Health & Wellness Mid-Year Capital Markets Review

HealthTech · Longevity · Boutique Fitness · Food & Beverage

Health & wellness is becoming an institutional asset class, as AI-enabled HealthTech platforms, cash-pay medical clinics, and premium fitness and food brands attract record capital and consumer demand.

July 2026

CHRONIC CAPITAL

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HEALTH & WELLNESS OVERVIEW

H1 2026 Health & Wellness Industry Overview

Health & wellness is no longer a collection of fragmented industries—it is an interconnected ecosystem of products, services, and technologies that improve healthspan, prevent disease, and **enhance quality of life**, spanning **healthcare**, **nutrition**, **fitness**, **longevity**, and **preventative care**. At the halfway point of 2026, health & wellness has emerged as the defining growth theme across consumer and healthcare markets, with capital, M&A, and consumer **spending converging** on the category at a pace **unmatched** elsewhere in the economy.

Digital health funding reached **$4.0B in Q1 2026**, up **33%** year-over-year, while M&A activity climbed **47%** as incumbents race to consolidate diagnostics, ambient AI, and precision health platforms ahead of a projected **9% medical cost trend in 2027**. Those same cost pressures are accelerating longevity, now a **$147B market** growing **9.3% annually**, where cash-pay clinics generate **85–95% gross margins** and are increasingly supported by employer-sponsored benefits.

Boutique fitness has followed a similar trajectory, doubling to an **$86B market** over the past five years on **50–70% four-wall EBITDA margins** and **56% higher member retention** than solo training. At the same time, **GLP-1 adoption** and **MAHA-driven reformulation** are blurring the line between food and medicine, driving Food & Beverage M&A **66.7% higher** year-over-year as **62% of consumers** now prioritize food quality over price.

Historically, these sectors evolved independently with limited institutional ownership or consolidation. An increasing number of **professional athletes** are moving beyond traditional endorsements to become **founders, strategic advisors, investors, and brand ambassadors** for health & wellness companies, bringing **credibility, consumer trust,** and **mainstream visibility** to emerging brands. As capital continues to converge across all four sectors, investors are rewarding businesses that demonstrate **clinical credibility, structural retention,** and **durable quality advantages**, and we expect H2 2026 to bring larger, more transformative transactions as acquirers compete to own the infrastructure of health & wellness before valuations reset higher.

BY THE NUMBERS…

HealthTech	**$4.0B** U.S. Digital Health Funding — Q1 2026, up ~33% YoY[1]	**47%** M&A Activity Jump — Q1 2026, 56 deals closed[2]	**9%** 2027 Medical Cost Trend Estimate – 20 year high[3]
Longevity	**$147B** Longevity market size, growing 9.3% annually[4]	**85-95%** Attractive Gross Margin Profile[5]	**80M+** Americans 65+ by 2040 Create Structural Demand[6]
Boutique Fitness	**$86B** Boutique fitness market size — doubled in last 5 years[7]	**50-70%** Four-Wall EBITDA Margins[8]	**56%** Higher Retention Rate in Group Fitness[9]
Food & Beverage	**+66.7%** Food & beverage M&A activity, H1 2026[10]	**9.1%** H&W Food Market CAGR, 2026-2033[11]	**62%** Consumers Concerned More by Food Quality than Price[12]

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Sources : *Rock Health, 2026[1]; PitchBook, 2026[2]; Aon Global Medical Trend Rate Report, 2026[3]; Grand View Research, 2025[4]; Residency Advisor, 2026[5]; U.S. Census Bureau, 2023 Population Projections[6]; Research and Markets, 2025[7]; IHRSA, 2025[8]; The Retention People / Les Mills, 2025[9]; PitchBook Food & Beverage M&A Report, 2026[10]; Fortune Business Insights, 2025[11]; International Food Information Council (IFIC) Food & Health Survey, 2025[12]:*

H1 2026 Health & Wellness Snapshot

M&A Activity

There were **167 health and wellness M&A transactions** announced in **H1 2026.**

The first half included **$21.5B** in total disclosed deal value from **57** disclosed deals.

The most active sectors across M&A were **HealthTech (85 deals)**, **Food & Beverage (55 deals)**, **Boutique Fitness (20 deals),** and **Longevity (7 deals).**

Notable M&A
H1 2026

Nuvalent	Getlabs	EGYM fitness	Huel
Acquired by:	Acquired by:	Acquired by:	Acquired by:
GSK	Function	PLAYLIST	DANONE
June 2026 , $10.6B	April 2026 , N/D	March 2026 , $7.5B	March 2026 , $1.2B

Fundraising Activity

There were **467 Health & Wellness fundraising transactions** announced in **H1 2026**.

The first half included **$10.6B** in deployed capital across **467 deals.**

The most active deal type was in **Early Stage and Series A (322 Deals), Series B (82 Deals),** and **Series C+ (63 Deals).**

Notable Fundraising
H1 2026

WHOOP	NewLimit	GYMNATION	STRSHOIEY SANTHNEY
Late-Stage	Series C	Growth Equity	Growth Equity
March 2026, $575M	June 2026 , $435M	May 2026 , $280M	June 2026 , $24M

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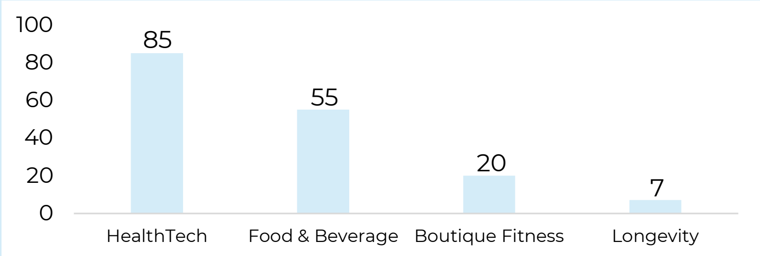
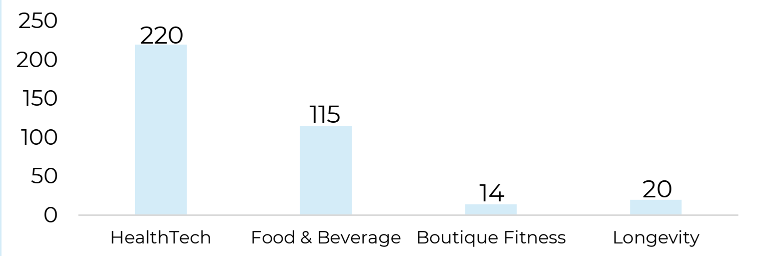
BY THE NUMBERS…

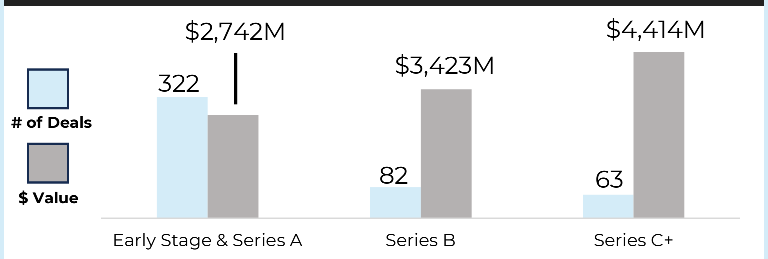
H1 2026 Health & Wellness M&A Transactions by Sector



H1 2026 Health & Wellness Fundraising by Sector



H1 2026 Health & Wellness Fundraising by Stage



Sources: *PitchBook, FactSet, Chronic Capital Analysis*

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CHRONIC CAPITAL

FIRM PROFILE

CHRONIC
CAPITAL

Who We Are

Chronic Capital is a Boston-based lower middle market investment bank specializing in debt and equity capital solutions and strategic advisory for founder-led and owner-operated businesses. We partner with entrepreneurs to raise growth capital, optimize capital structures, and execute complex financing transactions. Rather than providing one-time solutions, we build long-term relationships, serving as a trusted capital partner throughout each stage of a company's growth.

Services

- Capital Raise (Debt & Equity)
- Sell-Side M&A
- Buy-Side M&A
- Direct Lending
- Valuation & Strategic Advisory

$500M+

Capital raised within the last two years

Target Ticket Size

- Capital Raises: $10M to $50M+
- Sell Side Advisory: $5M+

$15M+

Average Ticket Size

Coverage Groups

- Health & Wellness
- Life Sciences
- Consumer Goods
- Home Services
- Technology
- Transportation
- Commercial Real Estate
- Specialty Industries

Health & Wellness Coverage Subsectors

"Health & wellness is no longer a small niche but it's own greater market. With all the information and data consumers now have at their fingertips—longevity, fitness, and health are in more demand than ever. Capital follows customer demand"

- **Matt Campbell** Vice President, Head of Health & Wellness Coverage

FIRM PROFILE

Meet the Health & Wellness Coverage Team

Ryan Handelman
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Ryan Handelman is the Managing Partner and Founder of Chronic Capital. While managing Chronic Capital, he has raised over $500M in capital for entrepreneurs and middle market firms.

Prior to Chronic Capital, Ryan's experience includes:

- SVP, Director of Specialty Banking at Berkshire Bank
- VP, Specialty Banking at Northern Bank
- Business Development at Green Check Verified Inc

Ryan also holds a B.S. in Finance and a M.B.A. in Data Analytics from Fairfield University graduating with Summa Cum Laude Honors.

Health and wellness became a defining part of Ryan's life while competing as a Division 1 rugby player at Fairfield. He carried that discipline into his professional career, applying the same focus on training, recovery, and nutrition while scaling a boutique investment bank in under two years.

Matt Campbell is Vice President and Head of Chronic Capital's Health & Wellness coverage, bringing over six years of experience in M&A and Financial Services.

Prior to Chronic Capital, Matt's experience includes:

- Associate at a LMM Investment Bank in Boston, MA
- Investment Analyst at a home-services roll up
- Business Analyst at V2A Consulting, a boutique consulting firm in San Juan, Puerto Rico

He also holds a B.S. in Strategic Management and a M.S. in Finance from Babson College graduating with Magna Cum Laude honors.

Matt brings genuine passion to the Health & Wellness space. Today Matt competes at a high level in marathons and triathlons, while recreationally playing beach tennis, padel, and pickle.

Gavin O'Hara is the Associate in Chronic Capital's Health & Wellness Practice. Gavin brings a strong foundation in financial services and accounting.

Prior to Chronic Capital, Gavin's experience includes:

- Associate at PwC where he supported the Goldman Sachs BDC, working on private credit fund of funds

He holds a B.S. in Finance & Accounting from Fairfield University, graduating with Magna Cum Laude honors.

Health is an ongoing commitment for Gavin, who maintains a daily training regimen that combines strength training, running, and Hyrox competition preparation. His love for sport stems from his four years as a member and Treasurer of the Fairfield University Division 1 Rugby Team.

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H1 2026 HealthTech Industry Report

What Is HealthTech?

HealthTech encompasses **technology-enabled** businesses that improve the delivery, efficiency, cost, or outcomes of healthcare - spanning software platforms, wearables, AI-enabled diagnostic and clinical tools, revenue cycle and administrative automation, remote patient monitoring, telehealth infrastructure, and digital therapeutics. Chronic Capital's coverage sits at the convergence of the roughly **$5.9 trillion U.S. healthcare economy**[1] and the enterprise software market, targeting businesses where technology creates **measurable clinical or operational ROI**.

The momentum behind this category is structural. U.S. hospitals lose more than **$160 billion a year** to administrative waste, AI has moved past the pilot stage into real production use across imaging, documentation, and revenue cycle workflows, and national interoperability efforts like TEFCA and FHIR-based APIs are finally making health data portable at scale. Chronic Capital invests against these tailwinds, prioritizing founder-led, growth-stage HealthTech companies that deliver durable, defensible ROI.

HealthTech Coverage Scope

AI-Enabled Clinical Tools

AI-enabled diagnostics and imaging triage; clinical decision support and ambient documentation

Precision AI | Imaging AI | Clinical AI

Revenue Cycle & Admin Automation

Revenue cycle management and claims automation; prior authorization, eligibility, and denial management

Claims Automation | Revenue Cycle | IT

Remote & Virtual Care

Remote patient monitoring (RPM) and connected care; telehealth infrastructure and virtual care delivery

Telehealth | Digital Health | Glucose

Data, Analytics & Digital Therapeutics

Healthcare data, analytics, and interoperability; digital therapeutics and behavioral health platforms

IT | Health Data | Digital Therapeutics

Sources: *Chronic Capital Analysis[1]*

KEY THEMES

HEALTHTECH

Key Themes Defining HealthTech

$4.0B
Q1 2026 U.S. Digital Health Funding: +33% YoY[1]

47%
2026 M&A Activity Jump YoY[2]

59%
Q1 2026 Funding in Mega-Deals[1]

$1.3T
2026 Global PE Dry Powder[2]

$36.5B
2026 YTD Medtech Deal Value[3]

9%
2027E Medical Cost Trend at ~20-Year High[4]

4.0x–8.0x+
LMM HealthTech EV/Revenue[5]

8
New HealthTech Unicorns in Q1 2026[2]

The defining theme of H1 2026 is **platform consolidation** - healthcare incumbents and PE sponsors are deploying capital at scale into AI-enabled, clinically validated, recurring-revenue HealthTech businesses. Point solutions without platform ambition face compression. Enterprise-grade platforms are commanding premium multiples.

Sources: Rock Health, Q1 2026[1]; Bain Global M&A, 2026[2] CB Insights, Q1 2026[3]; PwC Medtech Outlook, 2026[3]; PwC Cost Trend, 2027[4]; Nelson Advisors, 2026[5]. Data as of June 30, 2026.

