



SKYWAY
CAPITAL MARKETS

Sector Update:

Medical Spa & Aesthetics Services

March 2025

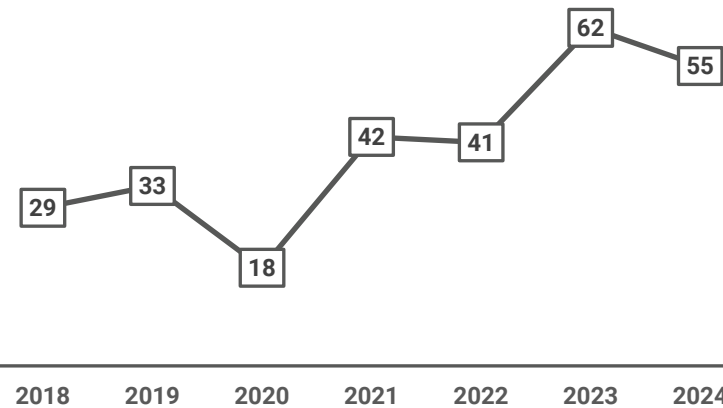
M&A Update

M&A Drivers

The Medical Spa & Aesthetics M&A market has experienced a surge in activity over the past four years, driven by factors such as:

- Private equity investors **are increasingly targeting cash-pay businesses** due to their predictable revenue streams and **lower exposure to insurance reimbursement challenges**.
- **Advancements in technology and treatment options** have further fueled growth. New devices and procedures, such as **RF microneedling, body contouring, and regenerative aesthetics**, allow businesses to expand their service offerings and **increase patient spend**. These innovations provide a competitive edge, attracting investors looking for differentiated, high-growth opportunities.
- The industry's **fragmentation**, with many independently owned medspas and small regional chains, presents **attractive consolidation opportunities**. Private equity firms and strategic buyers see value in rolling up multiple locations to create scalable platforms that benefit from **brand recognition, operational efficiencies, and centralized management**.

M&A Deal Count



Commentary

"When you think about medical aesthetics, it really holds an interesting niche in the retail health care space. It's got an attractive growth rate. All the trends are going the right way. It's private pay, primarily, without insurance reimbursement, which is very attractive, and it is pretty recession-resilient, so it really is a great space for investment, and I think everybody is now woken up to it."

- Dominic Mazzone, CEO of MedSpa Partners

Industry Overview

Market Snapshot

The **medical spa industry** is experiencing significant growth, with the market projected to expand at a **15% compound annual growth rate (CAGR)** over the coming years. In **2025, the market size is estimated to reach \$7.4 billion**, with continuous growth expected through **2032, when it is projected to reach \$19.6 billion**.

- The market expansion is being driven by **rising disposable income, social media influence, and broader accessibility of medical spa services**.
- With the market size nearly tripling from 2025 to 2032, the industry presents **significant opportunities for investments** from private equity firms, franchise operators, and medical professionals looking to expand their service offerings.

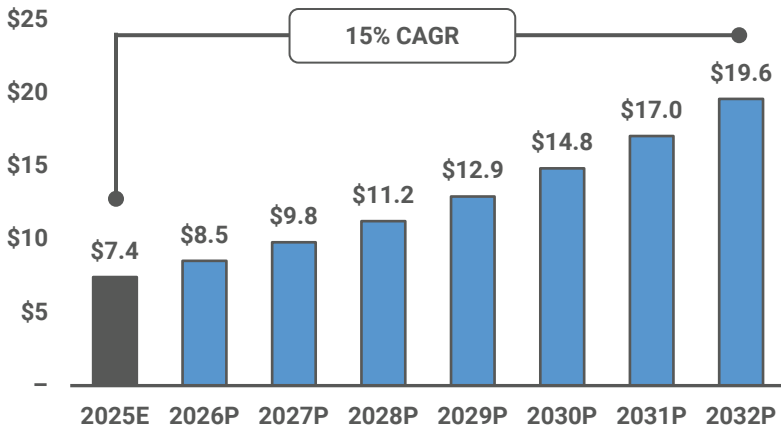
Market Drivers

Several factors are driving continued growth in the demand for medical spa and aesthetic treatments, including:

