



Market Report

Q1 - 2025

July 2025

Funds that Raised

Venture Capital

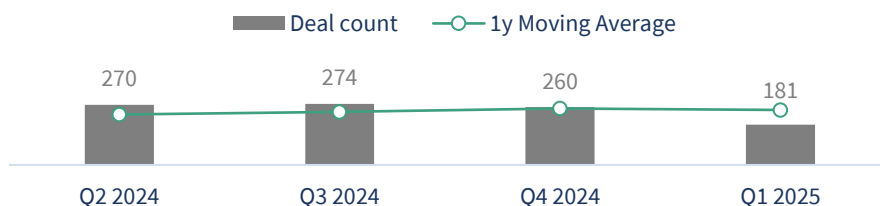
Fund	Manager	Size (raised/target)	Close / Launch date (2025)	Status	HQ	Deploys in	Sub-sector	Stage focus	Typical stake
Biotech Ecosystem Venture Fund		\$500 M	14-Jan	Launch	Menlo Park (US)	Global	Therapeutics / “TechBio” platforms	All stages	Minority
Vensana Capital III		\$425 M	15-Jan	Final close	Minneapolis (US)	N. America / EU	Med-tech, Diagnostics	Series B → pre-IPO	Minority
Curie.Bio Seed Fund 2		\$340 M	29-Jan	Final close	Boston (US)	Global	Therapeutics / Biotech	Seed	Minority
Valspring Capital Fund I		\$255 M	9-Jan	Final close	Boston (US)	US / Canada	Digital-health, HC-IT	Growth equity	Minority
Sofinnova Biovelocita II		\$182 M	18-Mar	Final close	Paris (FR)	Europe	Biotech acceleration	Company-creation / Seed	Majority in spin-outs
Red Tree Venture Capital Fund II		\$133 M	23-Jan	First close	Redwood City (US)	US West Coast	Therapeutics (oncology, neuro, immuno)	Seed → Series A	Minority
Virtue Fund II (“V2”)		\$56 M	15-Jan	Final close	Austin (US)	US	Digital-health & services	Pre-seed / Seed	Minority
Capricorn HealthTech Fund II		\$56 M	9-Jan	First close	Leuven (BE)	Europe	Med-tech, Diagnostics, Digital- health	Late-seed → Series B	Minority
THENA Capital UK MedTech Fund I		\$35 M	21-Mar	First close	London (UK)	UK	Med-tech & Women's-health devices	Seed → Series A	Minority
Kotak Life Sciences Fund		\$30 M	23-Jan	First close	Mumbai (IN)	India	Pharma/Biotech, Med-tech, Diagnostics	Early & Growth	Minority / selective control

Sources: Business Wire, Vogue Business, Pharmaphorum, Seedhealthcare, Fiercebiotech. Amounts converted to dollar value based on the exchange rate at the date of announcement.

