



Irish Pharmacy Sector

M&A REVIEW: H1 2025

INTRODUCTION

Thank you for taking the time to read the Irish Pharmacy Sector M&A Review: H1 2025. This report consolidates research prepared by Fitzgerald Power, the leading M&A advisor to the Irish pharmacy sector.

Our review covers the three year period Q3 2022 to Q2 2025.

We estimate that approximately 100 single-unit pharmacies sold during this time. It should be noted that we have not included any of the large pharmacy group sales as part of our analysis and have only concentrated on individual pharmacy transactions and the sale of small pharmacy groups (group size ≤ 4 pharmacies).

In H1 2025, we estimate that 17 pharmacies were sold, representing a recovery in transaction activity compared to H2 2024, when just 9 sales were recorded. This volume indicates a consistent run rate when viewed across a three-year rolling average..

In total, Fitzgerald Power advised on 44 single unit pharmacy transactions. The valuation multiple statistics presented in this whitepaper are based on a review of these 44 transactions

For this analysis we used the maintainable EBITDA as noted in the Information Memorandum and the goodwill consideration paid. The maintainable EBITDA per the Information Memorandum may not align with the purchaser's assessment of the maintainable EBITDA and as a result the multiples reported might not be a true reflection of the actual multiples achieved.

The aim of this whitepaper is to provide an insight into M&A activity in the Irish pharmacy sector, helping pharmacy owners and stakeholders better understand market trends and transaction dynamics.



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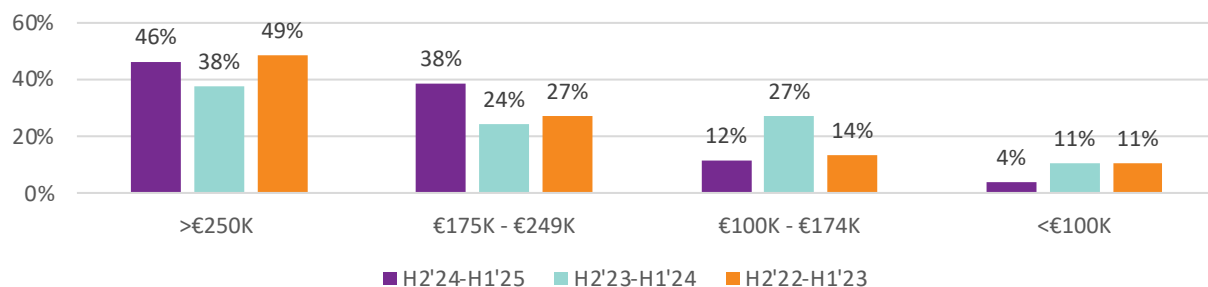
1. TRANSACTIONS

TRANSACTIONS

We estimate that there were 100 pharmacy sector transactions over the 36-month review period from H2 2022 through to H1 2025. Fitzgerald Power advised on 44 of these transactions.

TRANSACTIONS BY SIZE

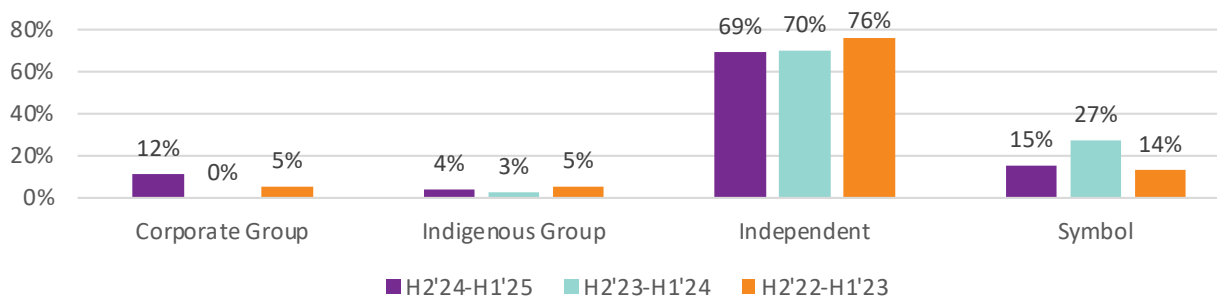
In the below table we have analysed the transactions over the review period based on annual State dispensing fees.



Pharmacies receiving state fees \geq €250K accounted for the majority of transactions every year over our review period. Mid-range deals (€175K–€249K) have grown, while smaller transactions (€100K–€174K) and low-value deals (<€100K) have declined, highlighting a clear shift toward higher-value deals in the sector.