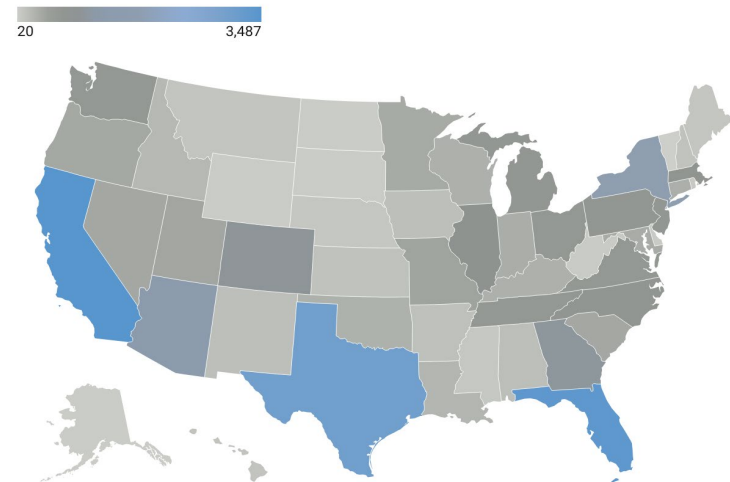
- Consumers are **increasingly opting for non-surgical cosmetic procedures** like Botox, fillers, laser treatments, and body contouring over traditional plastic surgery.
- Medical professionals have increasingly entered the medspa space, adding credibility and **expanding the range of services available**. Many medspas now offer a mix of **skincare, IV therapy, and hormone treatments**, aligning with the growing wellness and longevity trends.

Market Size & Growth

(\$ in billions)



Medical Spa Geographic Concentration¹



¹ – "Medical Spa" = an active practice location offering medical spa services- Excludes full-service day spas, surgery centers, and dermatology clinics that do not offer medical spa services

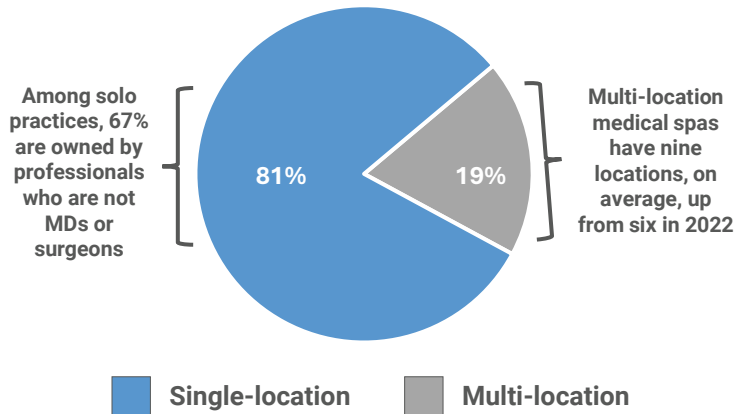
Industry Overview (cont.)

Market Snapshot

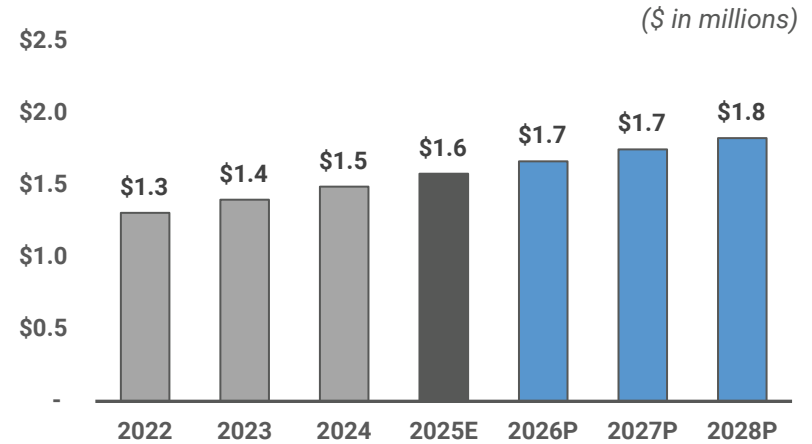
The **medical spa market continues to show strong growth**, with a **rising number of new locations** opening each year. This expansion is accompanied by **increasing average revenue per medical spa**, driven by factors such as:

- The **2.9% increase in U.S. per capita health spending** reflects a growing consumer focus on wellness, aesthetics, and preventative care.
- The **expansion of complementary services**, such as skincare consultations, wellness treatments, and bundled aesthetic packages.
- A growing emphasis on **personal appearance** and **self-care** has contributed to increased consumer spending on medspas and aesthetic procedures.

