Financial Value:

This acquisition unlocks multi-billion-dollar revenue opportunities over the coming decade. By establishing a flagship oncology platform with reliable recurring test revenues and extensive cross-selling potential, the deal is expected to be highly accretive to Abbott's medium-term revenue growth and margins.

Past Acquisitions

In April 2023, Abbott acquired Cardiovascular Systems, Inc. (CSI) for approximately $850m. This deal gave Abbott access to CSI's innovative atherectomy system.

Abbott completed the acquisition of Bigfoot Biomedical in September 2023. This strategic move expanded Abbott's presence in diabetes care by combining Bigfoot's smart insulin management systems with Abbott's FreeStyle Libre technology.

In October 2017, Abbott acquired Alere for $5.8bn. This transaction firmly established Abbott's leadership in point-of-care testing and significantly expanded its broader diagnostics capabilities.

Sources: Capital IQ, Abbot Media Room

We selected 4 deals to watch over the coming months...

December 19, 2025 **$4.8bn**

BIOMARIN

Reached an agreement to acquire:

Amicus Therapeutics

Stage of the deal: ○●●●○ **Chances of success:** High

Comment: BioMarin Pharmaceutical Inc. (NasdaqGS: BMRN) has agreed to acquire Amicus Therapeutics Inc. (NasdaqGM: FOLD) for $14.50 per share at a 33% premium.

Acquiring Amicus will add two high-growth products addressing rare diseases to BioMarin's existing global operations and is expected to be accretive in the first year.

The deal has been approved by both companies' boards but is still subject to final due diligence and the approval of regulatory bodies.

December 23, 2025 **$2.2bn**

sanofi

Reached an agreement to acquire:

DYNAVAX

INNOVATING IMMUNOLOGY

Stage of the deal: ○●●○○ **Chances of success:** High

Comment: Sanofi (ENXTPA:SAN) has reached an agreement to acquire Dynavax Technologies Corporation (NasdaqGS: DVAX) in a cash tender offer at $15.50 per share, representing a 39% premium.

This deal aims to maximise the impact of Dynavax's hepatitis B vaccine and other vaccine pipeline projects through Sanofi's development capabilities and global scale.

The deal will proceed if a majority of Dynavax's outstanding shares are tendered.

December 17, 2025 **¥140bn**

CARLYLE

Reached an agreement to acquire:

HOGY

Stage of the deal: ○●●●○ **Chances of success:** High

Comment: The Carlyle Group Inc. (NasdaqGS:CG) has submitted a tender offer to acquire Hogy Medical Co. (TSE:3593) for ¥6700 per share.

In addition to the sale, the sellers have agreed to reinvest a percentage of their proceeds into a limited partnership formed by the Carlyle Group.

Acquiring Hogy Medical will give Carlyle access to the essential medical consumables market and follows the strong trend of PE takeovers in Japan over the last year.

November 20, 2025 **$2.3bn**

GE HealthCare

Reached an agreement to acquire:

intelerad

Stage of the deal: ○●●●○ **Chances of success:** High

Comment: GE HealthCare Technologies Inc. (NasdaqGS: GEHC) will acquire the leading medical imaging software provider Intelerad Medical Systems Incorporated for $2.3bn.

This move aligns with GE HealthCare's goal to triple its offerings of cloud-enabled products by 2028. By combining its medical device and AI portfolio with Intelerad's cloud capabilities, GE expects to accelerate growth in its SaaS product lines.

The deal is expected to close in H1 2026, subject to regulatory approvals.

Sources: Capital IQ, Bloomberg

Glossary

Clinical-stage biopharmaceutical company: Biotech firm developing drug candidates undergoing human clinical trials prior to regulatory approval.

GLP-1 (Glucagon-Like Peptide-1): Hormone targeted by drugs that regulate blood sugar, appetite and weight management.

Milestone payments: Contingent payments triggered when predefined clinical, regulatory or commercial targets are achieved.

Contingent Value Right (CVR): Security granting shareholders additional payments if specified future milestones are met.

Accretive: Transaction expected to increase the acquirer's earnings per share after completion.

Minimal Residual Disease (MRD): Small number of remaining cancer cells after treatment that may cause relapse.

Biomarker: Measurable biological indicator used to diagnose, monitor or predict disease progression.

Next-generation sequencing (NGS): Advanced DNA sequencing technology enabling rapid, large-scale genetic analysis.

Payer relationships: Relationships with insurers or reimbursement bodies that determine drug or test coverage.

The Team



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