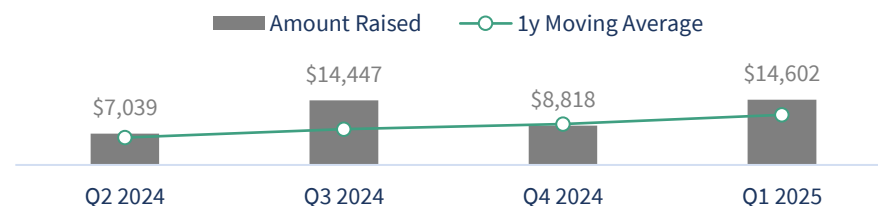
Macro Environment

Venture Capital

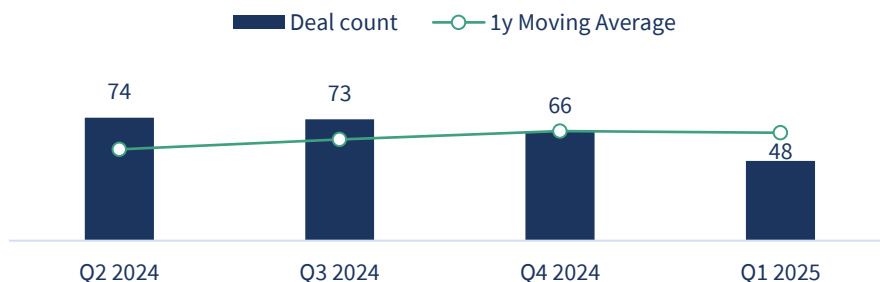
Deal Volume & Moving Average



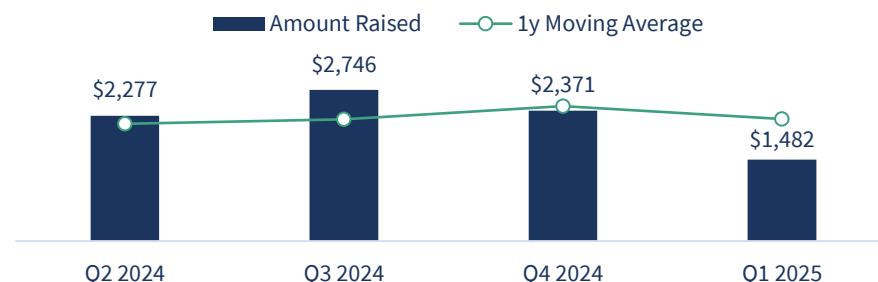
Amount Raised & Moving Average (\$M)



Life Sciences Deal Volume & Moving Average



Life Sciences Amount Raised & Moving Average (\$M)



Despite a rebound in total capital to \$14.6 billion - its highest quarterly tally since Q2 2022 - venture financings slowed sharply in **Q1 2025**, slipping to just **181 deals**, the fewest since Q4 2016. Mid-stage rounds led the pullback: Series C transactions halved in number and funding, valuations across B-through-D tranches softened, and up-round frequency dipped, even as a handful of outsized Series D+ rounds drove late-stage investment to nearly \$10 billion. Company-friendly deal terms remained prevalent, with **94% of financings carrying a 1× liquidation preference** and **nonparticipating preferred stock in 95% of rounds**.

In life sciences, activity cooled more markedly: total financings fell 27% from 66 to 48 deals, and invested capital contracted by 37.5% from \$2.4 billion to \$1.5 billion. Average round size declined by roughly 15% to \$30 million (from \$35.4 million), reflecting **more cautious underwriting and valuation disciplines**. Tranche-based structures gained traction - rising to 27.1% of reported deals from 25.8% - as **investors increasingly align funding to development milestones** in an otherwise **selective market**.

Source: Cooley

Flagship Deals

Venture Capital

 Lead / Co-lead

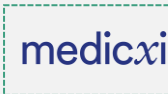
Date (2025)	Company	Sub-sector	Round	Deal size	Lead & notable funds	Rationale
31-Mar	Isomorphic Labs	Biotech / AI drug-design	Series A	\$600 M	  	Super-sized first raise to scale AlphaFold-style generative platform
26-Feb	Eikon Therapeutics	Therapeutics	Series D	\$351 M	   	Funds Phase III oncology program & live-cell imaging platform
13-Jan	Truveta	Digital Health / data	Strategic	\$320 M	  	Builds 10 M-exome dataset linking genomics to real-world EHRs
10-Jan	Innovaccer	Digital Health / AI health-data cloud	Series F	\$275 M	   	Expands “Intelligence Cloud” across payers & providers; >\$3 B valuation
23-Jan	Neko Health	Diagnostics / Med-tech	Series B	\$260 M	   	Daniel Ek-backed full-body scanning clinics scaling across EU & UK
25-Mar	AMBOSS	Digital Health / clinical ed.	Growth	\$259 M	  	Fuels global roll-out from physician to nurse & allied-clinician segments
13-Jan	Tune Therapeutics	Therapeutics / epigenetic “gene tuning”	Series B	\$175 M	   	Supports first-in-human epigenome-editing trial for chronic Hep B
9-Jan	Hippocratic AI	Digital Health / LLM agents	Series B	\$141 M	   	Takes safety-tuned LLM “virtual nurse” from pilots to scaled deployment
7-Jan	CeQur	Med-tech / wearable insulin patch	Equity	\$120 M	Undisclosed	Accelerates US/EU commercial rollout of 4-day Simplicity™ patch
7-Jan	FIRE1	Med-tech / implantable HF monitor	Growth	\$120 M	   	Funds pivotal trials & FDA path for Norm™ heart-failure pressure sensor

Sources: Financial Times, Growjo, Compworth. Amounts converted to dollar value based on the exchange rate at the date of announcement.