STATE OF THE MARKET

HEALTHTECH

H1 2026 State of the Market: HealthTech

1) AI as Mission-Critical Infrastructure

- **12 megadeals** captured **59%** of Q1 2026 digital health funding - **$4.0B across 110 deals**, the strongest first quarter since the pandemic peak[1]
- **AI is now table stakes** - Rock Health stopped tracking it as a separate funding category in 2026[1]
- Just **3%** of health systems run agentic AI in live workflows; **43%** are still piloting
- **AI capability is now a core M&A diligence screen** - Q1 2026 logged **43 digital health deals**, up from **30** in Q4 2025[1]

2) Margin Pressure Driving Tech Adoption

- **9%** projected Group medical cost trend for 2026 - PwC restated up from **8.5%**[3]
- Margin pressure in 2026 is the **most intense in over a decade** (Optum Advisory); hospital services inflation hit **7.6% YoY** in Feb 2026, a post-pandemic high[4]
- Health systems and payers are acquiring RCM automation, workforce optimization, and utilization management tools as **survival tools, not growth investments**
- Creates a **durable, non-cyclical demand floor** for operational HealthTech

3) PE Capital Rotation into HealthTech Software & Services

- **$1.3T** in global buyout dry powder[5] sits undeployed across all sectors.
- PE is rotating into **HealthTech SaaS** - digital health logged **56 M&A deals in Q1 2026** alone[6] - while general software platform buyouts hit a **decade-low 41%** share in 2026[6]
- 2026 saw **67% fewer PE deals** than a year ago, but **aggregate value rose ~10%**[2] - M&A led exits in Q1, but Q2 flipped hard toward IPOs, with corporate **deal value down 63%** as IPO share nearly tripled

Sources: *Rock Health Q1 2026[1]; PwC US Deals 2026 Midyear Outlook[2]; PwC Medical Cost Trend 2026[3]; Optum Advisory 2026[4]; Bain Global Healthcare PE Report 2026[5];* CB Insights, *State of Digital Health Q1'26[6]* .

STATE OF THE MARKET

HEALTHTECH

H1 2026 State of the Market: HealthTech

Market Overview

HealthTech companies are technology platforms that apply **AI, data, and automation** to clinical decision-making, care delivery, and administrative workflows across health systems, payers, and patients. These platforms range from ambient clinical documentation and AI-powered medical search to digital musculoskeletal care and revenue-cycle automation. Enterprise contracts with health systems range from **$50K to $10M+** annually depending on health system scale.

$14.2B
2025 Digital Health Venture Funding[1]

55%
AI-Enabled Funding Share [2]

Key Investment Characteristics

Recurring, Enterprise-Scale Revenue

HealthTech platforms selling into health systems achieve **high multi-year contract renewal rates[1]** and expand within accounts as adoption grows, creating durable, compounding revenue unlike one-time software licenses.

AI-Native Margin Expansion

Platforms embedding proprietary clinical AI reach **$500K–$1M+ ARR per employee[3]**, more than triple legacy healthcare SaaS, scaling revenue without proportional headcount growth.

Operator Spotlights

ABRIDGE

Abridge - AI clinical conversation and documentation platform

"We're giving agency back to clinicians, creating clarity for patients, and establishing radical efficiencies to transform healthcare" - Dr. Shiv Rao, Founder & CEO

OpenEvidence

OpenEvidence - AI-powered medical search for physicians

"One million clinical consultations in a single day marks the accelerating integration of medical AI into healthcare" - Dr. Daniel Nadler, Founder & CEO

Hinge Health™

Hinge Health - AI-powered digital musculoskeletal care platform

"Technology alone is not going to transform health care. How people use technology is going to transform health care" - Dr. Daniel Perez, Co-Founder & CEO

Risk to Monitor

- Payer budget pressure and the CMS-0057-F prior-authorization mandate (Jan 2027) can compress reimbursement-dependent HealthTech revenue if platforms can't prove hard ROI.
- Founders differentiating through **proprietary clinical data and deep EHR integration** are best positioned.

Market Leader Insight

- Market leaders are shifting HealthTech from point solutions to full-workflow platforms, embedding AI directly into clinical decision-making rather than bolting it on as a feature.
- The emphasis on enterprise contracts, health-system integration, and provable ROI reflects broader demand for accountable, outcomes-based technology and **creates highly scalable business models.**

Chronic Capital's Perspective

- The HealthTech market is bifurcating rapidly. Operators with proprietary clinical data and deep EHR integration are **commanding institutional attention.**
- Point solutions without a data moat or workflow lock-in are increasingly priced out of the premium multiple range.

Sources: *Rock Health 2025/2026[1]; CB Insights State of Digital Health Q1'26[2]; Bessemer State of Health AI 2026[3];*

ACTIVE INVESTORS

HEALTHTECH

Active Investors in HealthTech: H1 2026

Company	Date	Fund Size	Company Overview	Representative Investments
Frist Cressey Ventures HQ: Nashville, TN	Feb 2026	$425M	▪ Healthcare-focused venture firm backed by strategic LPs (Cigna, MedStar Health) reaching 50%+ of the U.S. ▪ Closed an oversubscribed $425M Fund IV in February 2026, pushing AUM to nearly $1B	Thyme Care; Qualified Health
A16Z HQ: Menlo Park, CA	Jan 2026	$700M	▪ Multi-stage venture firm; Bio + Health is one of six dedicated fund strategies ▪ Earmarked $700M for Bio + Health in its 2026 raise	komodo; DevotedHealth
Bessemer Venture Partners HQ: San Francisco, CA	Jan 2026	$1,000M	▪ Oldest venture capital firm in the U.S., founded 1911 (115 years), with a dedicated healthcare practice ▪ Authored the widely-cited State of Health AI 2026 report tracking $14B in annual health tech VC	SmarterDx
General Atlantic HQ: New York, NY	Sep 2025	$8,000M	▪ Global growth equity firm since 1980, with healthcare as one of five core sectors ▪ Manages $118B+ in firm-wide AUM, enabling $100M+ growth checks	Oak St. Health; Alignment Healthcare
orbimed HQ: New York, NY	Aug 2025	$1,860M	▪ One of the world's largest healthcare investors; $20B AUM across public and private strategies ▪ Raised $1.86B for Royalty & Credit Fund V in August 2025 for growth-stage healthcare financing	UpstreamBio; ADARx Pharmaceuticals
DEERFIELD HQ: New York, NY	May 2025	$600M	▪ Healthcare-focused investment firm since 1994 with $15B+ AUM and deep academic-network ties ▪ Closed $600M+ for its third healthcare venture fund in May 2025, backing early-stage biotech and medtech	Nuvalent; ARVINAS

Across these six funds, over **$12.6B** in **new funds** have been raised since May 2025. All six share a similar **mandate**: investing into **deep tech**, **AI-enabled**, **technology-enabled healthcare platforms**. With that much capital chasing the same thesis, the deals that win won't be decided by **capital** — they'll be decided by **clinical proof and real revenue traction**.

Sources: *Company press releases and SEC filings; PitchBook; fund sizes and AUM as of mid-2026. Chronic Capital analysis.*

TRANSACTION ACTIVITY

HEALTHTECH

H1 2026 HealthTech M&A Activity

Select strategic acquisitions across HealthTech from H1 2026.

Date	Acquirer	Target	Target Description	EV	Strategic Rationale
Aug 2026*	GSK	Nuvalent	▪ Lung cancer drug developer ▪ 2 drugs pending FDA nod	$10,600M	Adds two late-stage ROS1/ALK inhibitors with FDA decisions due Q3–Q4 2026
Jun 2026	danaher	Masimo	▪ Oximetry & monitoring ▪ AI sensors for acute care	$9,900M	Adds AI-enabled patient monitoring and sensor tech to diagnostics platform
Jun 2026	Chiesi	KalVista Pharmaceuticals	▪ Oral on-demand HAE drug ▪ Approved in US, EU, Japan	$1,900M	Adds EKTERLY, the first oral HAE therapy, expanding rare immunology portfolio
Jun 2026	hims & hers	eucalyptus	▪ Australian health platform ▪ 775K+ customers	$240M	Expands into Australia, Japan & Europe as leading global consumer health platform
Apr 2026	General Atlantic	TEAM Services Group	▪ Home care provider, 50 states ▪ Payroll & finance services	$3,000M	Scaled home-care + financial-infrastructure platform; 10.0x EBITDA
Apr 2026*	Roche	SAGA Diagnostics	▪ Tumor-informed MRD's ▪ Detects cancer via ctDNA	$595M	Adds SAGA's Pathlight MRD platform to cancer-monitoring portfolio
Jan 2026	sword	kaia health	▪ Digital therapy for joint pain ▪ Reimbursed in Germany	$285M	AI MSK care + geographic expansion into Germany

*GSK/Nuvalent – Announced June 2026, expected close September 2026 | Roche/SAGA – Announced April 2026, expected close June 2026

Sources: *Strategic deals per company press releases & SEC filings; Fierce Healthcare, BioPharma Dive, MedTech Dive. Values as announced. Chronic Capital analysis.*

TRANSACTION ACTIVITY

HEALTHTECH

H1 2026 HealthTech Fundraising Activity

Select fundraising activity across HealthTech from H1 2026.

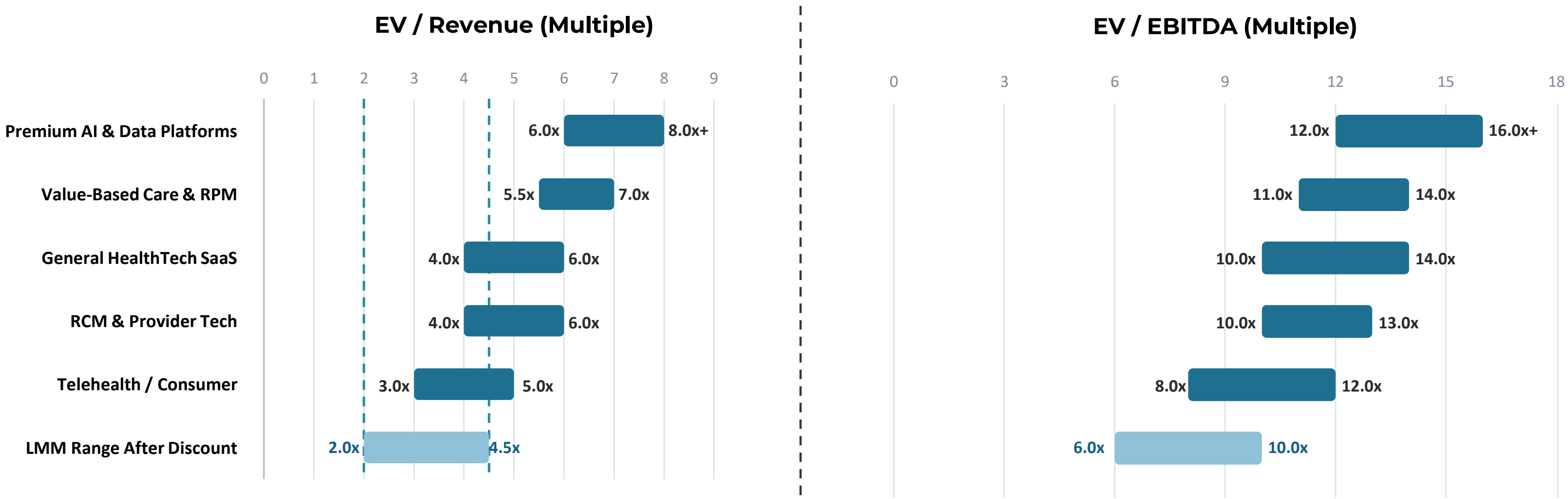
Date	Company	Round	Segment	Raised	Deal Highlights
May 2026	Knit Health	Seed	Clinical AI / Ops	$12M	LCBM trained on 130M-patient EMR data across 30 systems
May 2026	Clair	Seed	Women's Health Wearable	$12M	Hormone-aware wearable; closes women's health data gap
Apr 2026	ABRIDGE	Series E ext.	Ambient AI Scribe	$316M	Epic-integrated; used by Kaiser, Mayo & Johns Hopkins
Mar 2026	WHOOP	Late-stage	Wearables / Consumer Health	$575M	Decacorn valuation for wearable fitness, recovery, and health-tracking platform
Feb 2026	verily	Late-stage	Precision Health AI	$300M	Transitioning out from under Alphabet
Feb 2026	OpenEvidence	Series D	Clinical AI Search	$250M	$100M+ revenue; used daily by 40%+ of U.S. physicians
Feb 2026	MidiHealth	Series D	Women's Health / Midlife Care	$100M	Expands virtual-first hormone therapy and cardiometabolic risk platform for midlife women

Sources: *Chronic Capital Analysis; Pitchbook; FactSet*

VALUATION FRAMEWORK

HEALTHTECH

Current HealthTech Trading Multiples



AI and data platforms earning the highest multiples (**6.0–8.0x revenue / 12.0–16.0x EBITDA**) and telehealth and consumer models trading lower (**3.0–5.0x revenue / 8.0–12.0x EBITDA**). After the typical lower-middle-market discount, deals generally fall around **2.0–4.5x revenue (6.0–10.0x EBITDA)**.

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Source: Bessemer Venture Partners' BVP Health Tech Index (public company EV/Revenue comparables); PitchBook precedent transaction data (H1 2026, EV/EBITDA). LMM range reflects a 35–60% structural discount to observed medians.

COMPARABLE COMPANIES

HEALTHTECH

H1 2026 Valuation Ranges: HealthTech

(All $ in millions)

Firm	Vertical	EV ($M)	Revenue Growth	EV / Revenue	EV / Revenue NTM	EBITDA Margin
Veeva	Life Sciences Saas	$21,416	16%	6.5x	5.9x	39%
doximity	Healthcare Services	$3,027	13%	5.0x	4.1x	38%
WAYSTAR	RCM Saas	$5,160	19%	4.5x	4.0x	36%
HealthEquity	Benefits Admin. SaaS	$7,939	9%	6.0x	5.6x	36%
hims & hers	Consumer Digital Health	$7,793	33%	2.6x	2.7x	11%
		Group Metrics				
Median		$6,214	16%	5.5x	4.4x	35%
Average		$8,298	18%	5.5x	4.3x	28%
Upper Quartile		$7,939	19%	6.6x	5.3x	36%
Lower Quartile		$4,983	13%	5.1x	3.9x	30%

Data as of June 27th, 2026

Public multiples serve as a ceiling - LMM HealthTech businesses apply a **35–60% discount** for illiquidity, scale, and management depth. Veeva and Doximity represent the upper bound for what enterprise SaaS platforms with dominant network effects can achieve; LMM operators should benchmark against **2.0x–4.5x EV/Revenue** as a realistic starting point.

Sources: Chronic Capital analysis; GF Data 2025; Capstone Partners LMM Report 2026; company filings/guidance. EV/Rev NTM = EV ÷ NTM consensus revenue — Veeva $3.64B, Doximity $730M, Waystar $1.28B, Evolent $2.5B, Hims $2.9B.

