Market Report

Healthcare & Life Sciences

Q3 2026

Securities offered through Finalis Securities LLC Member FINRA / SIPC. Echo Partners and Finalis Securities LLC are separate, unaffiliated entities.

Executive Summary

Q3 2026 Market Takeaways

Late-Stage Crossover and Clinical Venture

Frazier's $1.1B-plus close adds capital to a public biotech fund with crossover flexibility. InnoBio 3 targets late-preclinical and clinical biotech, with $6.8–9.1M initial cheques.

Dedicated Financing for Caspian's Diabetes Program

Kura established a separately financed subsidiary. The $50.0M BVF-led round supports initial clinical proof of concept, while Kura retains roughly half of Caspian.

Clinical Risk in Acquisition Terms

Lilly's AtaiBeckley agreement combines approximately $2.8B at closing with up to $1.0B tied to clinical and regulatory milestones. Assess the upfront and contingent components separately.

Primary Equity and Secondary Liquidity

Angle's $600.0M package includes a $200.0M Series C and a $400.0M tender offer. Only one-third represents new capital for the business.

Selected examples and Echo interpretation. Amounts in USD. InnoBio cheque sizes converted at 30-Sep-2026 ECB FX.

Sources: Frazier Life Sciences, Bpifrance, Kura Oncology, Eli Lilly, Angle Health, ECB.

I. Funds that Raised

Funds that Raised

Q3 2026

Fund	Manager	Size (Raised/Target)	Close / Launch Date (2026)	Status	HQ	Deploys In	Sub-Sector	Stage Focus	Typical Stake
MED IV	ARCHIMED	$1.7B	9-Sep	Final Close	Lyon, FRA New York, USA	Global	Healthcare: Devices, Diagnostics, Biopharma & Tools	Small-Cap Buyouts	Primarily Majority
Frazier Life Sciences Public Fund	FRAZIER LIFE SCIENCES	>$1.1B	10-Sep	Additional Capital Close	Palo Alto, USA	Global	Biotech Therapeutics	Public & Later-Stage Crossover	Not Disclosed
Transformation Capital Fund IV	TRANSFORMATION CAPITAL	$850.0M	14-Sep	Final Close	Boston & San Francisco, USA	USA	Digital Health & Healthcare AI	Venture & Growth	Not Disclosed
Dimension Fund III	DIMENSION	$800.0M	21-Jul	Final Close	San Francisco & New York, USA	Not Disclosed	Computational Biology / TechBio	Early Stage to Growth	Cheques Below $10.0M to $100.0M
LumaBio Fund I	LUMA GROUP	$410.0M	9-Sep	Final Close	New York, USA	Not Disclosed	Life Sciences / Biotech	Discovery to Commercialization	Not Disclosed
Mérieux Participations 5	MERIEUX EQUITY PARTNERS	$380.4M ($681.3M target)	9-Jul	First Close	Lyon & Paris, FRA	Europe	Prevention, Innovation, Treatment & Care	Lower Mid-Market Buyouts	Not Disclosed
Capital Santé 3	Turenne SANTÉ	>$283.9M ($312.3M target)	11-Sep	Interim Close / Upsizing	Paris, FRA	France & Europe	Services, Pharma, Devices, Diagnostics & Ageing	Growth / Buyout, Profitable SMEs	Majority / Minority $11.4–34.1M
InnoBio 3	bpifrance	$235.0M	17-Sep	Final Close	Paris, FRA	France & Select Europe	Oncology, Immunology, Rare Disease & Neuro	Late Preclinical & Clinical	$6.8–9.1M Initial Cheques
Sofinnova MD Start IV	Sofinnova partners	$93.1M	28-Sep	Final Close	Paris, FRA London, GBR Milan, ITA	Europe & USA	Medtech / Medical Devices	Company Creation & Early Clinical	Not Disclosed
W Health Ventures Fund II	W HEALTH VENTURES	$73.0M	8-Sep	Final Close	Boston, USA Delhi, Mumbai & Bengaluru, IND	India & USA	Specialty Care, Prevention, Geriatrics & AI	Company Creation to Scale	$3.1–5.2M Cheques

USD at 30-Sep ECB FX. Commitments at announced close, not Q3 inflows. Frazier: public/crossover. Dimension: broader science mandate.
Minimum $30M. Sources: manager announcements and financial press.

