Market Report

Q3 - 2025

October 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
Frazier Life Sciences Fund XII	FRAZIER LIFE SCIENCES	$1.3B	31-Jul	Final Close	Silicon Valley, USA	USA & Europe	Biopharma (novel therapeutics)	Early-stage company creation & venture	Minority
Omega Fund VIII	OMEGA FUNDS	$647M	21-Jul	Final Close	Boston, USA	USA & Europe	Life sciences (oncology, rare dz, etc.)	Multi-stage (company creation to growth)	Minority
Sanofi Ventures (Evergreen Fund)	sanofi ventures	$625M	24-Sep	New Capital Commit.	Paris, FRA	Global	Biotech & digital health (aligned to Sanofi focus)	All stages (seed to IPO)	Minority
Catalio Nexus Fund IV	CATALIO CAPITAL MANAGEMENT	$400M	1-Jul	Final Close	New York, USA	Global	Healthcare (drugs, devices, diagnostics, tools)	All stages (inception to IPO)	Minority
Atlas Venture Opportunity Fund III	ATLAS VENTURE	$400M	4-Sep	Final Close	Cambridge, MA, USA	USA	Biotech therapeutics (follow-on capital)	Later-stage financings (growth follow-on)	Minority
Brandon BioCatalyst Fund VI (BB6)	BRANDON CAPITAL	$283M	24-Jul	Final Close	Melbourne, AUS	Australasia (ANZ)	Biomedical technologies (drugs & devices)	Early to growth-stage ventures	Minority
Hatteras Venture Partners VII & Opp I	HATTERAS VENTURE PARTNERS	$200M	13-Aug	Final Closes	Durham, NC, USA	USA	Biopharma, medtech & healthtech	Seed & early-stage focus	Minority
AN Venture Partners I	AN VENTURES	$200M	2-Jul	Final Close	San Francisco & Tokyo	Japan & Global	Biotechnology (Japan-origin innovations)	Multi-stage (pre-PoC to Phase 3)	Minority
Venture Investors Health Fund VII	VENTURE INVESTORS	$80M	10-Sep	Final Close	Madison, WI, USA	USA (Midwest)	Healthcare (medtech, diagnostics, pharma, digital)	Early-stage (seed/Series A)	Minority
W Health Ventures Fund II	W HEALTH VENTURES	$70M	1-Aug	Launch	Boston, USA & India	US & India	Digital health/healthtech	Early to growth (vc)	Minority

Source: Venture Capital Journal, PitchBook News, Private Equity Wire, official press releases.

Flagship Deals

Venture Capital

Lead / Co-lead

Date (2025)	Company	Sub-sector	Round	Deal size	Lead & notable funds	Rationale
9-Sep	Strive Health	Digital health (value-based kidney care)	Series D (equity+debt)	$550M	NEA; CapitalG; CVS Health; Hercules Capital	Scale value-based kidney care + AI analytics and multi-specialty expansion
Sep 23	Judi Health | Capital Rx	Digital health (benefits/PBM platform)	Series F + add'l	$400M	Wellington Management; General Catalyst; Goldman Sachs Alternatives; B Capital; 9Yards Capital; edison partners; Transformation Capital; generation	Expand unified AI benefits platform; M&A firepower; rebrand to Judi Health
28-Jul	MapLight	Biotech (CNS)	Series D	$373M	Forbion; Goldman Sachs Alternatives; sanofi; T.RowePrice; AVEGO; novo holdings; 5AM Ventures	Push muscarinic agonist programs through Phase 2; expand CNS pipeline
29-Jul	Ambience	Digital health (ambient AI)	Series C	$243M	OAK HC/FT; a16z; OpenAI Startup Fund; Kleiner Perkins; Optum Ventures; Georgian; town hall ventures	Scale AI documentation/coding platform across health systems
15-Sep	LILA	Life-science tools (AI "science factories")	Series A (first close)	$235M	Braidwell; Collective Global; General Catalyst; ARK Invest; ADIA; Flagship Pioneering; NVIDIA; MODI Ventures	Build autonomous AI-driven R&D labs; expand Boston/SF/London footprint
10-Sep	Odyssey Therapeutics	Biotech (autoimmune/inflammation)	Series D	$213M[1]	Affinity Asset Advisors; Dimension; Jeito; TPG; Lightspeed; Wedbush Healthcare Partners	Fund multiple Phase 1/2 PoC studies; broaden pipeline
3-Sep	Treeline	Biotech (oncology)	Series A (ext.)	$200M[1]	Aisling Capital; Access Industries; KKR; Arch Venture Partners; Casdin Capital; G/; orbimed	Launch 3 Phase-1 programs; brings total funding to ~$1.1B
10-Jul	Varda Space Industries	Life-science tools/platform (microgravity manufacturing)	Series C	$187M	Shrug; Natural Capital; Founders Fund; khosla ventures; Thiel; Lux	Build out orbital factories for pharma crystals/bioprocessing in microgravity
7-Aug	Strand Therapeutics	Biotech (programmable mRNA)	Series B	$153M	Kinnevik; Regeneron Ventures; Amgen Ventures; ICONIQ; Lilly	Advance STX-001 mRNA immunotherapy and pipeline
29-Jul	ArtBio	Biotech (radiopharmaceuticals)	Series B	$132M	Sofinnova Investments; B Capital; Alexandria Venture Investments; Third Rock Ventures; F-Prime; QIA; Omega Funds	Advance alpha-radioligand AB001 into Phase 2; expand supply chain

Sources: Endpoints News, TechCrunch, BioPharma Dive, official press releases. 1. Undisclosed Lead.