Flagship Deals

Venture Capital

 Lead / Co-lead

Date (2025)	Company	Sub-sector	Round	Deal size	Lead & notable funds	Rationale
17-Mar	Curevo Vaccine	Therapeutics (Vaccines)	Series B	\$110 M	       	Funds Phase 2 extension for an adjuvanted shingles-vaccine with improved tolerability
10-Jan	Neuberg Diagnostics	Diagnostics	Growth/PE	\$110 M		Capital to expand the Indian lab-chain's footprint and menu of high-complexity tests
3-Mar	Pulnovo Medical	Med-tech / cardio-pulmonary devices	Series C	\$100 M	    	Advances PADN™ pulmonary-artery denervation platform into global pivotal trials
19-Feb	VitalConnect	Med-tech (wearable biosensors)	Series G + debt	\$100 M	   	Supports commercial scale-up of VitalPatch® continuous-monitoring platform
28-Jan	Atalanta Therapeutics	Therapeutics (RNAi, CNS)	Series B	\$97 M	       	Drives RNAi programs for Huntington's disease & KCNT1 epilepsy into first-in-human studies
24-Mar	Augustine Therapeutics	Therapeutics (HDAC6 inhibitors)	Series A	\$85 M	   	Advances first-in-class selective HDAC6i into Phase I for Charcot-Marie-Tooth disease
7-Jan	Francis Medical	Med-tech (water-vapor ablation)	Series C	\$80 M	    	Backs pivotal VAPOR 2 trial and U.S. launch of Vanquish treatment for prostate cancer
19-Feb	OpenEvidence	Digital health (AI clinical evidence)	VC (undisclosed stage)	\$75 M		Accelerates AI platform that organizes medical knowledge for point-of-care decisions
17-Mar	Maxon Therapeutics	Biotech (KnotBody® antibodies)	Series A	\$72 M	     	Funds lead KnotBody MAX001 to clinic and expands GPCR/ion-channel antibody pipeline
19-Mar	Ampersand Biomedicines	Biotech / Life-science tools (tissue-mapping AI)	Series B	\$65 M	 	Scales AND™ platform to design off-tissue-specific biologics and advance oncology assets

Sources: Financial Times, Growjo, Compworth. Amounts converted to dollar value based on the exchange rate at the date of announcement.

