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WEEKLY REVIEW

BRIGHTSPRING HEALTH SERVICES

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24 August 2026

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BRIGHTSPRING HEALTH SERVICES (BTSG US EQUITY) – REVIEW

BrightSpring Health Services is a U.S. home and community-based healthcare platform serving Medicare, Medicaid, and insured populations, particularly patients with complex care needs. The company operates through Pharmacy Solutions, providing specialty, infusion, and community pharmacy services, and Provider Services, delivering home health, rehabilitation, and supportive care. Its integrated model delivers specialized healthcare services across home and community settings as alternatives to traditional healthcare facilities.

BrightSpring Health Services' Q2 results showed continued growth across Specialty & Infusion Pharmacy and Provider Services, supported by specialty volumes, expanding limited-distribution drug relationships, infusion services, and provider services. Adjusted EBITDA growth exceeded revenue growth, alongside continued portfolio optimization and deleveraging. Following the results, management raised its 2026 revenue and Adjusted EBITDA guidance, reflecting updated expectations for the remainder of the year.

Specification

Ticker	BTSG
Exchange	NYSE
Sector	Health Care Services
Market Cap	$12.27B
Free Float	40.65%
ISIN	US10950A1060

BTSG Price per share, USD - 1Y Chart

**** For informational purposes only and should not be interpreted as investment recommendations or valuation opinions.*

Financial Performance – Specialty & Provider Services Growth

BrightSpring reported Q2 revenue of $3.87 billion, up ~23.1% YoY, while Adjusted EBITDA increased ~44.1% to $206 million, Net Income rose 169.4% to $97 million, and EPS increased 158.8% to $0.44. Specialty & Infusion Pharmacy revenue grew 30.1% to $2.87 billion, supported by oncology, limited-distribution drug, and infusion volumes, while Provider Services revenue increased 30.3% to $466 million, led by Home Health. Adjusted EBITDA growth exceeded revenue growth during the quarter.

Key Financial Highlights – Q2 2026

In Millions, USD	2025 Q2	2026 Q2	YoY
Revenue	3,147	3,873	23.07%
Gross Profit	374	492	31.55%
EBITDA	143	206	44.06%
Net Income	36	97	169.44%
EPS	0.17	0.44	158.82%

Key Financial Highlights – Last 5 Years

In Millions, USD	2022	2023	2024	2025
Revenue	7,720	8,826	11,266	12,910
Gross Profit	1,354	1,433	1,588	1,517
EBITDA	616	614	614	631
Net Income	50	-20	75	197
EPS	0.43	-0.17	0.39	0.89
Cash From Operations	-5	210	23	490
Capex	-70	-73	-80	-95
Free Cash Flow	-74	137	-57	394

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Key Growth Drivers

Specialty & Infusion Pharmacy Growth

Specialty & Infusion Pharmacy revenue increased 30.1% YoY to $2.87 billion in Q2. Revenue per prescription rose 22.2% to $314.20, while gross profit per prescription increased 27.7% to $27.50, with prescription volumes broadly flat. Pharmacy Solutions EBITDA increased 44.4% to $180 million, with margin rising from 4.5% to 5.3%.

Provider Services Growth

Provider Services revenue increased 30.3% YoY to $466 million, including 50.5% growth in Home Health Care revenue to $278 million. Home Health Care average daily census increased 54.4%, reflecting acquisition integration and volume growth, while Provider Services EBITDA increased 32.6% to $75 million.

Integrated Care Platform

BrightSpring operates across pharmacy, home health, rehabilitation, and personal care, serving complex and high-acuity patients in home and community settings. Management continues investing in patient engagement, new locations, analytics, technology, and integrated care capabilities, alongside acquisitions focused on geographic expansion and scale.

Updated 2026 Guidance

Management raised 2026 revenue guidance to $15.10–15.43 billion from $14.73–15.23 billion and Adjusted EBITDA guidance to $820–845 million from $795–825 million. The updated ranges represent 17.0–19.5% revenue growth and 32.8–36.8% Adjusted EBITDA growth. BrightSpring also estimates approximately $600 million of 2026 operating cash flow, while leverage stood at 2.15x at the end of Q2.

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Valuation – Current Trading Multiples

BrightSpring currently trades at 31.53x Forward P/E, 0.69x PEG (63.32% below the sector median), and 0.92x EV/Sales (77.18% below the sector median). Shares declined approximately 18% following Q2 results, after a strong prior share-price performance. The decline coincided with profit-taking and valuation concerns, while the company reported results above earnings and revenue expectations and raised its full-year guidance. In Q2, revenue increased 23% YoY and Adjusted EBITDA grew 44% YoY.

