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UK Healthcare M&A Update

A look back at Q3 2026



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Executive Summary

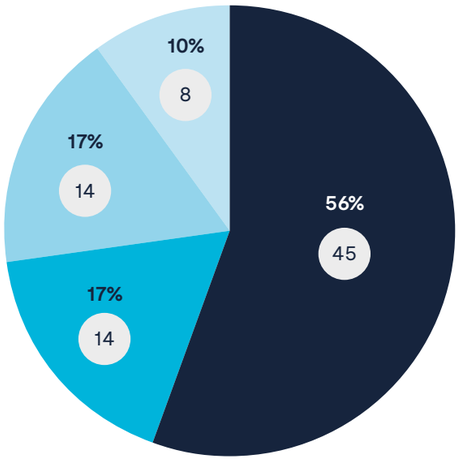
- There were 81 UK healthcare deals in Q3 2026 (68 completed, 13 announced), up 4% on Q2's 78 and 14% on the 71 a year earlier. It was the busiest quarter of 2026 so far, with July (31) and August (30) well ahead of September (20).
- Health and Social Care (HSC) remained the largest segment with 45 deals. Its share fell to 56% from 69% in Q2 as activity spread more evenly. Medical Equipment and Devices (MED) and Pharmaceuticals and Life Sciences (PLS) recorded 14 deals each and Healthcare IT (HIT) 8. Within HSC, elderly and nursing care accounted for 12 deals, nurseries 6 and diagnostic services 4.
- Private equity accounted for 19% of deals, up from 14% in Q2. The largest PE deals profiled were Blue Owl and Moor Park's c.£1.3 billion acquisition of 12 Spire-operated hospitals and Bain Capital's agreement to buy Vitabiotics (reported at c.£900 million), alongside growth investments such as Hg's in Nourish Care. With financing conditions cautious ahead of the Budget, we expect this mix to continue.
- Trade buyers focused on bolt-ons that add capability or reach, such as Care Perspectives' acquisition of Positive Pathways and HSL Group's purchase of Murray Surgical.
- Cross-border activity was broadly balanced, with 17 inbound deals (led by HSC with 6) and 14 outbound (led by PLS with 6 and MED with 5). Internal deals fell to 62% from 69% in Q2 and remained dominated by HSC, which accounted for 37 of the 50. PLS and MED were more internationally focused, with only 3 and 5 internal deals respectively. Overseas buyers remain keen on specialist UK assets, as seen in Radiology Partners' agreement to acquire Everlight, Novartis' agreement to acquire Myricx and Skye Bioscience's proposed merger with Redx, so sellers should look at a wide buyer universe when running a process.
- The Autumn Budget on 28 October is the next major event for the sector. It is the first for Prime Minister Andy Burnham and Chancellor John Healey, and follows the Prime Minister's commitment to a National Care Service. Our upcoming blog will set out what it means for healthcare M&A.
- This report's deep dive looks at vitamins, minerals and supplements, where consumer meets healthcare.



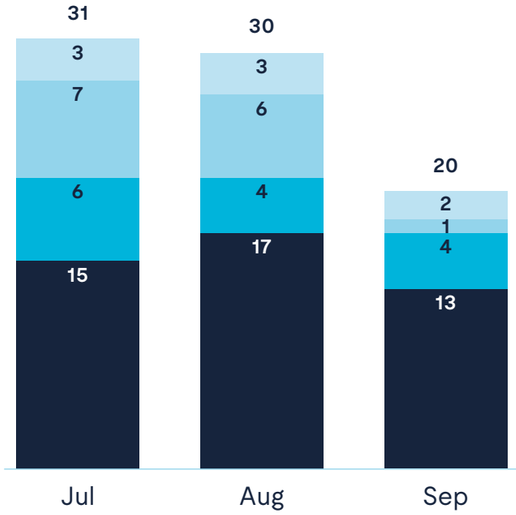
Q3 2026 in focus: UK Healthcare M&A

Health & Social Care
Medical Equipment & Devices
Pharma & Life Sciences
Healthcare IT