Capital Markets Overview

Capital availability is no longer the primary challenge – capital alignment is. Private capital appetite for HealthTech remains strong despite a broader pullback in generalist PE buyouts, but sentiment is sharply differentiated by quality: platforms with **durable net retention, demonstrated ROI, and defensible AI and data assets** are clearing at the high end, while reimbursement-exposed or single-payer-concentrated businesses see real valuation gaps. Businesses that match their **regulatory stage, reimbursement model, and growth trajectory** to the appropriate financing partner consistently achieve **faster time-to-scale and superior long-term outcomes.**

$23B
Largest Acquisition[1]

+47%
Digital health M&A deal growth[2]

Senior Secured & Unitranche

Scaled HealthTech SaaS/HCIT platforms with 70%+ margins and durable retention access **4.0–6.0x EBITDA[2]** - versus **6.0x+[2]** for scaled, upper-mid-market borrowers.

Independent Sponsor & Growth Equity

Independent sponsors and growth-equity funds stay active in **sub-$100M EV[2] digital health**, backing founder-led platforms via minority capital amid a narrow IPO window.

Venture Debt & Non-Bank Lenders

For earlier-stage, pre-profit HealthTech companies, (**$5–25M ARR**)[3], venture debt fills the gap as VC concentrates in megadeals, leaving smaller players reliant on non-dilutive capital.

Select Active Capital Providers

Financial Investors

Venture Capital	General Catalyst	A16Z	Oak HC/FT	G/	Foresite Capital
Growth Equity	Insight Partners	TCV	Warburg Pincus	General Atlantic	Bessemer Venture Partners
PE Buyout	KKR	BainCapital	WCAS	ThomaBravo	Vista Equity Partners
Family Offices	Duquesne Family Office LLC	Emerson Collective		Schooner Capital	Willett Advisors

Lenders

Senior Secured	J.P.Morgan	Bank of America	Wells Fargo	KeyBank	Citizens Bank
Asset-Based	White Oak	Encina Private Credit	SLR Credit Solutions	Prestige Capital	Breakout Capital Group
Alternative	Antares Capital	Benefit Street Partners	Monroe Capital	Callodine Commercial Finance	Churchill
SBA-7	LiveOak Bank	Huntington Bank	Byline Bank	Ready Capital	Glacier Bancorp

Sources: CB Insights State of Digital Health Q1 2026[1] (Abbott/Exact Sciences' $23B deal remains H1 2026's largest healthtech transaction); Bain Global Healthcare PE Report 2026[2]; Rock Health Q1 2026 Funding Report[3];

KEY TAKEAWAYS

HEALTHTECH

HealthTech Key Takeaways

Growth Is Outpacing Legacy Software

- AI-native platforms reach **$100M+ ARR in under five years** vs. 10+ for legacy software.[3]
- **67% of clinicians** now use AI tools daily in treatment and diagnosis.[3]

The Land Grab Is Underway

- Digital health M&A jumped **47% QoQ to 56 deals in Q1 2026**.[2]
- **Sword Health**, **Spring Health**, and **NOCD** all **announced acquisitions** within a **single month**.[5]

Not All HealthTech Trades Alike

- Buyers pay up for **clinically validated AI** and evidence **that lowers adoption risk.**
- Profitable operators trade at **10.0–14.0x EV/EBITDA** vs**. 4.0–6.0x revenue** for HealthTech.[4]

AI Is Fueling Premiums, Not Risk

- Clinically validated AI commands **20–30% higher EV/Revenue** than unproven alternatives.[4]
- AI-native platforms reach **25.0–30.0x EV/Revenue** - multiples once reserved for top-tier SaaS.[4]

Running a Process Pays for Itself

- A founder sale closes **15–30% below** a competitive, multi-bidder process.
- That's a **$3–6M swing** on a **$20M platform** — real value left on the table without a formal process.

Capital Is Concentrating Fast

- **Money** is flowing into AI-enabled clinical infrastructure and **automation-driven RCM**.
- Mega-rounds ($100M+) captured **60% of Q1 2026 funding** across just 19 deals.[1]

Compliance and Rate Pressure Collide

- **CMS-0057-F** requires electronic prior authorization by January 2027.
- **Flat 2027** Medicare Advantage rates **squeeze** the payer budgets that fund digital health.

B2B Demand Is Pulling Ahead

- **Enterprise B2B/B2B2C** deals are pulling **ahead** while **pure-DTC plays lose ground**.
- Physicians spend **up to 70% of their time** on non-patient-facing work, driving automation adoption.[3]

Public Markets Are Buying In

- Six HealthTech IPOs since 2024 added **$36.6B in market cap**.[5]
- Public investors are now **pricing HealthTech** as **durable infrastructure, not** a **hype cycle.**

Premium valuations aren't aspirational anymore: clinically validated platforms with reimbursement-backed revenue already **trade** at **10.0–14.0x EV/EBITDA** — more than **double the multiple** for the broader HealthTech category.

Sources: Rock Health Q1 2026 Digital Health Funding Report[1]; CB Insights State of Digital Health Q1'26[2]; Bessemer Venture Partners State of Health AI 2026[3]; Nelson Advisors HealthTech M&A Multiples, 2026[4]; MedCity News, 2026[5].

CHRONIC
CAPITAL

H1 2026 Mid-Year Longevity Industry Report

What Is Longevity?

The Longevity Industry represent the **convergence of preventive medicine**, **advanced diagnostics**, and **personalized optimization**, positioning themselves at the frontier of the wellness economy. They differentiate from traditional medicine by targeting **healthspan extension** rather than disease treatment, combining comprehensive diagnostics with interventions spanning hormone optimization, metabolic and **GLP-1 programs**, and **regenerative therapies**. Where conventional care waits for pathology to present, these clinics act on **subclinical signals**, building longitudinal baselines for each patient and adjusting protocols over time. At the same time, longevity has begun to **bleed into boutique fitness** as establishments seek to **consolidate to full service**.

The model reframes the patient relationship around **continuous measurement and management.** The economics are shifting alongside the clinical model. Longevity care is transitioning from exclusive, high-net-worth-only offerings toward broader accessibility through **tiered service structures** that separate entry-level diagnostics and membership from premium, high-touch clinical programs. Partnerships with traditional healthcare systems and, increasingly, **insurance providers** are extending reach beyond the **cash-pay ceiling** that has historically capped the category, converting a boutique service into a scalable one. **Recurring membership revenue** underpins this transition, giving operators the predictable base needed to invest in staff, equipment, and **multi-site expansion**.

Longevity Coverage Scope

Preventive & Membership-Model

Comprehensive cash-pay clinics combining diagnostics, physician oversight, biomarker testing, and personalized health optimization through recurring memberships

FOUNTAIN LIFE — Diagnostics
NEXT|HEALTH — Clinics
HUMAN LONGEVITY — Gene

Medical Spas & Aesthetics

Physician-led practices offering injectables, skin rejuvenation, body contouring, regenerative aesthetics, and wellness treatments

restore — Recovery
SKINSPIRIT — Aesthetics
Med Spa

Diagnostics & Precision Medicine

Focused on advanced biomarker testing and early disease detection to personalize preventative care

ALTOS — Cell Rejuvenation
prenuvo — MRI
Freenome — Liquid Biopsy

Metabolic Health & Performance

Clinics centered on hormone optimization, GLP-1 therapy, nutrition, IV therapy, recovery, and human performance

agelessRx — Telehealth
ways2well — Hormone
novo nordisk — GLP-1 Therapy

KEY THEMES

LONGEVITY CLINICS

Key Themes Defining Longevity

74%
Higher Net Revenue on Cash-Pay[1]

$7.3T
Global Wellness Investment in 2026[2]

$147B
Longevity Market Size[2]

9.3%
2026 CAGR in Longevity Market[2]

85-95%
Attractive Gross Margin Profile[3]

70%
Recurring Membership Revenue[3]

80M+
Americans 65+ by 2040 Create Structural Demand[4]

>$1,500
Annual Spend per Member[5]

The defining theme of 2026 is the **institutionalization of longevity**. Investors are backing membership-based clinics with recurring revenue, premium cash-pay economics, and preventative care models that align with **long-term demographic trends**. The market remains **highly fragmented**, leaving significant runway for **consolidation.**

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Sources: *Chronic Capital Advisors 2026[1]; Global Wellness Institute, 2025[2]; Future Market Insights, 2026[3]; U.S. Census Bureau, 2024[4]; Altos Consulting Group, 2026[5]*

STATE OF THE MARKET

LONGEVITY CLINICS

H1 2026 State of the Market: Longevity

1) GLP-1 Going Mainstream

- GLP-1 prescriptions grew **588%** among adults 18-39 from 2019-2024, and the global market is projected to reach **$190B by 2035**[1]
- Boutique fitness operators are actively building **GLP-1 programming** into their membership offerings[2]
- Telehealth-first GLP-1 have scaled to **millions of subscribers** by removing the friction of in-person care, compressing the traditional obesity treatment pathway from **months to days**[3]

2) Longevity as Consumer Identity

- Longevity diagnostics are moving from executive biohacking to mass market with **$499/year platforms** offering **160 biomarkers**[4]
- The "healthspan over lifespan" narrative is driving consumer spend toward **boutique fitness membership**[5]
- Longevity clinics are scaling fast, with more than **700 dedicated clinics** operating globally as of **April 2026**, a figure estimated to **triple** as franchise models, telehealth integrations, and tiered pricing democratize access beyond the ultra-wealthy

3) Employer Capital Entering

- **77% of large employers** now rank GLP-1 cost management as extremely important for 2026[5], and self-insured plans are actively procuring managed protocol programs — turning what was a consumer trend into a **B2B procurement category**
- Operators are increasingly signing corporate wellness contracts, putting studio access inside employee benefit packages and creating a **recurring B2B revenue stream**

Sources: *FAIR Health, 2025[1]; Morgan Stanley, 2026[2]; Function Health, 2026[3]; Market Intelo, 2026[4]; Mercer, 2025[5]*

H1 2026 State of the Market: Longevity

Market Overview

Longevity Clinics are cash-pay medical and wellness facilities built around proactive, preventive health optimization rather than reactive treatment. These centers combine advanced diagnostics — MRI, DEXA scans, genetic sequencing — with interventional remedies including peptide treatments, hormone optimization, and cryotherapy. Membership subscriptions range from **$500 to $20,000+** annually.[1]

$2.4B
Longevity Clinic Infrastructure Market Value[2]

44%
Service Model Revenue Share[3]

Key Investment Characteristics

Cash-Pay Margin Advantage

Cash-pay longevity clinics achieve **~74% higher net revenue per visit** vs. insurance-based models[4] by **eliminating** claim denials, coding downgrades, and **administrative costs that can reduce net revenue by up to 40%.[5]**

Pricing Freedom

Under cash-pay, the practice sets the price of service — creating **margin expansion potential unconstrained** by payer reimbursement schedules.

Operator Spotlights

Fountain Life - Preventive healthcare and longevity platform

"Today's wellness economy reflects a profound shift in how Americans think about health" — Dr. William Kapp, Co-Founder & CEO

Next Health - Membership-based longevity and wellness clinic

"There's exponential growth opportunity beyond that as we continue to unlock new markets and get data" — Dr. Darshan Shah, Founder & CEO

Human Longevity - Precision health and genomics company

"It's about integrating accurate clinical insights across genomics and biomarker analysis to prevent disease before it becomes life-threatening" — Dr. Wei-Wu He, Chairman

Risk to Monitor

- **Market oversaturation** in dense metro areas can create **competition** for the same patient pool, ultimately capping the margin advantages of the cash-pay model.
- Founders differentiating through **diagnostic depth and proprietary biomarker tracking** are best positioned.

Market Leader Insight

- Longevity leaders are shifting healthcare from reactive treatment to **proactive prevention** through continuous **biomarker monitoring**, diagnostics, and personalized care.
- The emphasis on memberships, recurring testing, and data-driven care reflects broader consumer demand for preventative health and **creates highly scalable business models.**

Chronic Capital's Perspective

- The longevity clinic market is **bifurcating rapidly**. Operators with **proprietary diagnostic data** and **multi-site membership** infrastructure are **commanding institutional attention.**
- Single-location operators without a membership anchor are increasingly priced out of the **premium multiple range**.

Sources: *World Longevity Clinics, 2026[1]; Future Market Insights, 2026[2]; Future Market Insights, 2026[3]; Residency Advisor, 2026[4]; Residency Advisor, 2026[5]*

Active Investors in Longevity: H1 2026

Firm	Date	Fund Size	Company Overview	Representative Investments
Seven Hills Capital HQ: Nashville, TN	Feb 2026	$235M	▪ Operator-centric PE firm investing exclusively in healthcare services, run by former operators who build companies hands-on. ▪ Its operating team and deep Nashville healthcare roots give founder-led clinics the operational muscle to scale into multi-site platforms.	CPS
A16Z HQ: Menlo Park, CA	Jan 2026	$700M	▪ Have a dedicated Bio + Health practice betting that AI and data are collapsing the cost of diagnostics and preventive care. ▪ Its brand, capital, and network give portfolio companies unmatched recruiting and funding advantages.	fn.
SHORE Capital Partners HQ: Chicago, IL	Oct 2025	$625M	▪ A microcap healthcare specialist that has scaled to over $14B AUM and ranks among the most active U.S. PE firms by deal volume. ▪ It pairs capital with operating resources to consolidate fragmented provider and med-spa businesses into scaled platforms.	Empower Aesthetics; Reliant Specialty Infusion; Care Fusion Rx
EAGLE Merchant Partners HQ: Atlanta, GA	May 2025	$415M	▪ Specializes in franchise and multi-unit consumer businesses, with over $1B of equity deployed by its leadership team. ▪ Its franchise expertise makes it a fit for turning single-location wellness concepts into replicable, franchise-ready platforms.	AYA medical spa; Tribeca Medspa Rediscover Yourself
FOUNDERS FUND HQ: San Francisco, CA	Apr 2025	$4,600M	▪ A contrarian, thesis-driven VC known for large, high-conviction bets on hard tech and "future of the human body" companies. ▪ Its appetite for ambitious, science-heavy ideas positions it to shape longevity and genomics markets before they become consensus.	Eight Sleep

Longevity is transitioning from a niche wellness category into an **institutional healthcare vertical**. As consumers spend more on preventative care, diagnostics, and performance medicine, investors are deploying capital behind **scalable platforms with recurring revenue**, leaving substantial white space for **future consolidation**.

