

Irish Pharmacy M&A Review

WHITEPAPER

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Introduction

Thank you for taking the time to read the Irish Pharmacy Sector M&A Review: H2 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 2023 to 2025.

We estimate there were 98 single-unit pharmacies sold during our review period. It should be noted that we have not included any of the large pharmacy group sales as part of our review and have only concentrated on individual pharmacy transactions and the sale of small pharmacy groups (group size \leq 4 pharmacies).

We estimate that 31 pharmacies were sold in 2025 representing an increase in transactions in the market compared to 2024 where we estimate that 27 pharmacies were sold. The concentration of activity in Q4 2025 suggests increased confidence following agreement of the new Community Pharmacy Agreement in September 2025.

Fitzgerald Power advised on 43 single unit pharmacy transactions over this period. The valuation multiple statistics included in this white paper are based on a review of these 43 transactions.

As part of our multiple review, 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 white paper is to provide a bi-annual insight into M&A activity in the Irish pharmacy sector.

Noel Winters

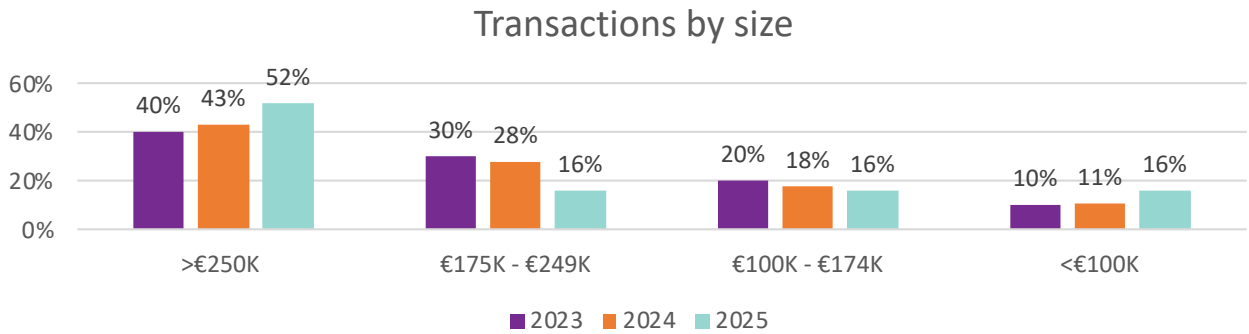
Corporate Finance Partner

1. Transactions

We estimate there were 98 pharmacy sector transactions over the 36-month review period from 2023 to 2025. Fitzgerald Power advised on 43 of these transactions.

TRANSACTIONS BY SIZE

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

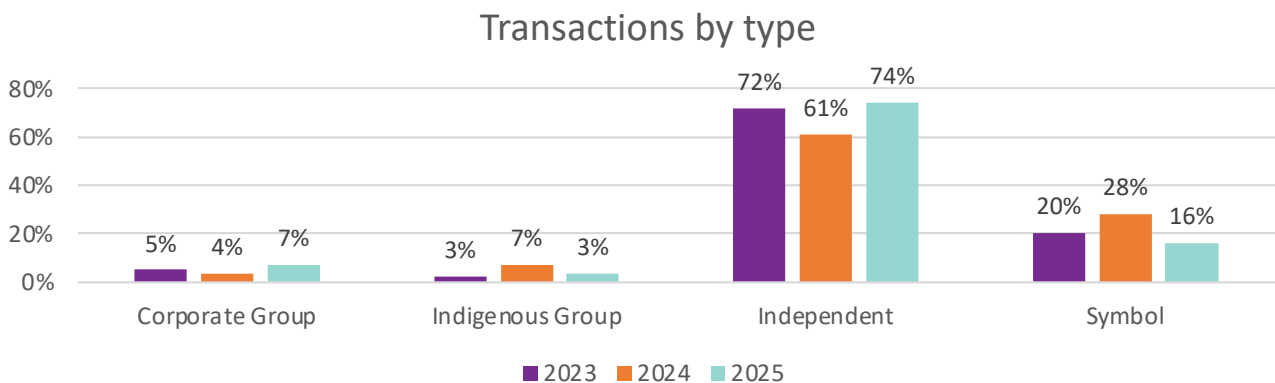


Pharmacies receiving State fees \geq €250K accounted for the largest share of transactions every year over our review period. Mid-range deals (€175K–€249K) have fallen in 2025, while low-value deals (<€100K) have increased in the past year. The increase in small pharmacy transactions suggests a stronger market over the past 12 months.