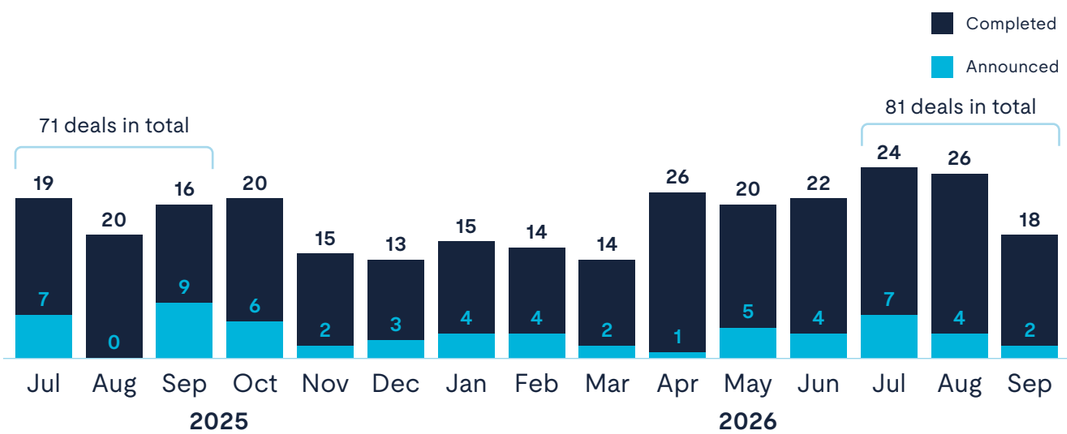
Deal volume by sub-sector



Q3 monthly M&A deal flow [2]



Rolling monthly M&A deal flow



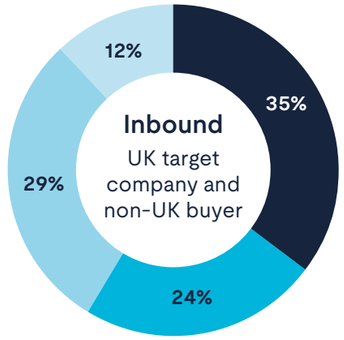
Inbound vs Internal vs Outbound [1]

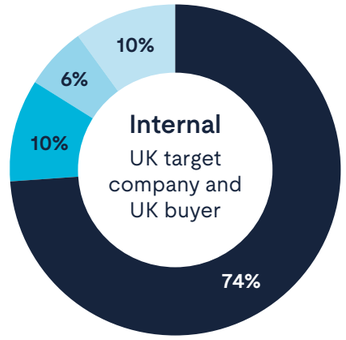
21%
Inbound deals
17

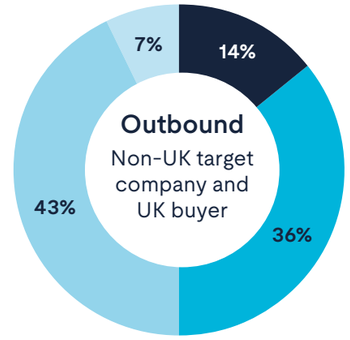


62%
Internal deals
50

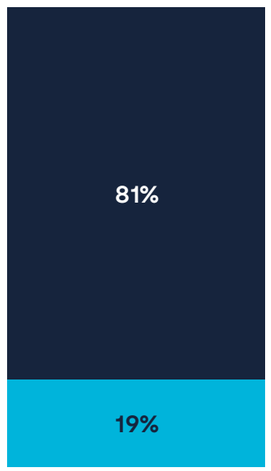
17%
Outbound deals
14







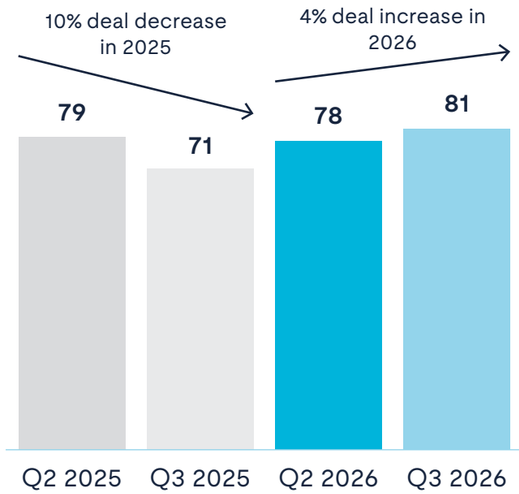
Strategic vs PE buyers



Strategic buyer
66 total deals

PE buyer
15 total deals

Cross-year quarter transition comparison



Notes: (1) Inbound: UK target company and non-UK buyer; Internal: UK target company and UK buyer; Outbound: non-UK target company and UK buyer; (2) Data is accurate at the time of publication and accounts for the status of announced and completed deals. Announced deals are counted in the month of announcement and are still live and ongoing, and may or may not complete. Once completed, these deals will be removed from the month of announcement, and will be counted as completed in the relevant month of completion.