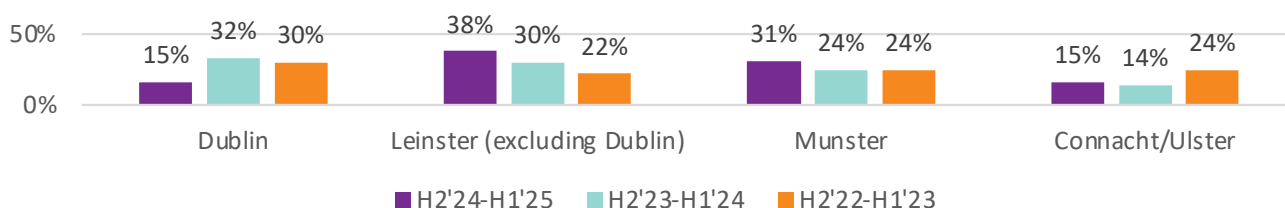
TRANSACTIONS BY OWNERSHIP TYPE

The majority of transactions involved the sale of independently owned pharmacies. Over the review period, the proportion of corporate group pharmacies sold increased, while the share of symbol group pharmacies disposed of declined. Transactions involving indigenous group pharmacies remained relatively stable, showing only minor fluctuations across the periods.



TRANSACTIONS BY LOCATION

Over the past three-year rolling period, Leinster (excluding Dublin) experienced a significant increase in deal activity, rising from 22% to 38% in the latest period, making it the most active region. Munster also showed consistent growth, with its share increasing from 24% to 31%. In contrast, Connacht/Ulster's share fell from 24% to 15%, reflecting a slowdown in transactions. Dublin recorded the sharpest decline, dropping from 32% in H2'23–H1'24 to 15% in H2'24–H1'25.



2. VALUATION MULTIPLES

VALUATION MULTIPLES

We have estimated the valuation multiple achieved on each transaction for which we have visibility by comparing the maintainable EBITDA presented in information memorandum to the actual consideration paid (before the working capital adjustment).

The average multiple achieved over the three-year review period to end of H1 2025 was 4.92X, which was very similar to the 2024 three-year rolling average of 4.91X. We analysed the multiple achieved by turnover bracket and as expected, the average multiple increased in line with the increase in the size of the pharmacy, in revenue terms.

| Turnover Range | Transactions | Average Multiple |
|----------------|--------------|------------------|
| <€1m | 9 | 3.69 |
| >€1M<€1.5m | 8 | 4.93 |
| >€1.5M<€2m | 17 | 5.13 |
| >€2m | 10 | 5.67 |

Valuations were largely consistent across the country with transactions in Dublin achieving the highest average valuation multiple at 5.28. It should be noted that 5 of the 10 >€2m turnover transactions were in the Dublin region, which has impacted the average earnings multiple achieved in this region.