TRANSACTIONS BY OWNERSHIP TYPE

The majority of transactions involved the sale of independently owned pharmacies. This is in part due to independent pharmacies making up a larger share of the market. However, even when accounting for this fact, independent pharmacies are more likely to be sold contributing to consolidation in the market.

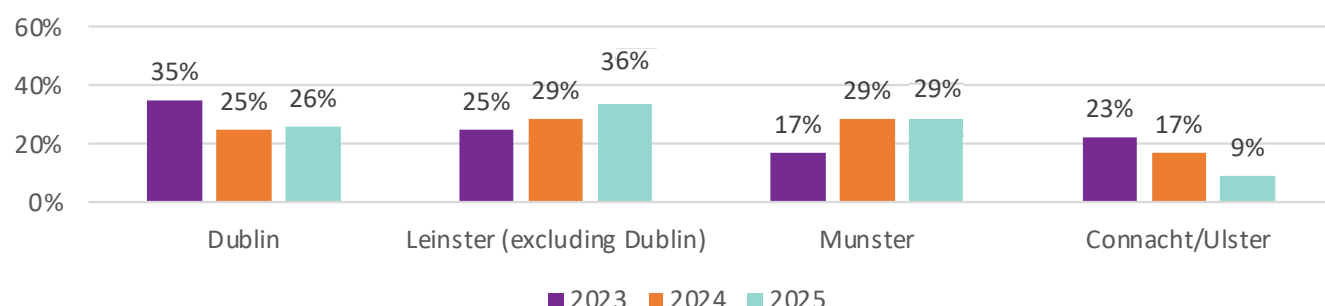
Over the review period, the proportion of corporate group pharmacies sold increased while indigenous group sales fluctuated from 2023 to 2025. The share of symbol group pharmacies disposed of decreased over the period.



TRANSACTIONS BY LOCATION

Over the three-year period, Munster experienced a significant increase in its share of deal activity, rising from 17% to 29%, while Connacht/Ulster dropped proportionally the most from 23% to 9%. Connacht/Ulster also has the lowest share of transactions over the period.

Transactions by location



2. Valuation Multiples

We have estimated the valuation multiple achieved on each transaction for which we have visibility by comparing the maintainable EBITDA presented in the 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 H2 2025 was 4.7X, which was lower than the three-year rolling average in our previous report of 4.92X. This decline in multiple was primarily due to an increase in the sale of lower value pharmacies, which suggests a strong demand for pharmacies over the past year.

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	12	3.53
>€1m<€1.5m	13	4.95
>€1.5m<€2m	9	4.95
>€2m	9	5.67

Valuations varied across the country, with transactions in Dublin achieving the highest average valuation multiple at 4.99. Multiples are lower in this period than previously, which, counterintuitively, is a sign of health in the market as it is driven by the fact that smaller scale pharmacies are finding buyers. However, higher turnover pharmacies are achieving increasingly strong multiples.

Location	Transactions	Average Multiple
Dublin	9	4.99
Leinster (excluding Dublin)	11	4.83
Munster	11	4.43
Connacht/Ulster	12	4.63