Sources: *Company Press Releases; PitchBook; Chronic Capital Proprietary Research, 2025– 2026*

TRANSACTION ACTIVITY

LONGEVITY CLINICS

H1 2026 Longevity M&A Activity

Strategic acquisitions across from H1 2026, spanning diagnostics, precision medicine, and spa consolidation.

Date	Acquirer	Target	Target Description	EV	Strategic Rationale
May 2026	DAEWOONG	turn.bio	▪ mRNA partial-reprogramming	ND	Established pharma into cellular age-reversal through a selective asset purchase
April 2026	turn.bio	tally HEALTH	▪ A consumer epigenetic biological-age testing	ND	Creates an expanded epigenetic diagnostics and longevity platform
April 2026	Function	Getlabs	▪ Getlabs is a leading at-home diagnostics platform	ND	Expands Function's longevity offerings by adding in-home specimen collection
March 2026	ŌURA	Doublepoint	▪ AI gesture-recognition technology company	ND	Adds interaction tech to Oura's wearable stack
March 2026	PULMATRiX	EOS SENOLYTIX	▪ Pipeline targeting mitochondrial dysfunction	ND	Takes an anti-aging biotech public via reverse merger
Feb 2026	Agentis Longevity	BIODESIGN	▪ Multi-site longevity and hormone optimization clinic	ND	Expanded Agentis' physician-led clinic footprint and precision medicine capabilities
Jan 2026	Agentis Longevity	Arete	▪ Precision medicine clinic specializing in hormone	ND	The acquisition expands Agentis' national network of performance and longevity clinics

Sources: *Strategic deals per company press releases & SEC filings; Values as announced. Chronic Capital analysis.*

TRANSACTION ACTIVITY

LONGEVITY CLINICS

H1 2026 Longevity Fundraising Activity

Fundraising Activity across the Longevity Industry from H1 2026.

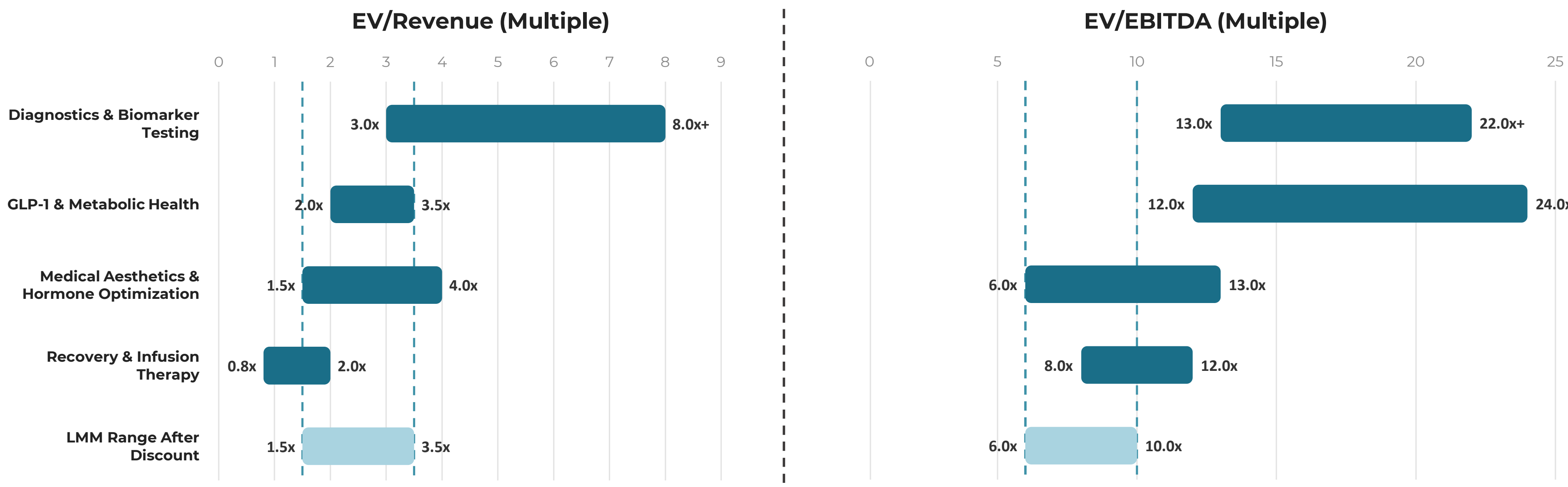
Date	Company	Round	Segment	Raised	Deal Highlights
June 2026	everlab	Series A	Longevity Clinics / Preventive Health	$46M	Scaling AI-enabled longevity clinics and expanding into the UK
June 2026	NewLimit	Series C	Longevity Therapeutics	$435M	Funding epigenetic reprogramming therapies to reverse aging biology
March 2026	L-Nutra	Series D	Longevity Nutrition	$36M	Expanding commercialization of fasting-mimicking therapies for healthy aging
March 2026	verily	Growth Equity	Longevity Technology	$300M	Funds Verily's independence from Alphabet and biomarker/precision-health AI push
March 2026	Cognito Therapeutics	Series C	Longevity Therapeutics	$110M	Funds late-stage development of a device targeting age-related neurodegeneration
Feb 2026	loyal	Series C	Longevity Therapeutics	$100M	Advancing FDA-approved longevity medicines targeting age-related decline
Feb 2026	MidiHealth	Series D	Women's Midlife Clinic	$100M	Scales a national, insurance-covered women's longevity platform

Sources: *PitchBook*

VALUATION FRAMEWORK

LONGEVITY CLINICS

Current Longevity Trading Multiples



The longevity clinic sector is bifurcating fast — **capital and premium valuations are concentrating** around compliance-ready, membership-model platforms with real clinical infrastructure, while a fast-moving state-by-state regulatory wave is about to devalue those **with loose MSO structures.**

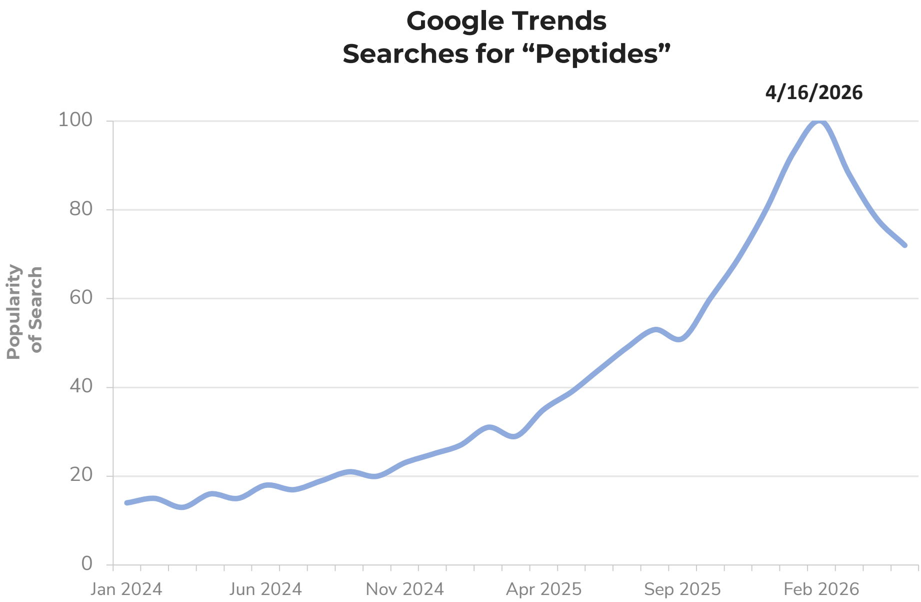
CHRONIC CAPITAL

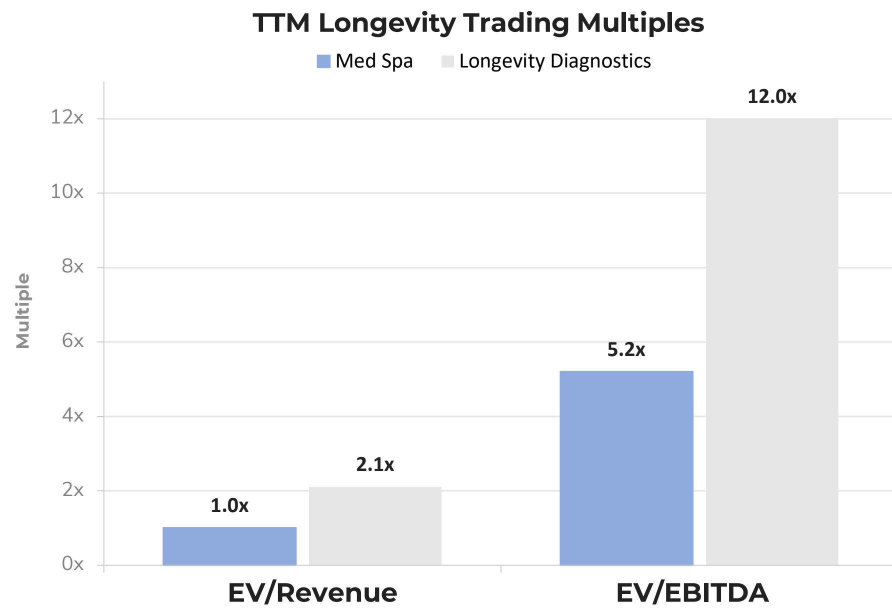
Source: *Chronic Capital proprietary analysis; public company comparables & precedent transactions (H1 2026). LMM range reflects a 35–60% structural discount to observed medians.*

VALUATION FRAMEWORK

LONGEVITY CLINICS

Current Longevity Trading Multiples





The longevity market is transitioning from **independent wellness** practices to **institutionally backed healthcare platforms**. Buyers are prioritizing recurring membership models and **scalable clinical infrastructure**, while the fragmented provider landscape continues to **create** a **compelling consolidation opportunity**.

Source: *Chronic Capital analysis*

H1 2026 Valuation Ranges: Longevity

(All $ in millions)

Firm	Vertical	EV ($M)	Revenue Growth (YoY)	EV/REV	Consensus Rev Growth	EV/REV NTM
hims & hers	GLP-1 Telehealth	$6,214	33%	2.6x	24%	2.7x
Hinge Health	Digital MSK	$4,037	50%	6.2x	NM	8.3x
omada	Disease Prevention	$767	49%	2.7x	15%	3.2x
LifeMD	DTC Telehealth	$193	12%	1.1x	24%	0.8x
Group Metrics						
Median		$2,402	41%	2.7x	23%	3.0x
Average		$2,803	36%	3.2x	21%	3.8x
Upper Quartile		$4,581	49%	3.6x	24%	4.5x
Lower Quartile		$623	27%	2.2x	19%	2.2x

Data as of June 27th, 2026

Longevity is **growing faster** than almost any category in consumer health, and the valuation table reflects that. Comps growing at **49–50% command 6.0–8.0x revenue** multiples; a slower DTC telehealth player at **12% growth barely clears 1.0x**. The employer channel is the quiet signal: Hinge Health's 6.2x multiple is built almost entirely on enterprise contracts. Operators owning the clinical relationship, data layer, and employer contract simultaneously are building infrastructure, not a clinic.

Sources: *Chronic Capital Proprietary Analysis; GF Data 2025; Capstone Partners LMM Report, 2026*

Capital Markets Overview

As **private equity–backed consolidation accelerates** and **buyers grow more selective**, capital is flowing toward operators with **recurring membership revenue**, **physician-led care**, **diversified services**, and **disciplined compliance**—not just those posting rapid growth. **Growth alone is now table stakes**, and it is discounted when it rests on transactional, single-site revenue. The result is a **widening valuation gap**: true platforms **command premiums** and **set their own sale terms**, while undifferentiated, founder-dependent operators compress toward the discounted lower-middle-market band as add-on inventory. **The window to land on the right side of that line is closing fast.**

$610B+
Global Preventative Healthcare Market[1]

80M+
Americans 65+ by 2040[5]

Longevity Clinic Infrastructure Market

The global longevity **clinic chain infrastructure market** reached approximately **$2.4 billion in 2025,** with continued investment supporting multi-site clinic platforms.[2]

Consumer Interest Growth

Public interest in longevity clinics increased from roughly **40% in 2021 to nearly 58% in 2025**, reflecting accelerating consumer adoption of preventative and personalized healthcare.[3]

Market Led by Membership Clinics

Membership-based longevity clinics account for **approximately 42% of global longevity clinic revenue**, reflecting investor preference for recurring revenue models over transactional care.[4]

Select Active Capital Providers

Financial Investors

Venture Capital	Forerunner Ventures, A16Z, SUSA Ventures, Redpoint Ventures, D
Growth Equity	General Atlantic, L5 Capital, Norwest Equity Partners, bond Capital, FS Freeman Spogli & Co.
PE Buyout	Leon Capital Group, TG Thurston Group, Shore Capital Partners, Princeton Equity Group, PCP
Family Offices	maximon, Winklevoss Capital, FINAD Financial Advisors, The Family Fund, H

Lenders

Senior Secured	J.P.Morgan, Bank of America, Wells Fargo, KeyBank, Citizens Bank
Asset-Based	White Oak, Encina Private Credit, SLR Credit Solutions, Prestige Capital, Breakout Capital Group
Alternative	Antares Capital, Benefit Street Partners, Monroe Capital, Golub Capital, Churchill
SBA-7	Live Oak Bank, Huntington Bank, Byline Bank, Ready Capital, First Bank of the Lake

Sources: *Grand View Research, 2025[1]; Future Market Insights, 2025[2]; Edelman Trust Barometer Health, 2025[3]; Future Market Insights, 2025[4]; U.S. Census Bureau, 2023 Population Projections[5]*

Longevity Key Takeaways

Aging Demographics

- The **growing population over** age **50** is driving increased demand for **preventative healthcare**[1]
- Creating **long-term secular growth** for the category, driven by structural demand

Data-Driven Personalization

- **Biomarker testing** and AI-enabled **health analytics** allow clinics to **tailor treatment** plans[2]
- Increasing **patient engagement** and **retention**, leading to **premium valuation**

Longevity Clinics Trade at a Premium

- Platform-scale, **physician-led clinics trade at 7.0–12.0x** EBITDA versus **3.0–6.0x for single-site**[3]
- Medspa hybrids with **recurring membership** revenue push into the **12.0–15.0x range**[4]

GLP-1 As a Tailwind

- Over **90% of fitness industry executives** believe **GLP-1** adoption is a **net positive** for the sector[5]
- Longevity clinics **offering metabolic health** and **peptide therapy** have valuation **premiums**

Running a Process Pays for Itself

- **A bilateral founder sale** closes **15–30% below** an **intermediary-run competitive process**[6]
- Real process preparation captures **structurally higher exit multiples**

Cash is King

- Cash-pay longevity clinics generate **~74% higher net revenue** per visit than insurance-based peers[7]
- Boutique studios achieve **90%+ gross margins** with retention averaging 14 months[8]

Compliance Creates Exit Roadblocks

- California's **SB 351** now **restricts PE/MSO control** over clinical decisions[9]
- NYC's enforcement sweep found **violations** at **100% of medspas inspected**[10]

GLP-1 Conversion

- **GLP-1 patients** are **converting** from weight-loss clients into **aesthetics clients** for longevity clinics
- GLP-1-to-longevity pipeline will **facilitate recurring revenue and returning patients**[11]

Capital Deployment Unrealized

- Only **3–4% of medspas** are currently **PE-consolidated**[12]
- Function Health's **$298M Series B** alone represented **~42% of pureplay** raises[13]

The longevity clinics **winning in 2026** have built **recurring revenue, community retention,** and **premium pricing.** The founders who exit at **top-of-market multiples** will be the ones who ran a process.