Flagship Deals

Venture Capital

Lead / Co-lead

Date (2025)	Company	Sub-sector	Round	Deal size	Lead & notable funds	Rationale
7-Aug	明慧医药 MINGHUI PHARMACEUTICAL	Biotech (oncology/derm)	Pre-IPO	$131M	orbimed, QIMING; 泰福资本 TF Capital, 博远资本 BioTrack Capital, 5Y CAPITAL 五源资本	Prep China launch of JAK cream; progress bispecific/ADC oncology programs
30-Sep	STAR THERAPEUTICS	Biotech (hematology/rare)	Series D	$125M	Viking, sanofi ventures; RACAPITAL, Janus Henderson Investors, GordonMD Global Investments, FRAZIER Healthcare Partners	Fund VGA039 (Protein-S mAb) incl. pivotal VWD trial; expand platform
27-Aug	Wugen	Biotech (allogeneic CAR-T)	Series C	$115M	Fidelity Investments; TYBOURNE Capital Management, ABINGWORTH, RIVERVEST, AISLING CAPITAL, ICG	Pivotal program for off-the-shelf T-cell malignancy CAR-T (WU-CART-007)
22-Jul	avalyn pharma	Biotech (pulmonary)	Series D	$100M	SUVRETTA Investment Partners, SR One; novo holdings, xontogeny, F-PRIME	Advance inhaled pirfenidone/nintedanib programs for fibrosis (Phase 2b/2)
3-Sep	Galvanize	Medtech (PEF ablation / COPD)	Series C	$100M	Sofinnova partners; NORWEST, INTUITIVE SURGICAL, Fidelity Investments	Scale PEF cancer ablation and RheOx COPD system; clinical/commercial expansion
10-Jul	NUCLIDIUM	Diagnostics / radiotheranostics	Series B	$99M	Kurma Partners, Angelini Ventures; wellingtonpartners, VIVES Inter-University Fund, HLC Highlight Capital, EURAZEO	Advance copper-based PET/therapy pairs; prostate cancer imaging readouts
24-Sep	sparrow PHARMACEUTICALS	Biotech (cardiometabolic/endocrine)	Series B	$95M	RACAPITAL, Forbion; orbimed, USVP US Venture Partners, RIVERVEST	Phase 2b of cortisol-modulating small molecule in T2D subset; other endocrine uses
Sep 7–8	EPIGENIC	Biotech (epigenetic gene therapy)	Series B	$60M	龙磐投资 LAPAM CAPITAL; orbimed, QIMING	Advance epigenome-editing programs (HBV, hypercholesterolemia) + platform
15-Sep	conceivable LIFE SCIENCES	Medtech / tools (automated IVF lab)	Series A	$50M	AVP; ARTIS VENTURES, ACME, STRIDE VENTURES	Commercialize AURA, AI-powered automated IVF lab platform
Sep 1–2	CytedHealth	Diagnostics (GI molecular Dx)	Series B (first close)	$44M	EQT Life Sciences; British Business Bank, BGF, Advent Life Sciences, MORNINGSIDE VENTURES	Accelerate U.S. expansion and GI early detection test portfolio

Sources: Endpoints News, TechCrunch, BioPharma Dive, official press releases.