Flagship Deals

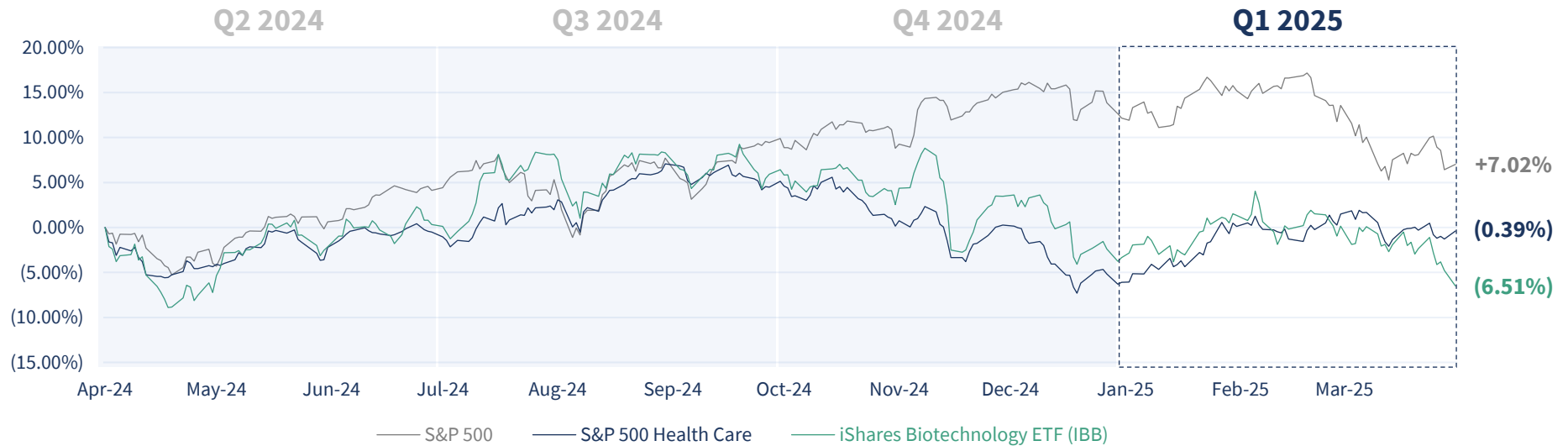
Strategic Acquisitions

Date (2025)	Acquirer	Target	Sub-sector	Deal size	Rationale
13-Jan			Therapeutics	\$14.6 B	Adds fast-growing neuroscience franchise led by Caplyta plus rich CNS pipeline
19-Feb			Med-tech	\$4.9 B	Gives Stryker scale entry into high-growth venous-thrombo-embolism thrombectomy market
11-Feb			Therapeutics	\$3.1 B	Re-acquires abelacimab (FXI mAb) to bolster cardiovascular late-stage pipeline
19-Mar			Life-Science Tools	\$2.2 B	Creates diversified bioprocess & clinical-analytics leader with global reach
8-Jan			Biotechnology	\$1.5 B	Secures allogeneic CAR-T & gene-editing platform for oncology/auto-immune franchises.
13-Jan			Therapeutics	\$1.2 B	Adds precision GIST therapy IDRX-42, strengthening oncology focus
27-Feb			Med-tech	\$791 M	Broadens Teleflex's endovascular franchise ahead of planned corporate split
8-Jan			Med-tech	\$664 M	Acquires intravascular lithotripsy platform to tackle calcified CAD/PAD lesions
11-Mar			Diagnostics	\$225 M	Expands Labcorp's specialised cancer-testing footprint across the US
29-Jan			Diagnostics	\$140.8 M	Provides rapid microfluidics point-of-care immunoassay platform

Sources: Reuters, LinkedIn, Investors, Financier Worldwide, MedTech Dive. Amounts converted to dollar value based on the exchange rate at the date of announcement.

Macro Environment

Public Equities – Trailing Twelve Months



U.S. risk assets lost altitude in the first quarter. The S&P 500 finished Q1 2025 with a (4.6 %) total return - the index's weakest quarter since 3Q 2022 - as the administration's sweeping tariff plan drove the average import duty to its highest level since the 1930s and pushed the Trade-Policy Uncertainty Index to record territory. Equity volatility widened while the **Federal Reserve held rates steady** but trimmed its growth forecasts, signalling that policy easing is unlikely in the near term. The combination of elevated policy risk, earnings downgrades and profit-taking in last year's megacap leaders catalysed a broad risk-off rotation across global equities.

Health-care equities proved the stand-out defensive play. **The S&P 500 Health Care index advanced 6.5 % in Q1**, ranking among the three best-performing sectors; Fidelity attributes the strength to the **group's consistent free-cash-flow profile** and its outsized share of positive revenue surprises during earnings season. Beneath that resilience, dispersion widened. Biotechnology under-performed sharply - Bloomberg reported a broad sell-off in vaccine and gene-therapy names after the **late-March resignation of FDA biologics chief Peter Marks**, leaving flagship ETFs such as iShares Biotechnology (IBB) in negative mid-single-digit territory for the quarter. Valuations underline the disconnect: Reuters calculates that U.S. health-care shares now trade about 11 % below their long-term average P/E and nearly 20 % below the broader global equity market, a discount linked to revived "most-favoured-nation" drug-pricing proposals and talk of tariffs of up to 200 % on pharmaceutical imports. The sector therefore enters the second quarter offering defensive earnings growth, but also an unusually wide policy-risk premium that investors must weigh carefully.

Sources: S&P Global, Reuters, JP Morgan AM, Elyxium Wealth, Fidelity, Bloomberg.



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