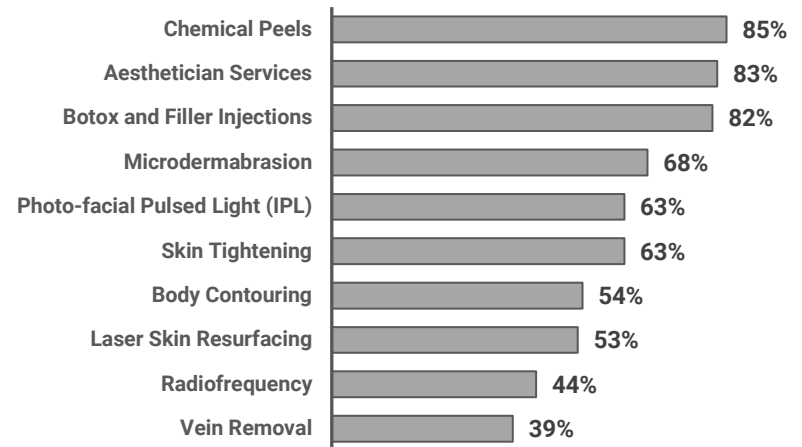
Market Fragmentation



Average Annual Medical Spa Revenue



Medical Spa Treatments by Prevalence ¹



¹ – Percentages indicate the proportion of medical spas offering each treatment

Competitive Landscape

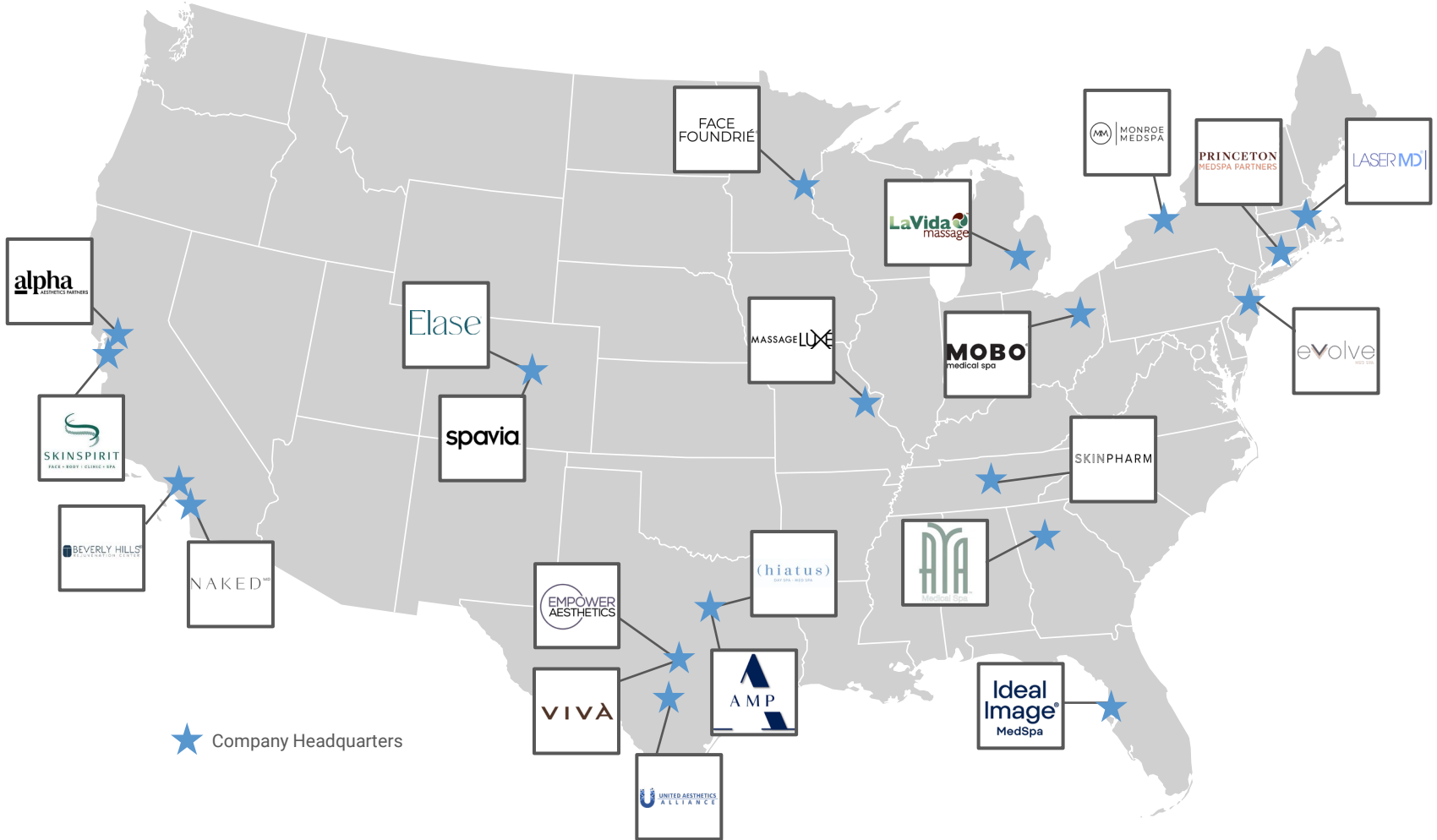
Select Private Equity-Backed Medical Spas