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Sources: U.S. Census Bureau, 2023 Population Projections[1]; McKinsey & Company, 2025[2]; Scope Research, 2025[3]; Breakwater M&A, 2026[4]; Les Mills, 2025[5]; Breakwater M&A, 2026[6]; Residency Advisor, 2026[7]; American Med Spa Association, 2025[8]; California Legislature, 2025[9]; New York City Department of Consumer and Worker Protection, 2025[10]; McKinsey & Company, 2025[11]; American Med Spa Association, 2025[12]; Function Health, 2025[13]

CHRONIC CAPITAL

H1 2026 Mid-Year Boutique Fitness Industry Report

What Is Health & Wellness Boutique Fitness?

Boutique fitness studios are the gyms and clinics operated independently—not the traditional large-format facilities where you scan a badge and go, but the ones built on friendly conversations at the front desk. They are **local and community-driven**, and over the past decade they have evolved **from niche luxury** into a **core wellness category**, defined by specialized, community-oriented experiences that prioritize personalization and emotional connection. Rather than competing on **square footage or equipment** breadth, these studios **compete on** the **quality** of a single, **focused experience** delivered in an environment where **instructors know members by name**.

The result is a fundamentally different value proposition: **not access to a facility**, but **membership in a community**. These studios command premium pricing while maintaining strong retention through curated programming, expert instruction, and a sense of member belonging that spans diverse modalities. Because **loyalty** is built on **relationships** and **results rather** than convenience or price, well-run boutiques enjoy lower churn and **higher lifetime value** than value-oriented gyms, and their **recurring membership revenue** gives operators a predictable base to reinvest in talent and expansion. The tradeoff is that the model is inherently **people-intensive** and **harder to scale**, which places a premium on operators who can systematize culture without commoditizing it.

Boutique Fitness Coverage Scope

Strength & Functional Training

High-intensity strength, resistance, bootcamp, and functional fitness classes focused on muscle building and conditioning

Hybrid — Hit — Cardio

Mind-Body

Low-impact, instructor-led formats emphasizing flexibility, core strength, balance, and mobility through pilates, barre, and yoga

Pilates — Ballet — Hybrid

Cardio & Performance

Endurance and cardiovascular-focused studios centered on cycling, rowing, boxing, dance, or interval training

Cycling — Boxing — Rowing

Recovery & Wellness

Businesses focused on recovery, mobility, stretching, and wellness therapies that complement training

Stretch — Massage — Sauna Studio

KEY THEMES

BOUTIQUE FITNESS

Key Themes Defining Boutique Fitness

$86B
Boutique Fitness Market[1]

$7.3T
Global Wellness Investment in 2026[2]

56%
Higher Retention Rate in Group Fitness[3]

74%
Higher Net Revenue[4]

$3.5B
H1 2026 Strategic M&A Activity[5]

9.3x
EV/EBITDA Multiple for Boutique Fitness[6]

90%+
Boutique Fitness Margin Profile[7]

50-70%
Four-Wall EBITDA Margins[8]

Boutique fitness has evolved into a **proven institutional investment category** driven by recurring memberships, premium consumer demand, and scalable franchise economics. Despite significant sponsor activity, the market remains **highly fragmented**, leaving **substantial runway for continued consolidation.**

Sources: *Research and Markets, 2026[1]; Chronic Capital Advisors, 2026[2]; The Retention People / Les Mills[3]; Residency Advisor, 2026[4]; PitchBook, 2026[5]; Capital IQ, 2026[6]; Xponential Fitness, 2026[7]; Xponential Fitness, 2026[8]*

STATE OF THE MARKET

BOUTIQUE FITNESS

H1 2026 State of the Market: Boutique Fitness

1) Premiumization & Pricing Power

- Boutique fitness memberships now average **$180–$260/month**, compared **to $50–$80** for big-box gyms, consumers are demonstrably **willing to pay a 3–5x premium** for community and programming[1]
- The global boutique fitness market is projected to reach **$80B by 2030**, driven by millennials and Gen Z prioritizing **experience over equipment**[2]
- Studios with **proprietary equipment and software** command **15–25% higher LTV** and **lower monthly churn** than analog competitors[3]

2) Community as the Moat

- Boutique fitness **retention** is increasingly tied to social identity: formats like F45, Orangetheory, and SoulCycle are positioned as **tribes**, **not gyms**, with instructor-member relationships driving 70%+ of referrals[4]
- **Live leaderboards, performance tracking**, and **peer accountability loops** are moving from differentiator to table stakes[5]
- The "**healthspan**" narrative, training for **longevity**, **mobility**, and **metabolic health** rather than aesthetics, is reshaping programming[6]

3) Capital & Consolidation Rises

- PE-backed rollups (L Catterton, TSG Consumer, Roark Capital) have **deployed $4B+ into boutique fitness** since 2021, consolidating regional studio brands into **scalable franchise platforms**[6]
- **Employer wellness budgets** are becoming a new B2B revenue channel
- Corporate stipend programs now account for **8–14% of membership volume** at leading studio brands, up from near-zero five years ago[6]

CHRONIC CAPITAL

Sources: *Wellness Creative Co., 2026[1]; Research and Markets, 2024[2]; Xponential Fitness, 2026[3]; Mindbody, 2025[4]; PitchBook, 2026[5]; Mindbody, 2026[6]*

H1 2026 State of the Market: Boutique Fitness

Market Overview

Boutique Fitness refers to specialized, small-format studios built around a single sport or activity — Pilates, barre, cycling, HIIT, stretching, rowing, boxing — delivered through structured group settings. Led by experienced instructors, these classes are less of a workout and more of a **cultured brand experience**. Monetization is billed through premium subscriptions or per-class pricing.

9.3x
Boutique Fitness EV/EBITDA[1]

8.3x
Traditional Fitness EV/EBITDA[1]

Operator Spotlights

[solidcore]

Solidcore – High-intensity, Pilates-inspired boutique fitness franchise

"We want to prove that boutique fitness doesn't have to be a fad." — Bryan Myers, President & CEO

EXTRAORDINARY BRANDS

Extraordinary Brands – Multi-brand boutique fitness franchisor and operator

"As we scale the footprint and add more units, the value of each location increases and that's where we create real momentum for the brand." — Paul Flick, CEO

XPONENTIAL

Xponential Fitness – Global franchisor of boutique fitness and wellness brands

"[We have] pioneered the barre fitness space since its founding in 2001, and our community is one of the strongest and most passionate of any brand" — Katelyn DiGiorgio, President

Key Investment Characteristics

Gross Margins 90%+[2]

Boutique studios can achieve gross margins over **90%**, primarily driven by recurring membership revenue with lower direct costs. High margins do not depend on scale or capital intensity but on training quality.

Community-Driven Retention

Group fitness participants have a **56% higher retention rate[3]** than people who work out alone. Members at gyms with a community structure stay an **average of 14.2 months versus 4.7 months[4]** for those without.

Risk to Monitor

- High startup costs. Orangetheory franchises require a rough initial investment of $560,000[4]
- **Capital-intensive buildouts** make site selection and lease economics critical underwriting variables for acquirers

Market Leader Insight

- Operators consistently emphasize that boutique fitness has evolved from a niche trend into a durable consumer category built on community, recurring memberships, and brand loyalty
- As concepts scale through franchising, improving unit economics and predictable cash flows create **attractive platform investments for institutional capital**

Chronic Capital's Perspective

- Premium boutique fitness operators share three traits: a single-modality brand identity with cult-like community loyalty, a membership model generating 90%+ gross margins, and **franchise-ready unit economics** that a PE platform can replicate across 50+ locations
- Founders who have built all three are the acquisition targets

Sources: Chronic Capital Advisors, 2026 [1]; Xponential Fitness, 2026 [2]; The Retention People / Les Mills [3]; Orangetheory Fitness FDD, 2026 [4]

Active Investors in Boutique Fitness: H1 2026

Firm	Date	Size	Company Overview	Representative Investments
capitalspring HQ: Nashville, TN	Nov 2025	$505M	▪ Franchise specialist with a 20-year track record and $4B+ deployed across 100+ multi-unit consumer brands. ▪ Flexible capital and proprietary benchmarking data make it a go-to partner for scaling franchised fitness and wellness concepts.	ALLOY, PRIMETIME
L Catterton HQ: Greenwich, CT	May 2025	$6,750M	▪ The world's largest consumer-focused PE firm (~$40B AUM), backed by LVMH, with deep fitness bets like Equinox and Pure Barre. ▪ Its brand-building expertise and global retail network scale premium wellness brands in ways generalist firms can't.	[solidcore], EQUINOX
VMG HQ: San Francisco, CA	May 2025	$1,000M	▪ Consumer-specialist growth firm behind category leaders like KIND, Spindrift, and Sun Bum. ▪ Its founder-friendly brand-and-distribution playbook spots and scales emerging wellness trends early.	[solidcore], GHOST
Eagle Merchant Partners HQ: Atlanta, GA	May 2025	$415M	▪ Southeast-focused firm specializing in franchise and multi-unit consumer businesses, with $1B+ of equity deployed. ▪ Its multi-unit expertise fits turning single-location wellness concepts into replicable, franchise-ready platforms.	Aligned Fitness, Club Pilates
Kohlberg & Company HQ: Mount Kisco, NY	Feb 2025	$4,300M	▪ Established middle-market firm with a 37-year history and $14B+ raised, guided by a thesis-driven "White Paper" strategy. ▪ Its scale and thematic approach back durable consumer and wellness platforms with strong consolidation potential.	[solidcore], nellson

Private equity sponsors are **deploying capital** across boutique fitness through platform investments in **franchisors, premium studios, and complementary wellness businesses**. Fragmentation, recurring revenue, and favorable consumer trends continue to support an **active consolidation environment**.

Sources: *Company Press Releases; PitchBook; Chronic Capital Proprietary Research, 2025– 2026*

TRANSACTION ACTIVITY

BOUTIQUE FITNESS

H1 2026 Boutique Fitness M&A Activity

Strategic acquisitions across from H1 2026, spanning HIIT, weight loss management, global fitness technology, and international fitness.

Date	Acquirer	Target	Target Description	EV	Strategic Rationale
June 2026	Aligned Fitness	Club Pilates	• A portfolio of six studios	ND	Strategic entry into the New Jersey market while multi-state footprint to 61 units
June 2026	Cohere Capital; AEP	Club Pilates	• Multi-state development; opening up 70+ locations	ND	Allowed the new entity absorb 14 existing locations and establish immediate scale
May 2026	Fitness Ventures LLC	Harman Fitness	• A massive multi-unit franchise operator	ND	This acquisition makes Fitness Ventures the largest franchisee in the Crunch network
April 2026	Aligned Fitness	Club Pilates	• Club Pilates studio locations in the Columbus metro area	ND	Broadens geographical footprint and marks its initial expansion into the Midwest
April 2026	Extraordinary Brands	Basecamp Fitness	• Boutique HIIT fitness franchise	ND	Expands Extraordinary Brands' boutique fitness portfolio, adds a scalable HIIT concept
March 2026	Playlist	EGYM fitness	• Global connected fitness technology company	$7,500M	Creates one of the largest integrated fitness and wellness technology platforms
Feb 2026	Apollo	GoodLife Fitness	• Canada's largest fitness operator with 200+ clubs	ND	A market-leading fitness platform generating recurring membership revenue

H1 2026 Boutique Fitness Fundraising Activity

Fundraising Activity across Boutique Fitness from H1 2026.