II. Flagship VC Deals

Flagship VC Deals

Q3 2026

Lead / Co-Lead

Date (2026)	Company	Sub-Sector	Round	Deal Size	Lead & Notable Funds	Rationale
15-Jul	NEKO	Diagnostics / Preventive Care	Series C	$700.0M	Lightspeed; O.G. Venture Partners; atomico; General Catalyst; Lakestar	Funds the US clinic launch, diagnostic capacity and further preventive screening technology.
29-Sep	Ortet	Digital Health / Foundation AI	Launch Commitment[1]	$500.0M	Thoreau	Establishes a patient-focused health AI lab with foundation models, data and computing infrastructure.
14-Jul	Chai Discovery	TechBio / AI Molecular Design	Series C	$400.0M	Index Ventures; Kleiner Perkins; Sequoia; Dimension	Expands computing, data and research for molecular AI and broader pharmaceutical adoption.
15-Jul	AdvanCell	Biotech / Radiopharma	Series D	$315.0M	Ally Bridge Group; Alpha Wave; BainCapital Life Sciences; Fidelity; T.RowePrice	Advances lead-212 therapies, including ADVC001, and expands clinical and commercial manufacturing.
23-Sep	enveda	TechBio / AI Drug Discovery	Series E	$311.0M	Catalio; Durable; Lightspeed; Dimension; ICONIQ; T.RowePrice	Advances clinical candidates from natural chemistry and scales AI-assisted drug discovery.
16-Sep	Anew Labs	TechBio / AI Drug Discovery	External Round (Reported)[2]	$290.0M	HSG; IDG Capital; GL Ventures; 5Y Capital	Supports AI drug discovery following the spin-out of ByteDance's healthcare research business.
9-Sep	Encoded Therapeutics	Biotech / Neurology Gene Therapy	Series F	$275.0M	GV; Undisclosed healthcare fund; Arch Venture Partners; Farallon; Braidwell; rtw; Versant	Funds pivotal ETX101 development for Dravet syndrome and precision genetic medicines.
16-Sep	OpenEvidence	Digital Health / Clinical Decision Support	Growth (Series N/D)	$250.0M	Andreessen Horowitz; Byers Capital	Expands its clinical evidence platform, data partnerships and drug discovery activities.
24-Sep	Precision	Medtech / Brain–Computer Interfaces	Series D	$250.0M	Pershing Square; Ackman Oxman Institute; Undisclosed life sciences fund; Duquesne; B Capital; Mubadala	Advances clinical and regulatory work and prepares its minimally invasive brain interface for commercialization.
9-Sep	Solstice Oncology	Biotech / Immuno-Oncology	Series A	$225.0M	RA Capital; Canaan; Forbion	Develops porustobart, a CTLA-4 therapy for treatment before surgery, including colorectal cancer.

[1] Ortet: announced commitment, not confirmed cash funded. [2] Anew: reported round and leads. N/D: not disclosed. All amounts in USD.

First public announcement in Q3. Sources: company releases and financial press.

Flagship VC Deals

Q3 2026 (continued)

Lead / Co-Lead

Date (2026)	Company	Sub-Sector	Round	Deal Size	Lead & Notable Funds	Rationale
18-Sep	Angle	Digital Health / Health Insurance	Series C Primary Equity[1]	$200.0M	Vitruvian Partners; Portage; Blumberg Capital; PRUVEN Capital	Scales AI-supported health benefits for small and medium-sized employers.
6-Aug	LifeMine	Biotech / Transplant & Immunology	Series E[2]	$188.0M	Milky Way Investments; Bezos Expeditions; RA Capital; GSK; Gates Frontier; GV; Arch Venture Partners	Develops LIFE-001 to prevent transplant rejection and advances other immunology candidates.
2-Jul	Celea Therapeutics	Biotech / Pulmonary Fibrosis	Series Seed	$180.0M	RA Capital; Puretech; leaps; Other undisclosed investors	Advances deupirfenidone for pulmonary fibrosis, including a head-to-head Phase 3 program.
24-Sep	Rightway	Healthcare Services / Pharmacy Benefits	Series E	$155.0M	Francisco Partners; Thrive Capital; khosla ventures	Expands pharmacy benefit management and care navigation.
11-Aug	Vaderis Therapeutics	Biotech / Rare Vascular Disease	Series B	$152.5M	Goldman Sachs Alternatives; TCG; Omega Funds; Perceptive Advisors; EQT Life Sciences; medicxi; ATA Ventures	Funds the HEROIC Phase 3 trial of engasertib for hereditary haemorrhagic telangiectasia.
8-Sep	**Forus (formerly Tandem)**	Digital Health / Medication Access	Series C	$150.0M	BainCapital Ventures; Thrive Capital; Accel; General Catalyst; Redpoint	Expands technology and operations that help patients obtain prescribed medicines.
23-Sep	Basecamp Research	TechBio / AI Therapeutics	Series C	$140.0M	S32; NVIDIA; Menlo Ventures; Catalio; redalpine	Advances biological foundation models and AI therapies, including in vivo cell therapy.
22-Jul	Crystalys	Biotech / Gout	Series B	$130.0M	Frazier Life Sciences; Wellington Management; Soleus Capital; HBM Healthcare Investments; Nova Holdings	Supports Phase 3 and commercial preparation for dotinurad, an oral URAT1 inhibitor for gout.
2-Sep	Thyme Care	Healthcare Services / Oncology Care	Series E	>$125.0M	morganhealth; Humana; CVS Health; HealthQuest Capital; Foresite Capital	Expands value-based oncology and launches Thyme Companies to support the cancer care journey.
16-Sep	Sling Therapeutics	Biotech / Thyroid Eye Disease	Series C	$123.0M	Forbion.; TPG Life Sciences Innovations; Sectoral Asset Management	Funds Phase 3 linsitinib, an oral IGF-1R inhibitor for thyroid eye disease.