Select Stand-Alone Medical Spas

					
---	---	---	---	---	---

Geographic Competitive Landscape



Recent Transaction Activity

Target (Ownership)	Acquirer (Ownership)	Close Date	Location
Ageless Remedies SouthPark <i>Operator of a med spa and laser center</i>	Not Disclosed	Feb-25	Charlotte, NC
Charlotte Dermatology <i>Provider of medical dermatology, surgical dermatology, and aesthetic services</i>	DOCS Dermatology (SkyKnight Capital)	Feb-25	Charlotte, NC
New Medical Spa <i>Provider of aesthetic and weight management services</i>	Formula Wellness Management (Trive Capital)	Dec-24	Richmond, VA
Carolina Age Management Institute <i>Operator of medical spas intended for body sculpting, hair restoration, and skin treatments</i>	Alpha Aesthetics Partners (Thurston Group)	Dec-24	Huntersville, NC
Knight Dermatology Institute <i>Provider of skin cancer diagnosis and treatment, acne treatment, and aesthetic services</i>	Forefront Dermatology (Partners Group)	Dec-24	Orlando, FL
Livio Med Spa <i>Provider of medical treatments and skincare services</i>	Monroe MedSpa (Shore Capital Partners)	Nov-24	Cincinnati, OH
Georgous Aesthetic Bar <i>Provider of science-backed cosmetic treatments</i>	Monroe MedSpa (Shore Capital Partners)	Nov-24	Kansas City, MO
NakedMD <i>Operator of medical spas and skin clinics</i>	Revelstoke Capital Partners	Nov-24	Newport Beach, CA
Dermatology and Surgery Associates <i>Provider of acne, moles, rashes, skin cancers treatment services</i>	Schweiger Dermatology Group (LLR Partners)	Nov-24	Bronx, NY
Aya Med Spa <i>Provider of medical spa services</i>	Eagle Merchant Partners	Nov-24	Atlanta, GA
Cambridge Spa Group <i>Operator of a health and wellness franchise management company</i>	Not Disclosed	Oct-24	Austin, TX
Belle Vie Wellness & Medical Aesthetics <i>Operator of a skincare clinic intended for medical aesthetics</i>	Futaleufu Partners	Oct-24	Cerritos, CA
Belle Vie Aesthetic Medicine <i>Operator of aesthetic medicine center</i>	Miramar Equity Partners	Oct-24	Lexington, KY
Annie Aesthetic <i>Operator of the medical aesthetics group</i>	Plexus Capital	Oct-24	New York, NY
V/O Med Spa <i>Provider of medical spa treatment services</i>	Freeman Spogli	Sep-24	Strongsville, OH
W Aesthetics <i>Provider of medical spa services</i>	Athena Capital Partners	Sep-24	Bend, OR

Recent Transaction Activity (cont.)