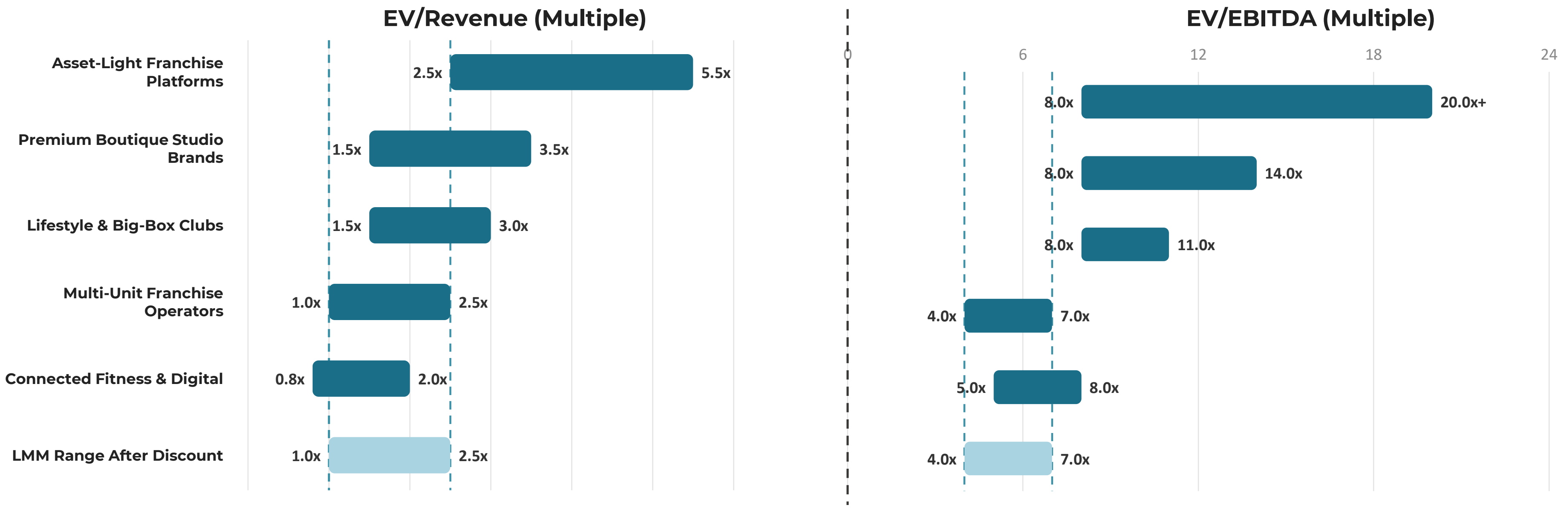
Date	Company	Round	Segment	Raised	Deal Highlights
June 2026	EGYM fitness	Growth Financing	Connected Fitness	$200M	Growth capital to expand AI-powered connected gym equipment and corporate wellness offerings
June 2026	Deadly Dozen	Equity Crowdfunding	Fitness Racing	$0.4M	The capital is explicitly designated to support global franchise development and upgrade its technology infrastructure
May 2026	GYMNATION	Growth Equity	Fitness Clubs	$280M	Funding supports aggressive expansion across the Middle East and new club openings
April 2026	SPEEDIANCE	Series C	Smart Home Fitness	$55M	Accelerating international deployment of AI-enabled strength training systems
Feb 2026	FIT XR	Growth Equity	Immersive Fitness	$30M	Capital supports expansion of VR fitness content and enterprise partnerships
Feb 2026	XENOM	Seed Round	Functional fitness	$15M	The equity round will support the official global launch of the company to design and scale massive
Jan 2026	AMFED	Private Equity	Boutique Fitness	ND	The funding is directly designated to scale corporate footprint expansion and expand its high-energy group fitness culture

Sources: *PitchBook*

VALUATION FRAMEWORK

BOUTIQUE FITNESS

Current Boutique Fitness Trading Multiples



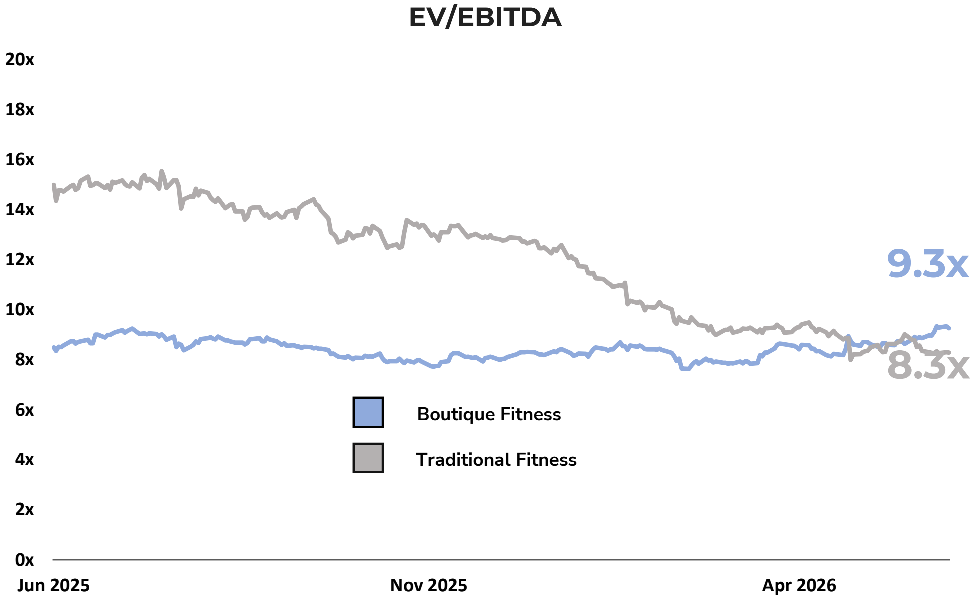
Boutique fitness is **bifurcating by modality**: capital and **premium valuations** are **concentrating around strength and functional training platforms** with franchise-ready, multi-unit economics, while **single-modality** cardio and recovery concepts face **tightening margins** from lease costs and increased competition from big-box offerings.

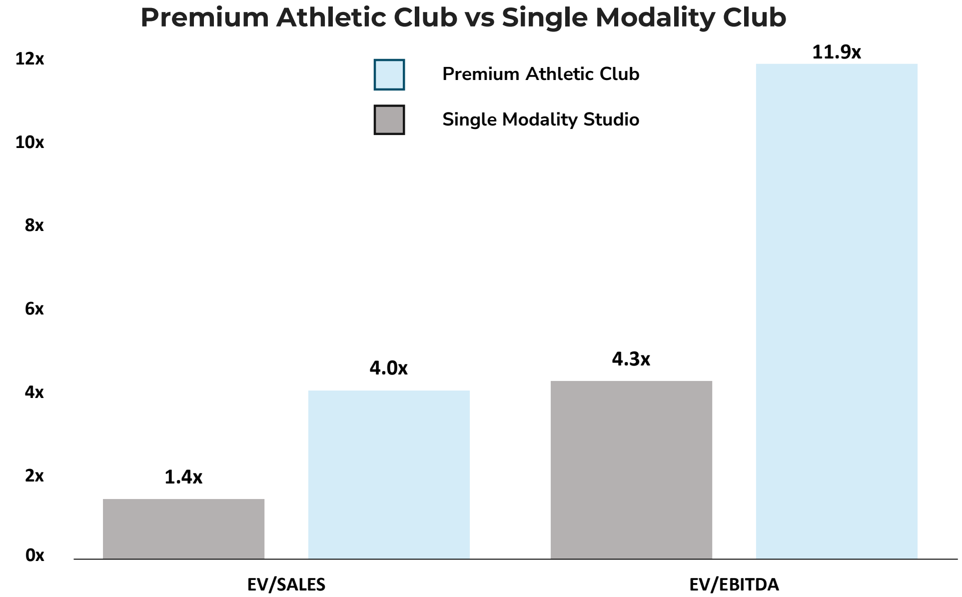
Source: *Chronic Capital proprietary analysis; public company comparables & precedent transactions (H1 2026). LMM range reflects a 35–60% structural discount to observed medians.*

VALUATION FRAMEWORK

BOUTIQUE FITNESS

Current Boutique Fitness Trading Multiples





Boutique fitness continues to command a **valuation premium over traditional fitness**, supported by recurring membership revenue, strong retention, and differentiated consumer experiences. Higher **EV/Revenue** and **EV/EBITDA multiples reflect investor confidence** in scalable, high-margin franchise models with durable unit economics.

H1 2026 Valuation Ranges: Boutique Fitness

(All $ in millions)

Firm	Vertical	EV ($M)	Revenue Growth	EV/REV	EBITDA Margin	EV/EBITDA
LIFETIME FITNESS	Luxury Fitness	$11,401	13%	3.8x	30%	15.0x
BASIC-FIT	Budget Gym Operator	$5,894	17%	3.8x	45%	9.3x
TECHNOGYM	Premium Equipment	$4,017	13%	3.5x	20%	20.0x
XPONENTIAL	Boutique Fitness	$698	NM	2.6x	3%	NM
	Group Metrics					
Median		$4,955	13%	3.6x	25%	15.0x
Average		$5,503	14%	3.4x	25%	14.7x
Upper Quartile		$7,271	17%	3.8x	33%	17.5x
Lower Quartile		$3,187	13%	3.3x	16%	9.3x

Data as of June 27th, 2026

Boutique fitness is mid-transition from a consumer lifestyle category into an **institutionalized asset class**, and most investors haven't caught up. Consumers pay **3.0–5.0x** a big-box gym and stay loyal to single brands, the behavior of identity, not convenience. **Employers now write** studio access into **benefit packages**, turning a consumer trend into **B2B procurement**. Operators layering **royalty income, employer contracts, and retention tech close that gap**. Multiple expansion here is a margin problem, far more solvable than a demand one.

Sources: *Chronic Capital Proprietary Analysis; GF Data 2025; Capstone Partners LMM Report, 2026*

Capital Markets Overview

The next eighteen months will separate **boutique fitness** operators who built **scalable, franchisable platforms** from those that merely rode the studio boom. As **private equity–backed consolidation** accelerates and buyers grow more selective, **capital is flowing** toward brands with **recurring membership revenue**, **strong unit economics**, and **multi-studio scale**—not just those posting rapid growth. The result is a **widening valuation gap**: asset-light platforms command **premium multiples**, while single-studio, founder-dependent operators compress toward the discounted lower-middle-market band as add-on inventory. The window to land on the right side of that line is **closing fast**.

50+
Boutique Fitness M&A Deals YTD[1]

$23B
Estimated sector deal value 2026 YTD[1]

Revolving Lines and Alt Lenders

Seasonal membership dips, especially summer, are increasingly financed with **revolving credit** rather than stacked MCAs, which remain the most common over-leverage pattern in the vertical.

Equipment Backed Term Loans

Pilates reformers, cycling fleets, and strength equipment collateralize term **financing outside SBA channels**, closing in days rather than months for growth-stage studios.

SBA 7(a) and 504 financing

Fitness franchises remain among the most fundable SMBs. Recurring ACH membership revenue and hard equipment collateral support 7(a) **loans up to $5M**, with 504 available for real estate.

Select Active Capital Providers

Financial Investors

Venture Capital	VMG; Peterson Technology Partners; able; Courtside VC; healthCO
Growth Equity	Roark Capital Group; mark wahlberg; L5 Capital; ClearLight Partners LLC; New Heights Capital
PE Buyout	L Catterton; North Castle Partners; Kohlberg & Company; TPG Growth; TSG Consumer
Family Offices	A-Rod Corp; FOD Capital; Breakaway; Kwanza Jones & José E. Feliciano Supercharged Initiative; Victress Capital

Lenders

Senior Secured	J.P.Morgan; Bank of America; Wells Fargo; KeyBank; Goldman Sachs
Asset-Based	White Oak; Encina Private Credit; SLR Credit Solutions; Second Avenue Capital Partners; Gordon Brothers
Alternative	Sixth Street; Ares; HPS; Kennedy Lewis Investment Management; Silver Lake
SBA-7	LiveOak Bank; ApplePie Capital; boefly; benetrends Financial; Franfund

Sources: *Rock Health Q1 2026 Funding Report¹; CB Insights State of Digital Health Q1 2026² (Abbott/Exact Sciences' $23B deal remains H1 2026's largest healthtech transaction); Bain Global Healthcare PE Report 2026³.*

Boutique Fitness Key Takeaways

Referrals Unlock Loyal Base

- Boutique fitness have become routine, community formats drive **70%+ member referrals**[1]
- **B2B** wellness and **employer partnerships** create **referral friendly environment**[2]

Consolidation to Preventative

- Increasingly boutique fitness is **treated as preventive healthcare** rather than discretionary
- **Consolidation mirrors** veterinary care, dentistry, and **broader healthcare**[3]

Boutiques Trade at Premium

- **Premium valuations** are being earned **through** community-driven **retention and scalability**
- Platform-scale operators trade at a premium over single studios **(11.9x vs 4.3x EV/EBITDA)**[4]

Wearables as a Tailwind

- **Two-thirds** of **wearable users** want their gym to **integrate data in their training**[5]
- Rather than commoditizing the **studio experience**, this is **deepening it**

Running a Process Pays for Itself

- Single-buyer studio sale routinely closes **15–30% below** a properly run, multi-bidder process[6]
- For a boutique platform valued **at $15M**, that's a **$2–4M swing in proceeds**[7]

What Financial Sponsors Want

- PE-backed rollups have deployed **$4B+** into boutique fitness **since 2021**[7]
- **Franchise-ready** and **asset-light models reduce risk** for sponsors, encouraging consolidation[8]

Start-up Costs Create Difficulties

- High **upfront capital** needs (~$560K per new location) **strain** smaller **operators**[9]
- **Site selection** and **lease economics** are critical, hard-to-underwrite variables

Scalable Unit Economics

- **Standardized** operating **procedures**, recurring **memberships,** and franchise **systems** are key[10]
- **Enables** successful concepts to **replicate attractive unit economics** across new locations

Capital Deployment Unrealized

- Over **60% of** the **top 20** U.S. gym chains are now **private-equity backed**[11]
- **Financial sponsors** are primed to **continue** consolidation through boutiques

The **strongest boutique fitness outcomes** are rarely the result of favorable market conditions alone. They are achieved by studios and franchisors that enter the market with institutional-**quality financial reporting**, **franchise-ready** unit economics, differentiated **community** positioning, and a clearly articulated **growth story**.

Sources: *Les Mills, 2025[1]; International Health, Racquet & Sportsclub Association (IHRSA), 2025[2]; McKinsey & Company, 2025[3]; Scope Research, 2025[4]; McKinsey & Company, 2025[5]; Breakwater M&A, 2026[6]; PitchBook, 2026[7]; Franchising.com, 2025[8]; Franchise Disclosure Documents (multiple boutique fitness brands), 2025[9]; IHRSA, 2025[10]; Athletech News, 2025[11]*

CHRONIC
CAPITAL

H1 2026 Mid-Year Food & Beverage Industry Report

What Is Health & Wellness Food & Beverage?

What people eat has become inseparable from how they think about their health. **GLP-1 adoption is reshaping purchasing behavior**, MAHA is accelerating clean-label reform at the regulatory level, and younger consumers are scrutinizing ingredient labels at a rate that was unimaginable five years ago. The result is a **$1.0 trillion U.S. food and beverage market splitting in two**: conventional CPG losing volume, and health-differentiated brands taking share and commanding premium valuations. Chronic Capital covers the latter, focusing on founder-led and growth-stage food and beverage businesses built around **better-for-you** formulation, **functional ingredients**, **clean-label positioning**, and **nutritional differentiation**.