Completed deals

Health & Social Care

HSC accounted for 45 of the 81 transactions tracked in Q3. The five deals profiled below span teleradiology, children's residential care, specialist residential care in Wales, mobile veterinary imaging and a portfolio of 12 private hospitals.

US-based **Radiology Partners, Inc.** entered into a definitive agreement to acquire UK-based **Everlight Radiology Limited** from **Livingbridge EP LLP** and other shareholders. Financial terms were not disclosed; the price has been reported at around US$715 million (c.£525 million at £1 = US$1.363, the Bank of England spot rate on 25 August 2026). Everlight is a specialist teleradiology provider delivering remote diagnostic imaging reporting to hospitals and healthcare providers, including emergency and out-of-hours reporting. The transaction is subject to customary regulatory approvals and closing conditions.

UK-based **Care Perspectives**, a Leicester-based provider of therapeutic support, residential care and specialist education for children and young people, acquired **Positive Pathways Ltd**. Positive Pathways operates six Ofsted-registered children's homes in the Birmingham area for looked-after children with complex needs. Care Perspectives operates 10 children's homes across the Midlands, with a further four scheduled to open, alongside New Perspectives School.

UK-based **Iris Care Group (Wales) Limited** acquired **Elysium Cymru Ltd**. Elysium Cymru is a Welsh residential care provider delivering accommodation and support for individuals with learning disabilities, mental health needs and related complex care requirements.

UK-based **Medneo Diagnostics UK Limited** acquired **Burgess Diagnostics Ltd.** from **Solingen Private Equity Limited.** Burgess provides mobile veterinary diagnostic imaging services, specialising in MRI and CT scanning and mobile imaging unit hire across the UK and Ireland. The business will continue to operate under the Burgess brand with its existing leadership team.

12 acute care hospitals operated by

US-based **Blue Owl Capital**, through funds it manages and in partnership with UK-based **Moor Park Capital Partners**, completed the acquisition of a portfolio of 12 acute-care hospitals operated by **Spire Healthcare Group plc**. The seller was reported to be Malaysia's Employees Provident Fund, and the deal was valued at around £1.3 billion. The hospitals continue to be operated by Spire under long-term leases, and the portfolio will sit within Blue Owl's Real Assets platform as part of its European Net Lease strategy.

Medical Equipment & Devices

MED accounted for 14 transactions in Q3. The three deals profiled below combine a closed-loop pathology system, a bolt-on surgical distributor and the purchase of the remaining stake in a long-held investment, and two of the three include deferred or contingent consideration.

UK-based **Halma plc** agreed to acquire France-based **Dreampath Diagnostics** for an initial cash consideration of c.£132 million on a cash- and debt-free basis, funded from existing facilities. A further earn-out of up to €121 million is tied to performance through March 2028, which would represent c.44% of the maximum total consideration. Dreampath provides automated systems that allow anatomical pathology laboratories to track, store and manage patient tissue samples, combining hardware, software and recurring consumables. Revenue for the year to March 2027 is forecast at €33 million, implying c.4.7x forecast revenue on the initial consideration (c.8.4x including the maximum earn-out). Dreampath will operate as a standalone business within Halma's Healthcare Sector.

Sweden-based **Asker Healthcare Group** acquired 100% of the shares in Ireland-based **Murray Surgical Limited** as a bolt-on to its **HSL Group** portfolio company. Murray Surgical, founded in 1978 and based in Dublin, distributes specialist surgical and medical products to hospitals across Ireland, covering orthopaedics, neuro and spine, plastic surgery, ENT, cardiothoracic, endoscopy and sterile services. The deal is expected to strengthen HSL Group's surgical offering, enable cross-selling and support geographic expansion. Murray Surgical contributes approximately £5.5m of annual sales.

