VENTURE VALUATION

BIOTECH GATE

LIFE SCIENCES FINANCING SUMMARY

Q2 2026

Data collected from Biotechgate

Analysis conducted by Venture Valuation

CONTENTS

Contents....2
Executive Summary....3
Larger Deal Sizes Continue to Account for a Large Portion of Total Deals....6
NBI Trails S&P 500 Despite Shared Uptrend....7
Biotech Funding Nears Year Record High, While Digital Health and MedTech Drop Significantly....8
Series A Accounts For a Third of All Life Science Funding Rounds....9
Oncology Continues to Dominate Private Biotech Financing....10
Biggest Biotech Private Financing Rounds from Mar to May 2026....11
Top Private Fundraisers....12
Top Public Fundraisers....12
Life Science IPO Activity Remains Stable....13
The US Leads This Quarter's Initial Public Offerings....14
About This Report....15

For any questions regarding this report, please contact our Lead Financing Specialist.

Geri Ivanyi, Pharm.D.
Senior Consultant Life Sciences
g.ivanyi@venturevaluation.com

EXECUTIVE SUMMARY

Based on the latest data for the period of March to May 2026, global biotech private financing exhibited a decline following the peak achieved in January. This is a pattern that is consistent with historical trends, as deal activity in the sector typically concentrates at the start of the year before moderating in subsequent months. Total private financing in the sector was mainly driven by the United States, with the US accounting for the majority of deal values and volumes.

Beneath the headline figures, deal activity and deal value moved in opposite directions over this period. The total number of private financing rounds rose from 46 in March to 50 in May, even as aggregate deal value decreased from USD 2.35bn to USD 1.78bn. This indicates a shift toward smaller average deal sizes rather than a retreat in underlying transaction activity.

At the sector level, this momentum masked a widening divergence between biotech and medtech. Biotech and pharma financing increased to USD 3.5bn in May, the highest since the October 2025 peak, while medtech funding fell to just USD 64m over the same month.

Deal activity remained skewed toward larger, high-conviction investments. A significant share of capital was concentrated in rounds exceeding USD 30m, with 22 such rounds completed in March, more than double the volume of 5-15m rounds. This dominance continues to signal a sustained investor preference for asset maturity and later-stage companies. Series A rounds accounted for the largest proportion of financing value (29%), signaling a willingness to back companies beyond the seed stage, while Series B rounds contracted to 10% of total financing value.

Public market activity continues to show signs of a cautious reopening and increased stability. A total of 13 life science companies completed IPOs between March and May 2026, comparing favorably to the 12 companies that debuted during the same period a year prior.

The window recorded an average of 4.3 IPOs per month, a slight decrease compared to the 5 monthly average observed across the full 2025 calendar year. This trend suggests that while the IPO market is not yet fully open by historical standards, it is beginning to track the recovery in private financing more closely as broader market sentiment improves.

US DOMINATES BIOTECH FUNDRAISING AS EUROPEAN ACTIVITY BEGINS TO RECOVER

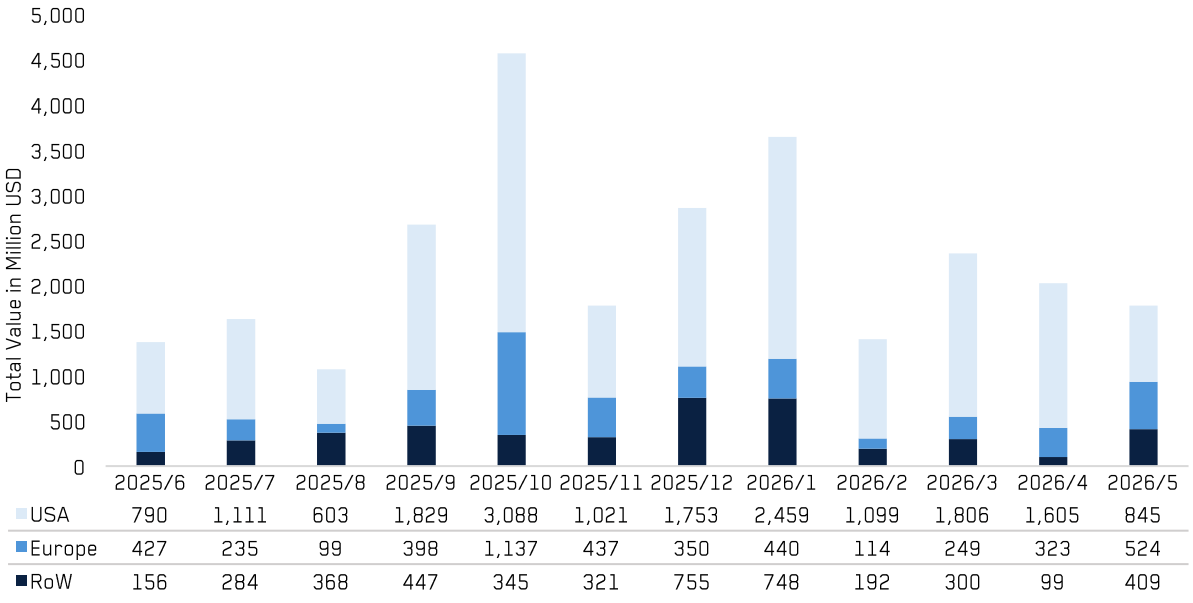
Private biotech financing maintained momentum through spring 2026, with the US driving overall volumes. US financing tipped above USD 1.8bn in March before declining to USD 845m in May, which is still above the summer 2025 lows. Deal counts continued to be stable, with US rounds averaging 27 rounds over the last 3 months. The past three months' results suggest smaller average deal sizes rather than a retreat in transaction activity. Overall, US funding increased by approximately 10% year-on-year.