3. Buyers

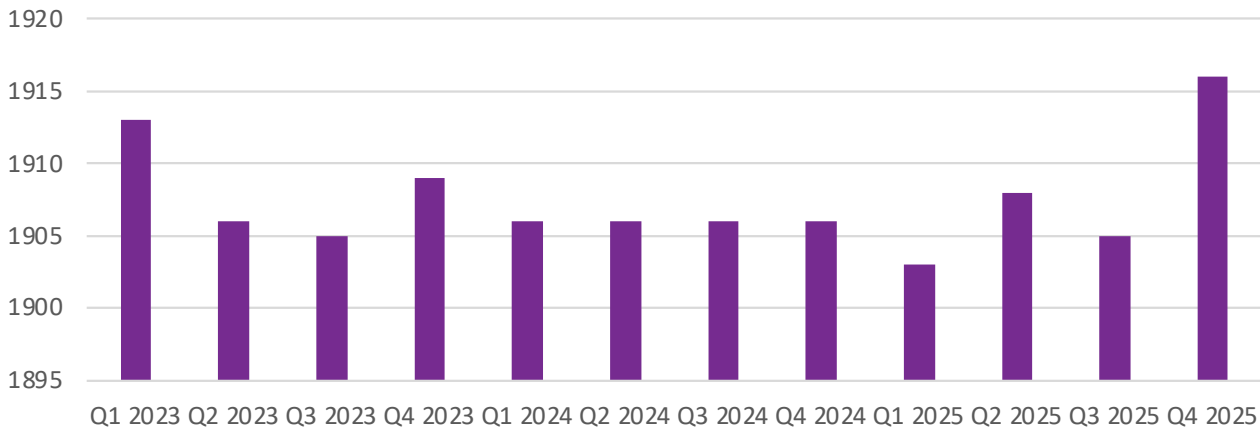
Of the 43 transactions included in our analysis, 26 were purchased by independents and 17 by pharmacy groups (for the purposes of this report we have assumed a group to be a holding of 6+ pharmacies). The average valuation multiple achieved was 4.62x when the purchaser was an independent operator, and 4.84X when the purchaser was a group.

Pharmacy groups tended to acquire larger scale pharmacies, which is in large part a result of greater access to capital. Consistent with the last half-year report, group companies were the main acquirers of pharmacies with revenues more than €2m.

4. The Pharmacy Market

The number of pharmacies in the country has fluctuated over the review period with the highest number recorded in Q4 2025 (1,916) and the lowest in Q1 2025 (1,903). In 2025, the figure increased substantially from Q1 to Q4.

Number of Pharmacies



PSI data suggests there have been 67 openings and 57 closures in the period Q1 2023 to Q4 2025, bringing the number of community pharmacies in Ireland to 1,916 at the end of Q4 2025.

Openings & Closures



5. Outlook for 2026

In September 2025, the Government and Irish Pharmacy Union (IPU) agreed the Community Pharmacy Agreement which increased State reimbursed fees. We expected this to have a positive impact on pharmacy transactions, which appears to have occurred based on the year-on-year increase. The agreement has driven an increased level of certainty to the assessment of future earnings of pharmacy businesses, and we would expect this to lead to a general increase in market prices.

The long-term impact of the other changes emerging from the agreement around phasing and new grants is more difficult to identify at this stage, although the expectation is that phased fee reimbursements will reduce over the coming years, which continues a general trend.

The pillar banks are still supportive of the sector, primarily due to the consistent and recurring income stream demonstrated by pharmacies. However, lending facilities are provided in a conservative way, and banks perform a deep level of diligence on lending facility requests with loan to value and debt service cover criteria set at a high bar. Conservative lending is a legacy of the financial crisis of the late 2000s.

Promoters are expected to be able to put at least 30% of the funding required forward to complete a transaction. So, for a transaction value of €1,000,000, the promoter is expected to contribute €300,000. That represents a significant barrier, especially for an individual seeking to step onto the ownership ladder for the first time.

Stemming from this, partnership deals are featuring more prominently, which enables first-time buyers to step onto the pharmacy ownership ladder. Partnerships are forming between pharmacy owners and the entrant group, or between individual entrant pharmacists. Shareholder agreements are a cornerstone of successful partnerships as the conditions of the future relationship are set out in writing at the outset.

We are also starting to see funds passing between generations to support activity. This will help ensure that independent owners continue to hold a place in the Irish retail pharmacy sector.

We expect 2026 to continue to show strong transaction numbers, with a positive outlook for the future of the sector coming from the new pharmacy contract and increased supply of pharmacists. The 2026 Budget increased the Capital Gains Tax Entrepreneurial Relief thresholds to €1.5m and with that we may see pharmacy owners who delayed their decision to sell over the past number of years, when conditions were less favourable, explore an exit.

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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