UK-based **Volex plc** acquired the remaining 64.3% of **Kepler SignalTek Ltd** for US$89.4m, having held 35.7% since KST's formation in 2017. The price comprises US$74.7m of cash on completion and US$14.7m payable in two tranches on the first two anniversaries, subject to KST meeting revenue targets. KST is a specialist manufacturer of patient-connected medical products and reported revenue of US$51.8m for the year to March 2026. The acquisition is funded from existing debt facilities and is expected to enhance Volex's underlying earnings from completion.



Pharma & Life Sciences

PLS accounted for 14 transactions in Q3. The four deals profiled below include two with headline values of US$1.5 billion, a private equity buyout of a consumer healthcare business and a reverse merger between a UK biotech and a Nasdaq-listed company.

Switzerland-based **Novartis AG** agreed to acquire UK-based **Myricx Pharma Ltd** for US$1.5 billion, comprising US$1.1 billion upfront and up to US$400 million in milestone payments. Myricx is a private biotechnology company developing a novel class of payloads for antibody-drug conjugates in cancer, based on inhibitors of the enzymes N-myristoyltransferases. The transaction is subject to customary closing conditions, including regulatory approvals, and is expected to close in H2 2026.

US-based **Bain Capital** agreed to acquire **Vitabiotics** from the **Lalvani family** and **IQ-EQ** in a deal valued at approximately £900 million. Vitabiotics is the UK's leading vitamins, minerals and supplements company, founded in 1971. The acquisition covers its UK operations and the wider **VB Group**, including Meyer Organics in India and operations across Africa. Bain's Asia Private Equity team will lead the investment, targeting growth in India, the Middle East and China, while the UK remains the operational base.



US-based, Nasdaq-listed **Skye Bioscience, Inc.** entered into a definitive agreement to acquire UK-based **Redx Pharma Limited**, a clinical-stage biotechnology company developing targeted medicines for fibrotic disease, in a reverse merger implemented through a UK scheme of arrangement and accompanied by concurrent financings of US$125 million. Skye is a clinical-stage biotechnology company developing therapies targeting GPCR pathways for obesity and related metabolic conditions. The combined company is expected to be named Fibrx Therapeutics and to be led by the Redx management team. On closing, existing Redx holders are expected to own c.46%, investors in the financing c.48% and existing Skye holders c.6%, with Skye holders also receiving a contingent value right over 90% of any net proceeds from monetising the legacy asset nimacimab in the 12 months after closing. Completion is expected in Q4 2026, subject to court, regulatory and shareholder approvals.

UK-based **AstraZeneca PLC** agreed to acquire the worldwide rights to develop and commercialise Zegfrovy from China-based **Dizal (Jiangsu) Pharmaceutical Co., Ltd.** for US$1.5 billion, comprising US$600 million in cash and US$900 million in contingent payments, with Dizal also receiving tiered royalties on global sales. Zegfrovy is approved in the US and China for adult patients with locally advanced or metastatic non-small cell lung cancer with EGFR exon 20 insertion mutations whose disease has progressed on or after platinum-based chemotherapy. The transaction is subject to regulatory approval and customary closing conditions and is expected to complete by 31 December 2026.

Healthcare IT

HIT accounted for 8 transactions in Q3. The two profiled deals both relate to data and software serving care providers and researchers.

UK-based **HgCapital**, through its Hg Mercury Fund, announced a strategic growth investment in **Nourish Care Systems Ltd**. **Livingbridge EP LLP**, which has backed the company since 2022, will retain a minority stake. The size of Hg's stake was not disclosed. Nourish provides digital care management software for social care providers, covering care planning, point-of-care recording, daily notes and real-time care information. The founder continues as CEO and remains a significant shareholder. The transaction was expected to close by the end of August 2026.

UK-based **Arcturis Data Limited** agreed to acquire UK-based **Cristal Health Limited**, which trades as Akrivia Health, in an all-share transaction in which Arcturis will issue equity valued at £140 million. Akrivia provides AI-enabled real-world data and analytics to support neuroscience, mental health and dementia research and drug development. The Akrivia chief executive is expected to hold a senior position in the combined business, and the deal is expected to complete in autumn 2026.