Key Multiples

Metric	BTSG
P/E	40.05 x
Forward P/E	31.53 x
PEG	0.69 x
P/B	5.92 x
Forward P/B	5.54 x
FWD EV/Sales	0.92 x
FWD EV/EBITDA	16.87 x

Historical Ratios – Last 5 Years

Ratio	2022	2023	2024	2025	Current - Q2 26
ROE	-7.05%	-23.08%	-1.62%	10.82%	19.30%
ROA	-0.98%	-2.82%	-0.32%	3.09%	6.14%
ROC	2.89%	2.28%	3.62%	6.75%	11.08%
Gross Margin	17.54%	16.24%	14.10%	11.76%	12.70%
EBITDA Margin	6.42%	5.04%	4.52%	4.00%	5.32%
Operating Margin	2.43%	1.67%	1.83%	2.29%	3.37%
Net Income Margin	-0.70%	-1.75%	-0.16%	1.48%	2.50%
CFO, USD Millions	-5	210	23	490	43
FCF, USD Millions	-74	137	-57	394	14
Total Debt, USD Millions	3,677	3,670	2,905	2,707	2,387
Total Debt/T12M EBITDA	7.42 x	8.26 x	5.70 x	5.24 x	3.92 x
Net Debt/EBITDA	7.40 x	8.23 x	5.58 x	5.07 x	3.02 x
EBITDA to Interest Expense	2.12 x	1.37 x	2.23 x	3.28 x	4.66 x

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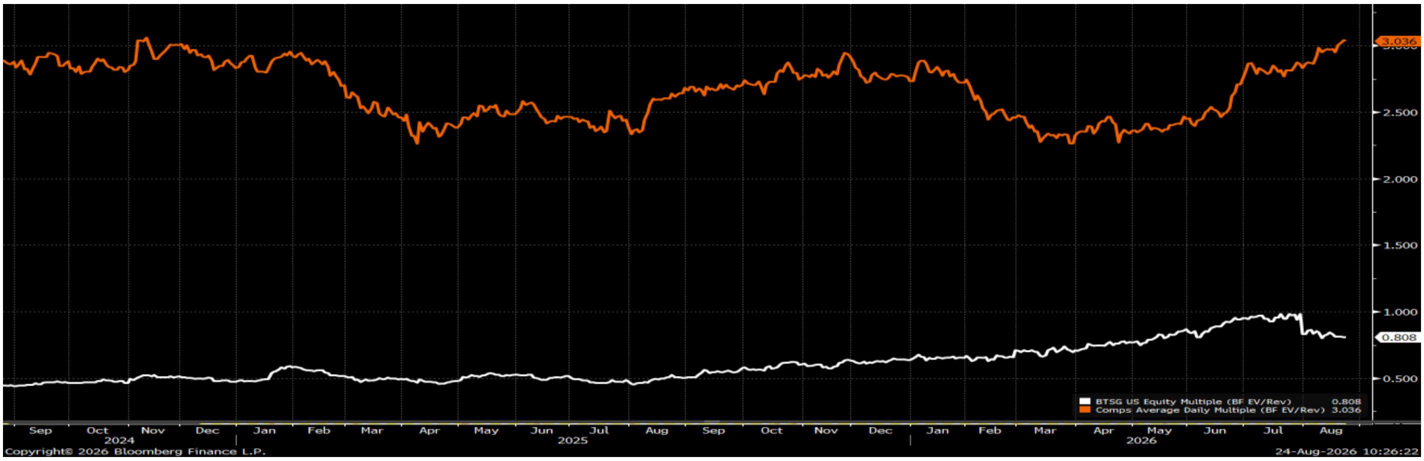
BTSG vs Peers

Ticker	FWD P/E	PEG	FWD EV/SALES	FWD EV/EBITDA
BTSG	**31.53**	**0.69**	**0.92**	**16.87**
RDNT	149.37	12.45	3.11	21.34
SHC	19.88	-	6.01	11.72
ADUS	17.15	1.45	1.46	11.26

BTSG – Blended Forward EV/Rev vs Peers



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Key Risks

BrightSpring is exposed to government reimbursement and healthcare policy changes, particularly Medicare, Medicaid, and IRA-related pricing changes that may affect pharmacy revenue and margins. Other risks include the integration of recent acquisitions, reimbursement rate changes, labor cost inflation and clinical staffing shortages, reliance on relationships with drug manufacturers and payers, expansion into new markets, and execution risks associated with future M&A. These factors may affect the company's revenue growth, margins, and overall financial performance.

- *Source: Public company filings, Bloomberg, market data providers, and publicly available information as of the date of publication.*
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