[1] Angle: $200M primary equity, excluding $400M secondary. [2] LifeMine: $188M Q3 financing, excluding $75M closed in Q4 2025.

All amounts in USD. First public announcement in Q3. Sources: company releases and financial press.

Selected Smaller Financings

Q3 2026

Lead / Co-Lead

Company & Financing	Lead & Selected Investors	Transaction Highlights
CASPIAN THERAPEUTICS **$50.0M Series A** Announced 9 Sep 2026	BVF PARTNERS L.P. Lilly	BVF Partners led the financing, with Lilly participating. The funds are expected to advance diabetes development through initial clinical proof of concept. Kura retains roughly half of Caspian on a fully diluted basis, with dedicated capital and leadership for the program.
Evvy **$40.0M Series B** Announced 15 Sep 2026	CATALIO RETHINK IMPACT MUSE CAPITAL AV ALUMNI VENTURES Alumni Ventures	Catalio Capital Management led the round, joined by new investors Rethink Impact, Muse Capital and Alumni Ventures. The proceeds support validation of new diagnostic and care models using Evvy's vaginal microbiome dataset, starting with fertility.
Biolevate **$34.1M Series A[1]** Announced 22 Sep 2026	RAISE France Orange Ventures MSD Global Health Innovation Fund	RAISE France and Orange Ventures co-led the round, with participation from MSD Global Health Innovation Fund. Biolevate's life sciences automation platform began with regulatory approval workflows and now also covers R&D and clinical operations.
TYBR HEALTH **$30.0M Series A[2]** Announced 21 Jul 2026	VENSANA CAPITAL MUTUAL CAPITAL PARTNERS	Vensana Capital and Mutual Capital Partners co-led the financing to expand use of the FDA-cleared B3 GEL System and support clinical work. TYBR announced $30.0M. Its 22 July Form D reported $14.4M sold at filing.

[1] Biolevate: €30.0M converted at 30-Sep-2026 ECB FX. [2] TYBR Form D reports sales at filing, not subsequent funding.

USD. First public announcements in Q3. Sources: Kura Oncology, TYBR Health / PR Newswire, Evvy / Business Wire, Biolevate, SEC, ECB.

III. Flagship Strategic Acquisitions

Flagship Strategic Acquisitions

Q3 2026

Date (2026)	Acquirer	Target	Sub-Sector	Deal Size	Earn-Out (% Deal Size)	Rationale
6-Jul	Vertex	Crinetics Pharmaceuticals	Biotech / Endocrinology	$10.0B	N/A	Adds PALSONIFY for acromegaly and atumelnant, expanding the endocrine portfolio.
3-Aug	Curium	Lantheus	Radiopharma / Diagnostics & Therapeutics	Up to $8.0B	10.5%	Combines radiopharma portfolios and manufacturing networks, strengthening Curium's US presence.
16-Jul	Lilly	AtaiBeckley	Biotech / Neuropsychiatry	Up to $3.8B	27.0%	Adds BPL-003 for treatment-resistant depression to Lilly's neuroscience pipeline.
31-Aug	Lilly	merida BIOSCIENCES	Biotech / Autoimmune Disease	Up to $2.9B	Yes (Split N/D)	Adds selective autoantibody degradation technology and MER511 for autoimmune disease.
21-Sep	Telix	itm	Radiopharma / Therapeutics & Isotopes	Up to $2.4B	29.8%	Adds late-stage radiotherapeutics and expands isotope production and supply.
25-Aug	McKesson	Precision Medicine Group	Life Sciences Services / CRO	$2.3B	N/A	Expands biopharma research and commercialization services alongside oncology capabilities.
27-Jul	argenx	Forte Biosciences, Inc	Biotech / Autoimmune Disease	$2.2B	N/A	Adds FB102, an anti-CD122 antibody for immune diseases including vitiligo and coeliac disease.
23-Jul	Dassault Systèmes	ArisGlobal	Life Sciences Software / Safety & Regulatory	Up to $2.0B	10.0%	Combines safety, regulatory and medical affairs software with research and clinical platforms.
20-Jul	Samsung Biologics	PolyPeptide	Life Sciences Services / Peptide CDMO	$1.7B	N/A	Adds peptide development and manufacturing, including capacity for growing GLP-1 demand.
20-Jul	Tempus	Personalis	Diagnostics / Molecular Residual Disease	$1.7B[1]	N/A	Integrates molecular residual disease testing into Tempus' precision oncology platform.