UK Healthcare M&A – Q3 2026

Deep Dive:

Vitamins, minerals and supplements: Where consumer meets healthcare

For most of its 55 years, Vitabiotics was the kind of business that rarely featured in a healthcare M&A report. Its products sit on high-street pharmacy shelves rather than in hospital dispensaries, and in the UK they are regulated as food rather than medicine.

Yet when the Lalvani family put the company up for sale, the interested parties included some of the world's largest private equity firms and an Indian pharmaceutical group, and the eventual buyer, Bain Capital, agreed a price reported at c.£900 million. The deal says a good deal about where the boundary of healthcare now sits, and about who is prepared to pay to cross it.

Source: Company announcements; press reports; Heligan analysis. Values as announced or, where not disclosed by the parties, as reported. Deals announced in 2026.

A family business built on specific needs

Founded in 1971 by Professor Kartar Lalvani, Vitabiotics has grown into a leading specialist vitamins and supplements business, offering products tailored to specific health needs and stages of life. Its well-established brands include Pregnacare, Wellman, Wellwoman, Osteocare and Perfectil. Under the leadership of his son, Tej Lalvani, who became CEO in 2015, the business has expanded to seven manufacturing sites, with products exported to over 70 countries. Vitabiotics generated c.£275m of revenue in FY25, implying a transaction valuation of approximately 3.3x revenue.

The sale process commenced in early 2025 and attracted interest from several major private equity firms, including Blackstone, EQT and TPG, alongside pharmaceutical group Lupin. Interest subsequently narrowed to Bain Capital and Blackstone, with Bain ultimately securing the acquisition following a process lasting over a year.

Why Bain wanted it

The answer has less to do with the UK than with where Vitabiotics can go next. The investment is being led by Bain's Asia Private Equity team rather than its European one, and the plan centres on India, the Middle East, Africa and China, with the UK kept as the home of the brands and of new product development. Bain already owns US sports nutrition group 1440 Foods and has backed India's Emcure Pharmaceuticals, so Vitabiotics fits a wider bet on nutrition and wellness in fast-growing markets. In that sense the deal looks like many of the healthcare transactions elsewhere in this report: a UK business with a trusted brand or capability, valued for the international platform it could become.

What it means for healthcare M&A

VMS sits where consumer goods, pharmacy and preventative health overlap, and that overlap is widening the pool of buyers. Consumer groups are building health portfolios: Procter & Gamble agreed to buy Thorne for US$3.8 billion this quarter, Unilever bought 80% of Grüns for c.US$890 million and Danone agreed to buy UK-based Huel for c.€1 billion. Kirin, best known for its drinks business, agreed to acquire Canada's Jamieson Wellness at an enterprise value of c.C$2.5 billion. Meanwhile Nestlé agreed to sell seven mainstream brands, including Nature's Bounty, to Yellow Wood Partners for US$1 billion, a reminder that buyers are paying for brands with scientific credibility, not for scale alone. (Please see table below.)

For UK healthcare M&A, three points stand out. First, the line between consumer health and healthcare is becoming less useful when mapping buyers: a single VMS process can draw pharmaceutical companies, consumer groups, healthcare specialists and generalist private equity. Second, demand for self-care is unlikely to fade while NHS waiting lists remain long and people take more responsibility for their own health, which supports interest not only in supplements but in pharmacy, diagnostics and wellness businesses more broadly. Third, as with Everlight and Spire's hospital estate this quarter, overseas capital is setting the price for the best UK assets. Owners of differentiated, science-led brands can expect a wide and international field of buyers and, as Vitabiotics showed, should be prepared for a long road to signing.

Target	Acquirer	Buyer type	Reported value
Vitabiotics (UK)	Bain Capital	**PE**	**£900m**
Thorne (US)	Procter & Gamble	**Strategic**	**US$3.8bn**
Jamieson Wellness (Canada)	Kirin Holdings	**Strategic**	**C$2.5bn (EV)**
Nature's Bounty and six other brands (from Nestlé)	Yellow Wood Partners	**PE**	**US$1.0bn**
Grüns (80% stake) (US)	Unilever	**Strategic**	**US$890m**
Huel (UK)	Danone	**Strategic**	**€1.0bn**

Corporate Finance healthcare team

Our Heligan Corporate Finance team, seasoned across sectors and mid-market deal sizes, delivers exceptional, insight-driven results through deep expertise and a robust network.



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