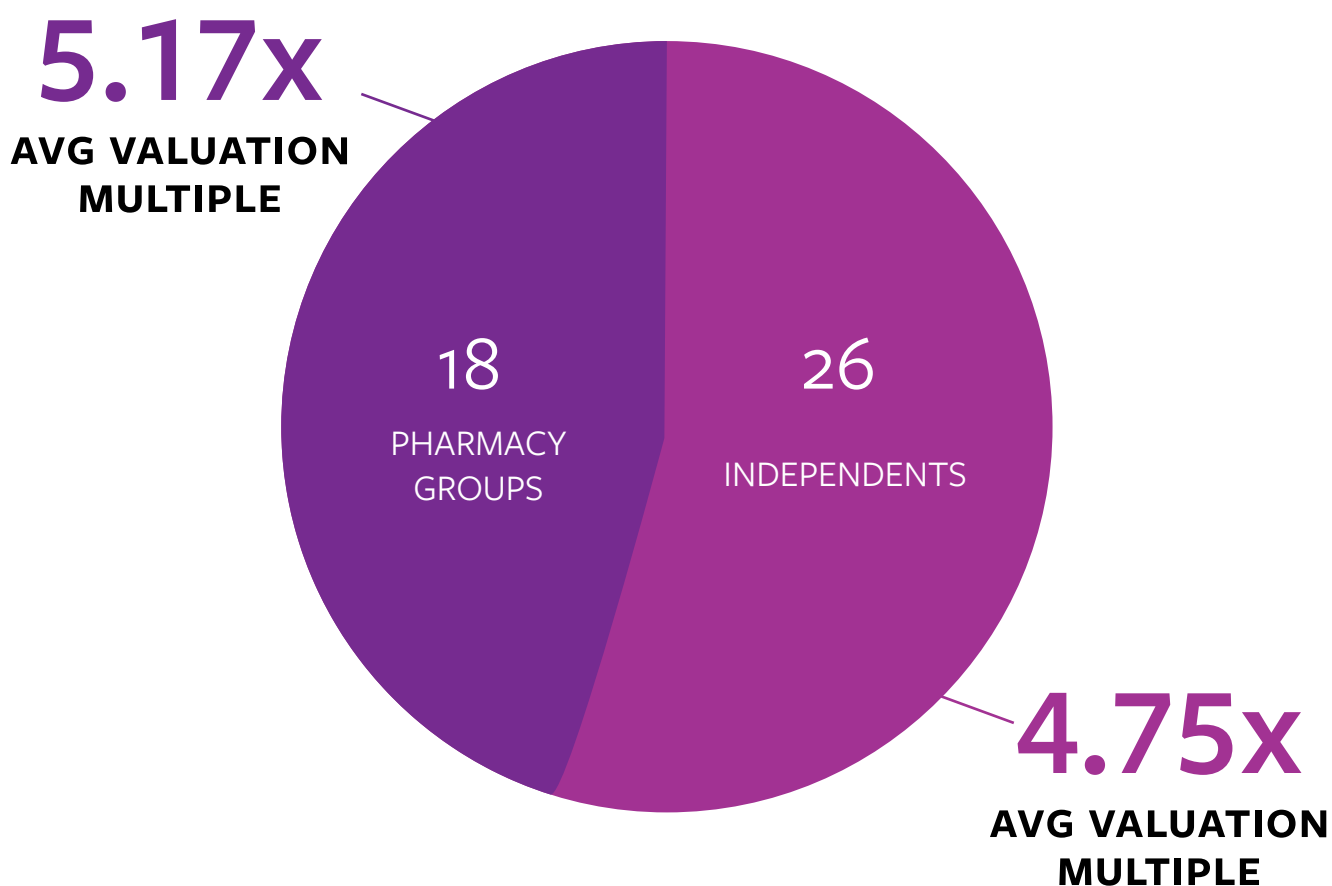
| Location | Transactions | Av Multiple |
|-----------------------------|--------------|-------------|
| Dublin | 8 | 5.28 |
| Leinster (excluding Dublin) | 12 | 5.05 |
| Munster | 12 | 4.85 |
| Connacht/Ulster | 12 | 4.64 |

3. BUYERS

BUYERS

Of the 44 transactions included in our analysis, 26 were purchased by independents and 18 by pharmacy groups (for the purposes of this report we have assumed a group to be a holding of 6+ pharmacies). The average valuation multiple achieved was 4.75x when the purchaser was an independent operator, and 5.17x when the purchaser was a group. Pharmacy Groups tended to acquire larger scale pharmacies.

Group companies were the main acquirers of pharmacies with revenues in excess of €2m, acquiring 5 of the 10 pharmacies that changed ownership.