USD. Announced Q3, including pending deals. Values include maximum earn-outs where disclosed. N/A: no earn-out disclosed.

[1] Personalis: $1.7B total value ($1.5B net of existing ownership). Sources: acquirer/target releases.

IV. Macro Environment

Macro Environment

Public Equities – Trailing Twelve Months



U.S. growth remained resilient in Q3 2026, with real GDP expanding at a 3.4% annualized rate versus 2.2% in Q2 (advance estimate). Investment and consumer spending supported activity, but inflation and geopolitical uncertainty continued to constrain the policy outlook. On 16 September, the Federal Reserve raised its target range by 25 bps to 3.75%–4.00%, citing elevated inflation alongside solid growth and broadly stable employment. This left equities balancing continued economic expansion against a higher financing and discount-rate environment. The S&P 500 rose 2.0% during Q3 and ended September 14.0% above the chart's 1 October 2025 starting level.

Healthcare demand remained supportive: hospitals, outpatient services and prescription drugs were among the drivers of consumer-spending growth in Q3. Life sciences activity also strengthened, with IQVIA reporting 15% year-on-year growth in quarterly net new R&D bookings and Thermo Fisher delivering 6.0% organic revenue growth. The S&P 500 Health Care Index gained 6.0% during Q3 and IBB rose 10.7%, taking their gains over the chart period to 17.4% and 41.8%, respectively. Both outperformed the broader market, although BB Biotech highlighted pressure on smaller biotechnology companies as rates rose in September. Our assessment is that resilient healthcare and research demand remained constructive, while higher capital costs increased the importance of funding needs and the timing of cash generation.

Sources: Capital IQ; U.S. Bureau of Economic Analysis; Federal Reserve; IQVIA; Thermo Fisher Scientific; BB Biotech. Price performance, 1 Oct 2025 = 0%; through 30 Sep 2026.

What This Means for Founders

Financing and Strategic Transaction Preparation

The Commercial Case by Customer Cohort

Build revenue from eligible accounts, conversion timing and volume per active customer. Keep revenue that depends on approvals or new indications in a separate scenario.

Cash Required Through the Next Decision Point

Size the round through the next readout or commercial milestone. Include the cash needed if that milestone slips by a quarter and the time required to raise again.

The Economics of a Strategic Partnership

Model the business on its own first. Then show how a partner changes customer access, development spend or time to market, and what rights it would receive.

Deal Economics Beyond Headline Price

Compare proceeds at close, dilution and control rights. For contingent consideration, test whether the buyer controls the milestone and when payment could realistically arrive.

Source: Echo Partners. Company-specific execution perspective, not a forecast of financing availability or transaction outcomes.



V. Echo Activity

Echo Activity

Renew Biotechnologies

Echo Partners advised Renew on its $21 million Series A and clinical development collaboration with Mayo Clinic.

Series A financing

$21M[1]

Echo Partners acted as financial advisor

The Series A closed in 2026.

About Renew

Renew combines clinical laboratory services, proprietary assays and bioinformatics, with research spanning neurology, oncology and other complex diseases.

Mayo Clinic collaboration

Echo Partners acted as strategic advisor

NeuroLens®

Clinical validation and utility studies of a cell-free DNA approach, initially focused on multiple sclerosis and related neuroimmunologic diseases.

Mayo brings clinical expertise and biorepository resources to inform study design and help evaluate biomarkers of central nervous system injury.

Transplant diagnostics

Planned initial pilot of 50–75 patients, with development planning supported by Mayo physician input.

"They open the right doors with strategic partners and consistently provided valuable insight and guidance"

Chad Pollard, PhD, CEO, Renew Biotechnologies

[1] Series A amount includes secondaries. Mayo collaboration publicly announced on 1 October 2026.

Sources: Renew Biotechnologies, Echo Partners, LinkedIn (Renew).

ECHO
PARTNERS

Contact information for further inquiries

Jake Romero
Partner

Echo Partners
E: jake@echopartners.io
T: +1 (925) 683-3350

Bryan Saldanha
Partner

Echo Partners
E: bryan@echopartners.io
T: +1 (857) 285-1977

Securities offered through Finalis Securities LLC Member FINRA / SIPC. Echo Partners and Finalis Securities LLC are separate, unaffiliated entities.