For **lower middle market food and beverage businesses**, the current **health & wellness focused trends** create a strong opportunity as **strategic acquirers actively look downstream** for earlier stage companies with **proven retail velocity, clean ingredient profiles**, and room to improve **distribution at scale**. PE sponsors with dedicated consumer mandates are deploying capital into platforms that conventional banks and generalist advisors are not equipped to serve. **Chronic Capital sits at the intersection**, providing founder-led businesses with **institutional-grade transaction execution** and a direct line to the **buyers and capital partners** actively investing in this category.

Food & Beverage Coverage Scope

Better-For-You Food

Food products made with recognizable ingredients, clean labels, and healthier nutritional profiles to meet evolving consumer preferences


Organic & Better-for-you


Healthy Snacking


Regenerative & Non-processed

Protein-Added Products

High-protein foods and beverages formulated to support muscle recovery, satiety, and evolving GLP-1 dietary preferences


Protein Shakes


High Protein Breakfast Bars


High Protein Water

Organic / Clean Label

Clean-label alternatives, real-ingredient positioning, regenerative and non-processed foods


Plant-Based Protein


Clean Label Snack


Natural Nut Butter

Functional Food & Beverage

Products with ingredients to promote digestive health, immunity, hydration, energy, and overall wellness


Probiotic Yogurt


Anti-oxidant beverage


Fiber enriched products

Sources: *Chronic Capital Analysis.*

Key Themes Defining Food & Beverage

+66.7%
Food M&A Activity H1[1]

9.1%
H&W Food Market CAGR, 2026-2033[2]

12.4%
U.S. Adults on GLP-1s[3]

2.4x–4.0x
Proprietary H&W Food and Beverage EV/Revenue[4]

35%
GLP-1 Users Share of Food and Beverage Sales by 2030[5]

62%
Consumers Concerned More by Food Quality than Price[6]

70%
Americans Trying to Consume More Protein[7]

12%
"High-Protein" Average Price Premium[8]

The defining theme of 2026 is **strategic bifurcation** — premium-multiple acquisitions for **differentiated, omnichannel food and beverage brands**; compressed valuations for **undifferentiated, single-channel,** or **commodity-exposed platforms**.

Sources: FactSet[1]; CapIQ[1]; PitchBook[1]; Grand View Research[2]; KFF[3]; Chronic Capital[4]; Circana[5]; PwC[6]; ScienceDirect[7]; CoBank[8]; Circana[8]

STATE OF THE MARKET

FOOD & BEVERAGE

H1 2026 State of the Market: H&W Food & Beverage

1) GLP-1 adoption reshaping demand and deal screening

- **GLP-1 medication users** are projected to represent **35%** of **U.S. food and beverage sales** by 2030[1]
- Acquirer appetite shifting toward **high-protein, functional**, and **"metabolic resilience"** positioning while pressuring **calorie-dense snacking** categories[1]
- **GLP-1 adjacency** now an explicit, formal component of **strategic rationale** in 2025 to 2026 deals, including Huel and Navitas

2) MAHA & Clean-Label Regulation

- FDA pushing to **eliminate synthetic dyes** from the food supply by **end of 2027**, forcing large incumbents to reformulate[2]
- Major corporations including Walmart, Hershey, and Nestlé have **voluntarily committed to removing artificial dyes** ahead of mandates[3]
- Creates a **structural demand pull** toward brands already operating **clean-label**, widening the gap between **conventional** and **better-for-you CPG**

3) Consumer culture rejecting "Big Food" defaults

- Consumers continue to **bifurcate** spending between **value retailers** and **premium** and **premium health-oriented brands**[4]
- **Premiumization** and **better-for-you brands** are simultaneously taking share, splitting the market into a **barbell** rather than a stable middle
- **Ingredient transparency** has gone mainstream, with **label-scanning** behavior rising sharply

***Sources**: Circana[1]; NIQ June[2]; White House[3]; Govividly[4]*

H1 2026 State of the Market: Food and Beverage

Market Overview

Health & Wellness Food & Beverage refers to **founder-led brands** across four core subsectors — Better-For-You Food, Protein-Added, Organic/Clean Label, and Functional Food & Beverage — built around **recognizable ingredients** and evolving **wellness-driven demand**. Sold through DTC, grocery, and specialty retail, these products are less a commodity purchase and more a **values-aligned wellness choice**, monetized through retail velocity, repeat purchase, and premium shelf pricing.

$1.0T
Global H&W Food & Beverage Market[1]

10M → 25–30M
US GLP-1 User 2025 to 2030[2]

Key Investment Characteristics

Category Ownership Wins Premiums

Legacy strategics are paying up to acquire: PepsiCo's purchase of Poppi came despite Poppi's gross margins running below PepsiCo's, underscoring that category ownership drives strategic premiums.[3]

Repeat Purchase Is the True Moat

With food & beverage gross margins structurally capped, investors underwrite retail sell-through velocity and repeat-purchase behavior, not margin, as the signal of a durable, non-fad brand.

Operator Spotlights

Chobani

Chobani – Pioneer of Greek yogurt and better-for-you dairy, now expanding into coffee and plant-based categories

"You can have a healthy, good-for-you product, but it has to taste good." — Hamdi Ulukaya, Founder & CEO

KIND

KIND Snacks – Healthy snack bar brand built on recognizable, whole-food ingredients

"Do the kind thing for your body, your taste buds and your world." — Daniel Lubetzky, Founder & Executive Chairman

RXBAR

RXBAR – Pioneer of transparent, whole-food protein bars

"The question was for us as a consumer, why are all the protein bars cutting corners? Why isn't there a natural one?" — Peter Rahal, Co-Founder & CEO

Risk to Monitor

- **Input cost volatility:** Cocoa spikes drove Hershey's margin from 47.3% to 33.5% in a year — hedging discipline is now a core underwriting variable[4]
- **GLP-1 demand disruption:** GLP-1 adoption already cut packaged food volume growth to 0.3%, below population growth – a structural, not cyclical, demand risk[4]

Market Leader Insight

- **Velocity earns shelf space:** Revenue per linear foot, not brand story, wins expanded distribution
- **Repeat purchase is the signal:** Your customers don't lie — share of wallet, not novelty, convinces capital[5]

Chronic Capital's Perspective

- We expect **staged/minority deals** to outpace outright acquisitions. As strategics grow wary of full multiples for unproven categories, milestone-based minority stakes should more common
- **Founders should expect** — and can negotiate for — an **earlier, lower-commitment capital relationship** before an outright sale

Sources: *Grand View Research[1]* , J.P. Morgan Global Research[2], *Pitchbook[3]*, McKinsey[4], *FoodNavigator[5]*

Active Investors in H&W Food and Beverage: H1 2026

Company	Date	Latest Fund	Company Overview	Representative Investments
BainCapital HQ: Boston, MA	Oct 2025	$14,000M	▪ Global multi-strategy PE firm with $185B+ AUM; one of the most active large-cap consumer and health investors globally; invests across buyout, growth, and credit strategies.	Cuisine Solutions; 1440 Foods
butterfly HQ: Beverly Hills, CA	Aug 2025	$500M	▪ Food-focused private equity firm investing across branded food & beverage, food manufacturing, agriculture, and food distribution; partners with founder-led and corporate carve-out opportunities.	QDOBA Mexican Eats; Orgain
L Catterton HQ: Greenwich, CT	May 2025	$6,800M	▪ Largest dedicated consumer-focused PE firm globally; LVMH and Groupe Arnault strategic backing; invests across all consumer segments from growth to buyout.	Goodles Noodles, Gooder; Health-Ade
VMG HQ: San Francisco, CA	May 2025	$1,000M	▪ Growth equity firm founded 2005; focused on transformative consumer brands across food, beverage, health and wellness, beauty, and pet; 60+ brands backed.	spindrift; KIND
MANNA TREE HQ: Denver, CO	Nov 2022*	$400M	▪ Health-and-wellness-focused PE firm founded in 2018; invests in growth-stage food and beverage companies focused on nutrition and healthy living.	Vital Farms; good culture cottage cheese, but better

** Latest fund closed in November 2022, but is currently raising a third fund with a target of $500 million.*

The investor universe is deep and **well-capitalized** — LMM H&W Food and Beverage businesses with **institutional-quality positioning** are entering a structurally **favorable exit environment**. Both PE sponsors and legacy CPG strategics are **competing** for the same differentiated assets.

TRANSACTION ACTIVITY

FOOD & BEVERAGE

H1 2026 Food and Beverage M&A Activity

Strategic acquisitions across Food & Beverage from H1 2026.

Date	Acquirer	Target	Target Description	EV	Strategic Rationale
May 2026	Heartland	Whole Earth	▪ Natural sweetener ▪ Equal, Swerve, Chuker	ND	Strengthens Heartland's leadership in low/no-calorie, better-for-you sweetener category
May 2026	Refresco	SunOpta	▪ Nutrition food manufacturer ▪ Better-for-you branding	$790M	Adds plant-based manufacturing scale and capacity
May 2026	Marzetti	Bachan's	▪ Japanese BBQ sauce brand ▪ Better-for-you condiment	$400M	Expands premium, clean-label sauce and condiment portfolio
Mar 2026	Danone	Huel	▪ Plant-based nutrition ▪ GLP-1 adjacent	$1,200M	Expands Danone's functional nutrition portfolio into complete food category
Mar 2026	Ferrero	Bold	▪ Brazilian protein snack ▪ Bars, whey powders	ND	Ferrero’s first entry into better-for-you segment in South America
Mar 2026	Laird Superfood	Navitas Organics	▪ Organic superfood ▪ Nutrient-dense products	$38M	Expands Laird's plant-based functional food portfolio
Feb 2026	Reliance Retail	Manna	▪ Chennai-based branded ▪ Health food manufacturer	$17M	Reliance's entry into branded health food manufacturing

Sources: *PitchBook*

H1 2026 Food and Beverage Fundraising Activity

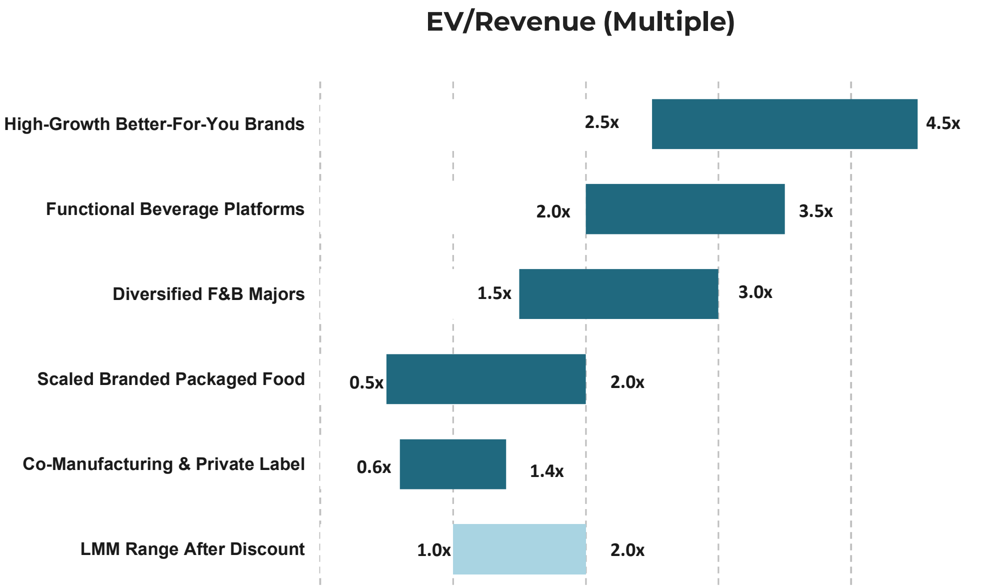
Fundraising Activity across Food & Beverage from H1 2026.

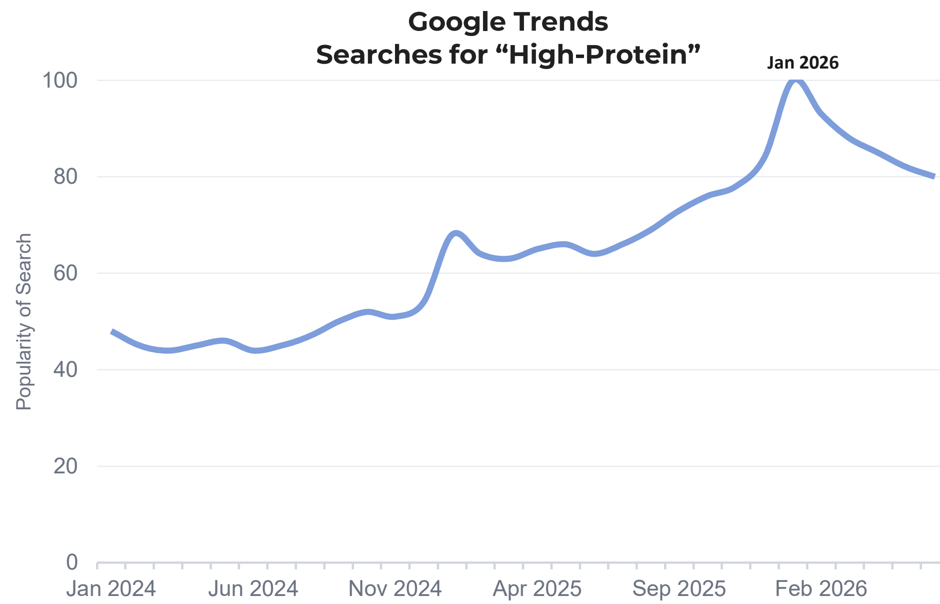
Date	Company	Round	Segment	Raised	Deal Highlights
May 2026	Struck + Shinley	Growth Equity	Functional Protein Bar (Collagen)	$24M	Led by VMG Partners; first outside capital; ~$50M 2026 revenue projection
May 2026	waterdrop MICRODRINK	Later Stage VC	Functional Hydration	$116M	Aspeya (PMI), Atlantic Grupa, Aleksander Aamodt Kilde; ~$173M revenue, profitable
May 2026	BRAIN + BODY FUEL mosh	Series A	Functional/Brain Health Nutrition Bar	$13M	Led by Main Street Advisors; co-founded by Maria Shriver & Patrick Schwarzenegger
Mar 2026	Accelerator ACTIVE ENERGY	Series B	Functional Energy Drink	$10M	Distributed via Keurig Dr Pepper; investors undisclosed; ~80,000 U.S. retail locations
Mar 2026	create	Growth Equity	Functional Supplement (Creatine)	$20M	Led by ACG + Mike Repole's Impact Capital
Mar 2026	The Whole Truth	Series D	Clean-Label Protein Food (India)	$51M	Co-led by Sofina, Sauce.vc; funds IPO readiness
Feb 2026	BIG TREE FARMS	Late-stage	Organic Coconut Sugar & Sauces	$10M	Mirova (Natixis) investment; sustainable/regenerative sourcing

VALUATION FRAMEWORK

FOOD & BEVERAGE

Current Food and Beverage Trading Multiples





F&B is bifurcating by growth profile: capital and **premium valuations** are **concentrating** around **high-velocity**, **better-for-you** and **functional brands** with proven **repeat rates** and **channel expansion** while commodity-exposed packaged food and private label assets trade at 0.5x–1.4x as buyers underwrite **margin durability over top-line**.