Target (Ownership)	Acquirer (Ownership)	Close Date	Location
Ridha Plastic Surgery & Medspa <i>Operator of a plastic surgery and medspa practice center</i>	Princeton Medspa Partners (Princeton Equity Group)	Sep-24	Saratoga Springs, NY
Pure Skin Aesthetic & Laser Center <i>Operator of a cosmetic laser center and medical spa</i>	Princeton Equity Group	Sep-24	Bismarck, ND
Alani Skin <i>Provider of medspa services</i>	Northrim Horizon	Aug-24	Scottsdale, AZ
The Swan Center <i>Operator of a cosmetic surgery firm, offering surgical and non-surgical services</i>	United Aesthetics Alliance (Varsity Healthcare Partners)	Aug-24	Alpharetta, GA
Burton Young <i>Operator of spa and wellness center</i>	Attune Wellness Med Spa	Aug-24	Greenwich, CT
Circadian Rejuvenation <i>Provider of healthcare and beauty care services</i>	Live Forever Health	Aug-24	Charlotte, NC
Premiere Aesthetics <i>Provider of aesthetic treatments focused on offering non-invasive cosmetic treatments</i>	Ezer Health	Aug-24	Fort Myers, FL
Cosmetic Skin & Laser Center <i>Provider of facials, botox, and anti-aging treatments</i>	Incline Equity Partners	Aug-24	Petoskey, MI
Dermatology Consultants <i>Provider of dermatological and cosmetic treatments</i>	Forefront Dermatology (Partners Group)	Aug-24	Lexington, KY
Eberbach Plastic Surgery <i>Operator of a cosmetic and reconstructive surgery center cy.</i>	IBI Healthcare Institute	Jul-24	Hudson, FL
First Coast Mohs <i>Operator of dermatology and skin cancer specialist clinics</i>	Aqua Dermatology (Gryphon Investors)	Jul-24	Jacksonville, FL
Boyne Dermatology <i>Operator of a medical and cosmetic services clinic</i>	DermCare Management (Hildred Capital Partners)	Jul-24	Jacksonville, FL
Frank P. Fechner, MD <i>Operator of a facial plastic surgery and medspa clinic</i>	Adult & Pediatric Dermatology (Waud Capital Partners)	Jun-24	Worcester, MA
Absolute Aesthetics Rejuvenation and Laser Center <i>Operator of a rejuvenation and laser center</i>	DermCare Management (Hildred Capital Partners)	Jun-24	Plantation, FL
Louisville Laser Med Spa <i>Operator of a laser hair removal and beauty spa</i>	HRH Capital	Jun-24	Louisville, KY
Princeton Medspa Partners <i>Operator of medical aesthetic clinics</i>	BC Partners	May-24	Branford, CT

Skyway Capital – Firm Overview

Our team of 45+ professionals includes senior investment bankers with 25+ years, on average, of experience and expertise in mergers and acquisitions (M&A), capital markets, and private capital advisory. The firm is focused on middle-market businesses and has completed more than 200 transactions with a total transaction value exceeding \$20 billion.

M&A Advisory

Skyway Capital is a middle-market investment bank led by a team of highly experienced professionals, providing tailored sell-side and buy-side advisory services.