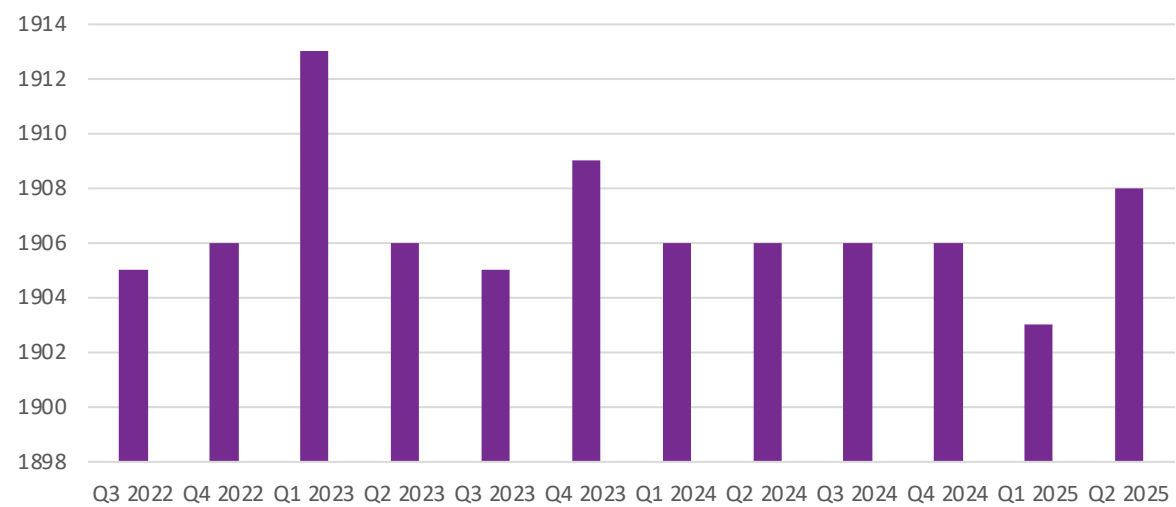




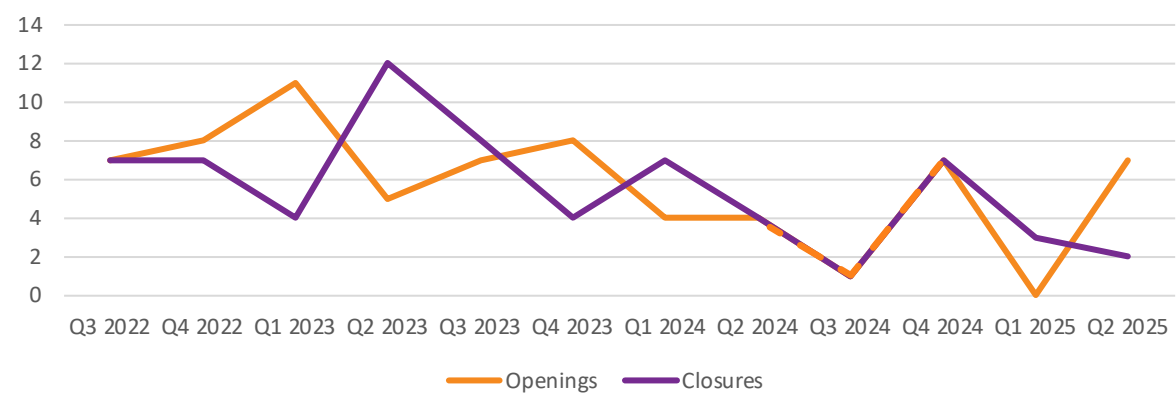
4. THE PHARMACY MARKET

THE PHARMACY MARKET

The number of pharmacies in the country has fluctuated over the review period with the highest number recorded in Q1 2023 (1,913) and the lowest in Q1 2025 (1,903). In 2024, the figure remained unchanged at 1,906 community pharmacies before rising slightly to 1,908 in Q2 2025.



PSI data suggests there have been 69 openings and 66 closures in the period Q3 2022 to Q2 2025, bringing the number of community pharmacies in Ireland to 1,908 at the end of Q2 2025.



A man with a grey beard and glasses, wearing a white lab coat over a blue shirt, stands with his arms crossed. The image is overlaid with a dark blue tint. Large pink circular shapes are visible on the right and bottom left sides of the frame.

5. OUTLOOK FOR THE REMAINDER OF 2025

OUTLOOK FOR THE REMAINDER OF 2025

Interest rates continue to decrease and this is encouraging M&A activity among all acquirer types.

We reported earlier in the year that we expected hybrid deal transactions to feature prominently in 2025, and this has proven to be the case. This will act as an enabler to first-time-buyers looking to step onto the pharmacy ownership ladder.

There has been a number of mergers in the sector where smaller scale pharmacy units have closed, having been acquired by pharmacy businesses within close proximity, while ensuring continuity of service to customers. We expect this trend to continue.

The new Community Pharmacy Agreement was announced in September. The terms of the agreement will have an impact on the valuation of pharmacy. We expect increased focus will be given to the quality of future earnings of pharmacy businesses in valuation and due diligence exercises as the full extent of the changes in reimbursement are assessed.

How can we help?

Our team is dedicated to providing you and your business with the absolute best financial advice out there. We approach each and every case from a fresh perspective, working with you to find tailored solutions that leave your business feeling stronger than ever. With our expert analysis, we translate figures into a language you can understand. Using timely, reliable advice, our experienced team of experts devise sophisticated plans to encourage cost efficiency and growth. If you would like to discuss this research, contact our team at Fitzgerald Power today.

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