CHRONIC CAPITAL

Source: *Chronic Capital proprietary analysis; public company comparables & precedent transactions (H1 2026). LMM range reflects a 35–60% structural discount to observed medians.*

H1 2026 Valuation Ranges: H&W Food & Beverage

(All $ in millions)

Firm	Vertical	EV ($M)	Revenue Growth (YoY)	EV / Revenue	EV / Revenue NTM	EBITDA Margin
a2	Premium Milk	$2,400	14%	2.8x	3.0x	16%
Vita Coco	Coconut Water	$3,953	23%	5.7x	4.9x	15%
BellRing Brands	Protein Nutrition	$2,592	6%	1.1x	1.2x	13%
Celsius	Energy Beverages	$9,495	123%	3.4x	3.1x	10%

Group Metrics					
Median	$3,273	18%	3.1x	3.0x	24.3x
Average	$4,610	42%	3.3x	3.0x	29.0x
Upper Quartile	$5,339	48%	4.0x	3.6x	35.0x
Lower Quartile	$2,544	12%	2.4x	2.5x	13.2x

Data as of June 27th, 2026

The comp set makes the **growth premium** clear: Celsius at **123% revenue growth** commands **3.2x EV/Revenue** and **33.7x EBITDA**; BellRing at **6%** trades at **1.1x** and **8.3x**. For LMM businesses, the **lower quartile** — **1.8x EV/Revenue** and **13.2x EBITDA** — represents the **floor for a quality branded asset**. Brands with **DTC proof points** and **GLP-1 positioning** close toward the **upper quartile**. That gap makes **positioning and process** the most important variables at exit.

Sources: *PitchBook, CapIQ, Chronic Capital Analysis*

Capital Markets Overview

Capital availability is no longer the primary challenge—capital alignment is. The most successful transactions are those that match a company's **stage, growth objectives,** and **capital needs** with the **appropriate financing partner**. Businesses that understand where they fit within the **capital landscape** consistently achieve **stronger execution, greater strategic flexibility,** and **superior long-term outcomes.**

Financing / Buyer Roadmap

Company Revenue:	$0 →	$10M →	$50M →	$100M →
Financial Sponsors:	Family & Friends / Angel Investors / Venture Capital	Growth Equity	Growth Equity / PE Buy-out	Corporate Buyout / PE Buyout
Lenders:	SBA Lenders / Venture Debt	Alternative, Asset-Based, Senior Secured & more →		

Select Active Capital Providers

Financial Investors

Venture Capital	rocanà, s2g ventures, Monogram Capital, Selva Ventures, af. ventures
Growth Equity	Arlon, Boulder Food Group, L Catterton, Catamount Ventures, CAVU Venture Partners
PE Buyout	ACON, SPC Swander Pace Capital, TA, TPG Growth, TSG Consumer
Family Offices	Builders Vision, The Pritzker Organization, Manna Tree, EQ Capital, Victress Capital

Lenders

Senior Secured	J.P.Morgan, Bank of America, Wells Fargo, KeyBank, Citizens Bank
Asset-Based	White Oak, Encina Private Credit, SLR Credit Solutions, Prestige Capital, Breakout Capital Group
Alternative	Antares Capital, Benefit Street Partners, Monroe Capital, Callodine Commercial Finance, Churchill
SBA-7	Live Oak Bank, Huntington Bank, Byline Bank, Ready Capital, Glacier Bancorp

Sources: *Chronic Capital Analysis.*

Food & Beverage Key Takeaways

The Barbell Market Has Arrived

- Value and premium brands are winning; the **conventional middle** hollows out
- **62%** now prioritize food quality over price, but only for trusted brands[1]

Food Is Becoming a Delivery Mechanism

- **GLP-1 adoption** makes protein and satiety their own acquirer category[2]
- **Functional benefit** is now screened separately from general **"better-for-you"**

Regulation Is Rewriting the Cost Curve

- FDA's **dye phase-out** forces reformulation costs on legacy incumbents[3]
- **Clean-label** LMM brands already absorbed this cost, a **structural edge**

The Multiple Spread Is About Durability

- Celsius trades near **3x** BellRing's multiple on **growth alone**[4]
- Acquirers price **sustainability**, not just category presence

Manufacturing Capacity Is Being Bought

- Applied Nutrition paid $16M largely for **$300M** in production capacity[5]
- **U.S. manufacturing** infrastructure is now a **standalone acquisition thesis**

$1B+ Founder Exits Are Rare by Design

- **Only three** brands crossed **$1B** in two years: Poppi, Siete, Huel[6]
- All shared **authentic brand DNA** and a **disciplined sale process**

Fundraising Has Rotated to Functional

- All seven largest H1 2026 raises went to **hydration, protein, creatine, energy**[7]
- Investors back **physiological outcomes**, not "food" broadly

Supply Chain Risk Is Now Priced In

- Tariffs on China-sourced ingredients **compress unprepared margins**[8]
- **Sourcing diversification** is now part of the valuation story

Process Is the Biggest Controllable Lever

- Off-market sales close **15–30% below** a competitive process[9]
- Compass Diversified admitted **Honey Pot** could have traded **50–100% higher** with one[9]

The **strongest transaction outcomes** are rarely the result of favorable market conditions alone. They are achieved by businesses that enter the market with **institutional-quality financial reporting, scalable operations** and a **clearly articulated investment story**. A **disciplined preparation process** not only improves **execution certainty** but also **broadens buyer and lender participation** and creates **greater strategic flexibility** throughout the transaction process.

Sources: *IFIC Food & Health Survey, 2025[1]; McKinsey & Company, 2025[2]; U.S. FDA, 2026[3]; Capital IQ / Market Data, 2026[4]; Applied Nutrition plc, 2025[5]; PitchBook, 2026[6]; PitchBook, 2026[7]; U.S. International Trade Commission, 2025[8]; Breakwater M&A, 2026[9];*

Health & Wellness Market Takeaways

HealthTech · Longevity · Boutique Fitness · Food & Beverage

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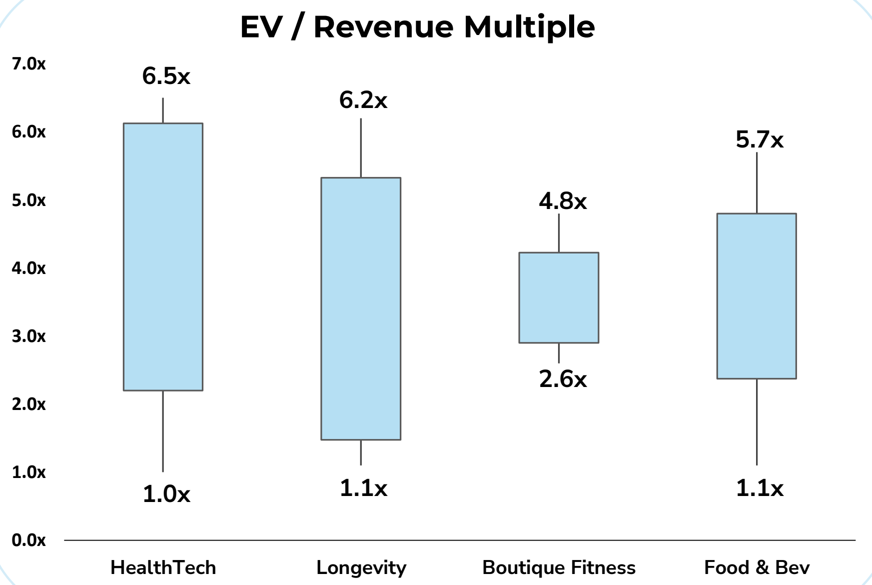
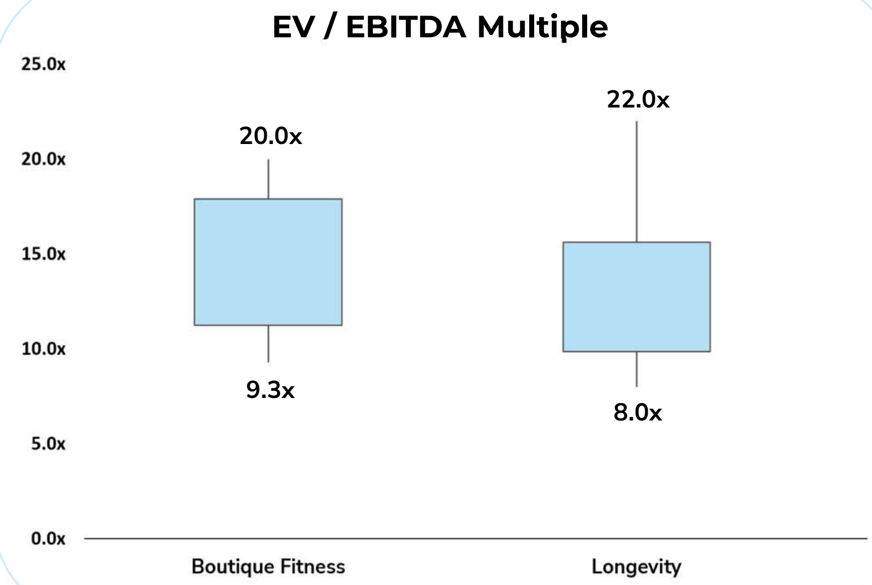
Sector Valuation: EV / Revenue Multiples





Wide EV/Revenue ranges signal markets where valuation depends far more on the **individual business, its growth, margins, and durability**, than on the sector label. EBITDA multiples are only shown for Boutique Fitness and Longevity because those sectors have enough **profitable, mature companies** to make earnings-based valuation meaningful; **HealthTech** and **Food & Beverage** are typically **valued on revenue** since many players aren't consistently EBITDA-positive.

Sources: *Chronic Capital Analysis.*

Sector Valuation: Discounts and Premiums

Discounts / Premiums

Factor	Discount / Premium	Longevity	Boutique fitness	Food & Bev	Healthtech
Bilateral or off-market process	-15–30%	x	x	x	x
Sub-5% EBITDA margin	-15–30%		x	x	
Recurring membership or subscription	+15–25%	x	x	x	x
Data & software attach on device	+15–25%				x
Founder or star-instructor dependence	-15–25%	x	x		
Customer / member concentration >25%	-15–25%	x	x	x	x
Proprietary or clinical formulation / IP	+10–20%				x
DTC mix above 50%	+10–20%	x	x	x	x
Multi-vertical ecosystem & cross-sell	+10–20%	x	x	x	x
Single-site or single-channel distribution	-10–20%	x	x	x	
Hardware-only, no software attach	-10–20%				x
GLP-1 adjacency	+10–15%	x		x	
Preventative / longevity positioning	+10–15%	x			x
Domestic sourcing	+5–15%			x	x
Fad-driven demand, weak retention	-10–15%			x	

Longevity   Boutique fitness   Food & Bev   Healthtech

The exit window is open. Strategics are repositioning portfolios at scale and PE sponsors are deploying dedicated consumer mandates. For founder-led businesses with **differentiated offerings, potential for scale, and fulfills the health-conscious consumer needs**, the buyer universe has **never been this deep for health & wellness**. The difference between a **median** and **upper-quartile outcome** is found in combination of the H&W impact, proven model, and room for growth.

BUYER FRAMEWORK

HEALTH AND WELLNESS

What Do Financial Investors Look For?

Financial sponsors remain highly active across the Health & Wellness space, but investment activity has become increasingly concentrated around **institutional-quality platforms**. Businesses with **differentiated products, recurring demand, scalable operations,** and **strong financial fundamentals** continue to command **premium valuations, attractive leverage,** and **broad buyer participation**.

What H&W Financial Investors Look For:

- ✓ **High-Margins & Scalable Model**
  40%+ margins with a clear path to sustainable growth
- ✓ **Recurring & Predictable Revenue**
  memberships, subscriptions, and repeat purchases
- ✓ **Proprietary First-Party Data**
  actionable customer, biomarker, and wearable insights
- ✓ **Institutional Readiness**
  founder alignment, clean reporting, scalable ops
- ✓ **Differentiated brand & IP**
  clinical, clean-label, or proprietary positioning

H&W Financial Investor Activity H1 2026

$21.5B

2026 M&A Transaction Value (Disclosed)

167 M&A Deals

2026 H&W M&A Transactions

467 Fundraises

2026 H&W Fundraising Transactions

CHRONIC CAPITAL

Sources: *Chronic Capital Analysis[1], FactSet[2]; CapIQ[2]; PitchBook[2], PitchBook[3],*

What Do Strategic Investors Look For?

What Strategic Investors Look For:

✓ **Multi-Channel Access**
Retail, DTC, Marketplace, and or clinical channels

✓ **Differentiated branding**
Authentic positioning and clinically supported product differentiation

✓ **Proprietary first-party data**
Actionable customer insights, loyalty metrics, and demographic intelligence

✓ **Category Leadership**
A defensible #1–2 position in a high-growth segment

✓ **Portfolio Expansion & Cross-Sell**
Complements the acquirer's existing wellness offering

What Strategic Investors Bring to the Table:

Expanded Addressable Market

Operational Synergies

Strategic Resources

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