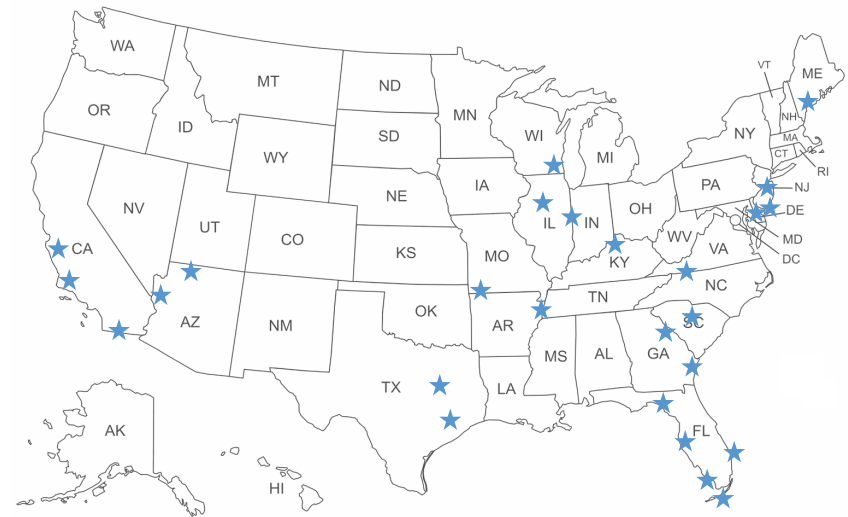
Capital Markets Advisory

Our team maintains a deep network of investor relationships and access to a wide range of capital sources to help companies obtain the necessary capital for achieving their growth, liquidity, and financing objectives.

Private Capital Advisory

Working with a select group of best-in-class sponsors, Skyway Capital helps structure offerings that provide investors with attractive features and risk-adjusted returns.

Nationwide Coverage



★ - Indicates select active & completed transactions

Sector Coverage

BUSINESS SERVICES

HEALTHCARE

INDUSTRIALS

FINANCIAL SERVICES

CONSUMER

Skyway Capital – Firm Overview (cont.)

Senior M&A Bankers



Jim DiCesaro, CFA
Senior Managing Director



Keith Hodgdon
Senior Managing Director



Jeff Hunt
Senior Managing Director



Russ Hunt
Senior Managing Director



Roger Overby
Senior Managing Director



Recent M&A Transactions

acquired by

acquired by

acquired by

acquired by

acquired by

acquired by

acquired by

acquired by

acquired by

acquired by

Skyway Capital – Healthcare Team

Senior Healthcare Bankers



Keith Hodgdon
Senior Managing Director



Jim DiCesaro, CFA
Senior Managing Director



Healthcare Focus

PROVIDER SERVICES

PHARMA SERVICES

HEALTH TECHNOLOGY

HEALTHCARE SERVICES

MEDICAL DEVICES

PHARMACY SERVICES

Select Healthcare Transaction Experience

TotalMed

acquired by

STELLA POINT
CAPITAL

JAY CARE
MEDICAL CENTER

acquired by

MBF
HEALTHCARE PARTNERS

TPS
Physician Business Services

acquired by

LINDSAY GOLDBERG

Women's Care Florida

acquired by

LINDSAY GOLDBERG

TMS
TMS Management Group, Inc.

acquired by

Envision
HEALTHCARE
POWERING THE DELIVERY OF CARE

DIAGNOSTIC CLINIC

acquired by

Florida Blue

Unilens

acquired by

VALEANT
Pharmaceuticals North America LLC

MATRIX
MEDICAL

acquired by

AeroCare

Bestgroup
IPA, Inc.

acquired by

JSA Medical Group
A HealthCare Partners Company

Disclaimer

Skyway Capital Markets gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this presentation. The material presented reflects information known to the authors at the time this presentation was written, and this information is subject to change. Any forward-looking information and statements contained herein are subject to various risks and uncertainties, many of which are difficult to predict, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. In addition, past performance should not be taken as an indication or guarantee of future performance, and information contained herein may be subject to variation as a result of currency fluctuations. Skyway Capital Markets makes no representations or warranties, expressed or implied, regarding the accuracy of this material. The views expressed in this material accurately reflect the personal views of the authors regarding the subject securities and issuers and do not necessarily coincide with those of Skyway Capital Markets. Officers, directors, and partners at Skyway Capital Markets may have positions in the securities of the companies discussed. This presentation does not constitute advice or a recommendation, offer, or solicitation with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Skyway Capital Markets may, from time to time, provide financial or related services to these companies. Like all Skyway Capital Markets employees, the authors of this presentation receive compensation that is affected by overall firm profitability.