Flagship Deals

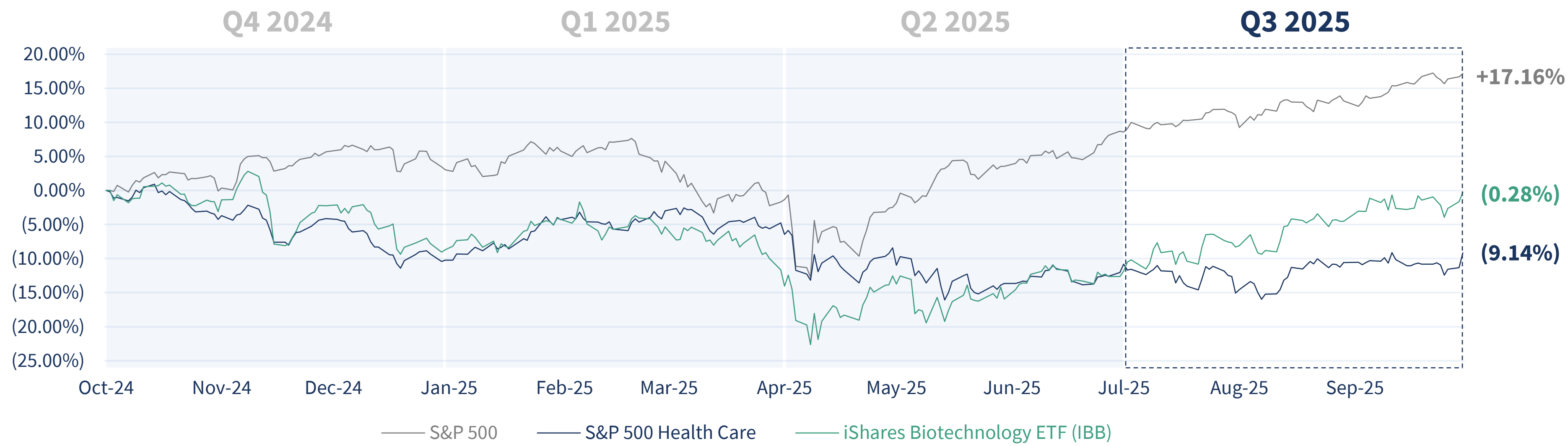
Strategic Acquisitions

Date (2025)	Acquirer	Target	Sub-sector	Deal size	Earn-out (% Deal Size)	Rationale
14-Jul	Waters™	BD BD Biosciences	Life-science tools & diagnostics	$17.5B[1]	0%	Create a scaled leader in regulated high-volume testing; broaden recurring revenue and TAM
9-Jul	Merck	Verona Pharma®	Biopharma (respiratory)	$10.0B	0%	Add ensifentrine (COPD) and expand respiratory franchise
Jul 18, 2025 (close)	sanofi	blueprint™ MEDICINES	Biopharma (oncology/rare)	$9.9B	5%	Secure AYVAKIT and precision oncology platform; deal completed in Q3
22-Sep	Pfizer	Metsera	Biopharma (obesity/cardiometaboli c)	$8.1B	33%	Re-enter obesity with 4 clinical programs (oral & injectable) and bolster pipeline
18-Sep	Roche	89bio	Biopharma (metabolic/liver)	$3.1B	29%	Add pegozafermin (FGF21) for MASH; strengthen CVRM focus
12-Aug	CardinalHealth™	SOLARISHEALTH A NEW DAY IN HEALTHCARE	Healthcare services	$1.9B	0%	Scale specialty/urology services footprint; own ~75% of platform post-deal
5-Aug	Alcon	STAAR SURGICAL	Medtech (ophthalmic/refractive)	$1.5B	0%	Complement refractive surgery portfolio with EVO ICL lenses
9-Sep	NOVARTIS	TOURMALINE	Biopharma (cardiovascular/inflamm ation)	$1.4B	0%	Acquire pacibekitug (anti-IL-6) to strengthen cardiovascular pipeline
25-Aug	abbvie	GILGAMESH	Biopharma (neuro/psychiatry)	$1.2B[2]	Undisclosed	Add short-acting psychedelic-like MDD asset; expand neuroscience
5-Aug	SERB Pharmaceuticals	Y-mAbs Therapeutics, Inc.	Biopharma (oncology)	$403M	0%	Acquire DANYELZA (naxitamab) and expand rare oncology portfolio; closed Sep 16

Sources: Capital IQ, Reuters, Bloomberg, Fierce Biotech, official press releases. 1. Business-unit carve-out via Reverse Morris Trust (RMT); BD is divesting its BDS business, which is spun to BD shareholders and merged with a Waters subsidiary (not an acquisition of BD Inc.). 2. Asset/program acquisition only (bretisilocin for MDD), with "up to $1.2B" consideration; Gilgamesh remains independent for other programs (to be spun into a new entity).

Macro Environment

Public Equities – Trailing Twelve Months



U.S. equities trended higher in the third quarter. Growth remained resilient while inflation eased unevenly, keeping monetary policy data-dependent. Market leadership shifted back to large, high-quality companies; small caps and rate-sensitive sectors lagged. Long-dated yields were largely range-bound, which helped stabilize financial conditions versus the first half. A firm dollar and mixed global PMIs kept a soft-landing as the base case. Earnings revisions turned modestly positive, and volatility drifted lower. Investors favored businesses with predictable cash flow, cost discipline, and pricing power; unprofitable growth rallied only episodically.

Health care posted a defensive but mixed quarter. Managed care and diversified services benefited from stabilizing utilization and tighter cost control. Large-cap pharma outperformed on late-stage pipeline updates and dividend support, though names facing loss of exclusivity remained under pressure. Medical devices were range-bound as hospital capital budgets steadied, and GLP-1 demand effects were reassessed rather than expanded. Biotech stayed bifurcated: profitable and late-stage platforms drew capital, while earlier-stage companies traded around trial readouts and partnerships. M&A was selective and strategic, emphasizing adjacency, de-risked assets, and clear cost/portfolio synergies; earn-outs and contingent value rights (CVRs) were common tools to bridge valuation gaps. Overall, the sector maintained its defensive profile and pipeline optionality, with leadership skewed to strong balance sheets, near-term cash generation, and visible returns on R&D.

Source: Capital IQ.

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