Europe showed tentative signs of recovery. Financing volumes grew from USD 249m in March to USD 524m in May. Deal count remained subdued however, at an average of 10 deals per month. European funding remained flat year-on-year.

RoW displayed a more erratic pattern. After recovering to USD 300m in March, financing collapsed to USD 99m in April, the lowest amount in the dataset, before increasing to USD 409m in May. Despite this fluctuation, RoW funding doubled year-on-year

Taken together, the spring 2026 data shows continued US dominance, a stable European environment, and uneven RoW funding dynamics marked by high month-to-month volatility despite strong year-on-year growth. (Figures 1 and 2).

Global biotech private financing values (USDm) by region

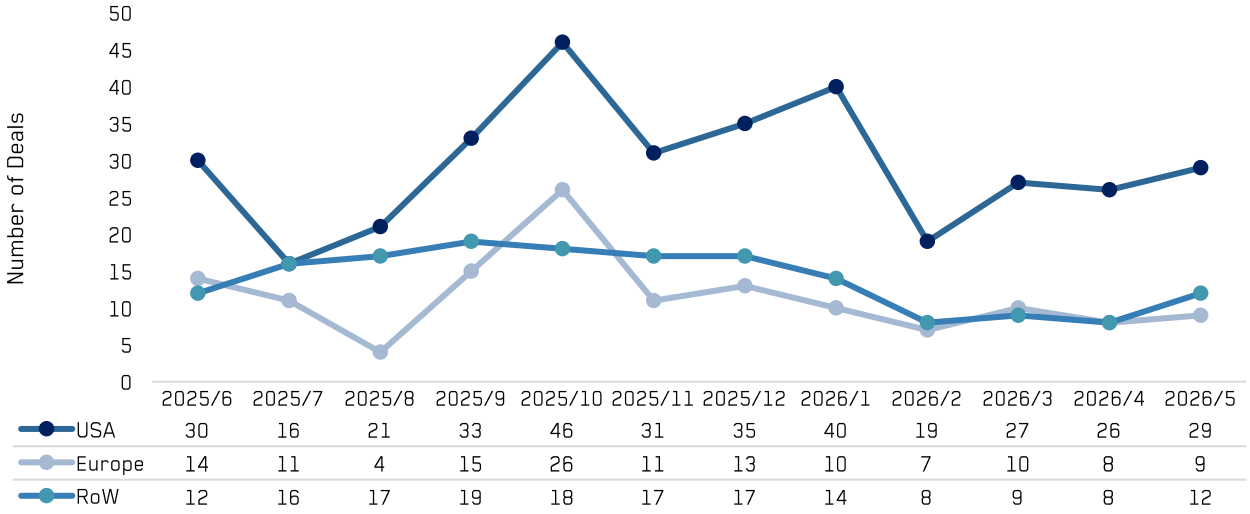


	2025/6	2025/7	2025/8	2025/9	2025/10	2025/11	2025/12	2026/1	2026/2	2026/3	2026/4	2026/5
USA	790	1,111	603	1,829	3,088	1,021	1,753	2,459	1,099	1,806	1,605	845
Europe	427	235	99	398	1,137	437	350	440	114	249	323	524
RoW	156	284	368	447	345	321	755	748	192	300	99	409

Source: Biotechgate

Figure 1. The graph shows the amount in million USD that private biotech therapeutic & diagnostic companies received for private financing for the past 12 months separated by region (does not include research grants, and loans).

Number of biotech private financing rounds by region



	2025/6	2025/7	2025/8	2025/9	2025/10	2025/11	2025/12	2026/1	2026/2	2026/3	2026/4	2026/5
USA	30	16	21	33	46	31	35	40	19	27	26	29
Europe	14	11	4	15	26	11	13	10	7	10	8	9
RoW	12	16	17	19	18	17	17	14	8	9	8	12

Source: Biotechgate

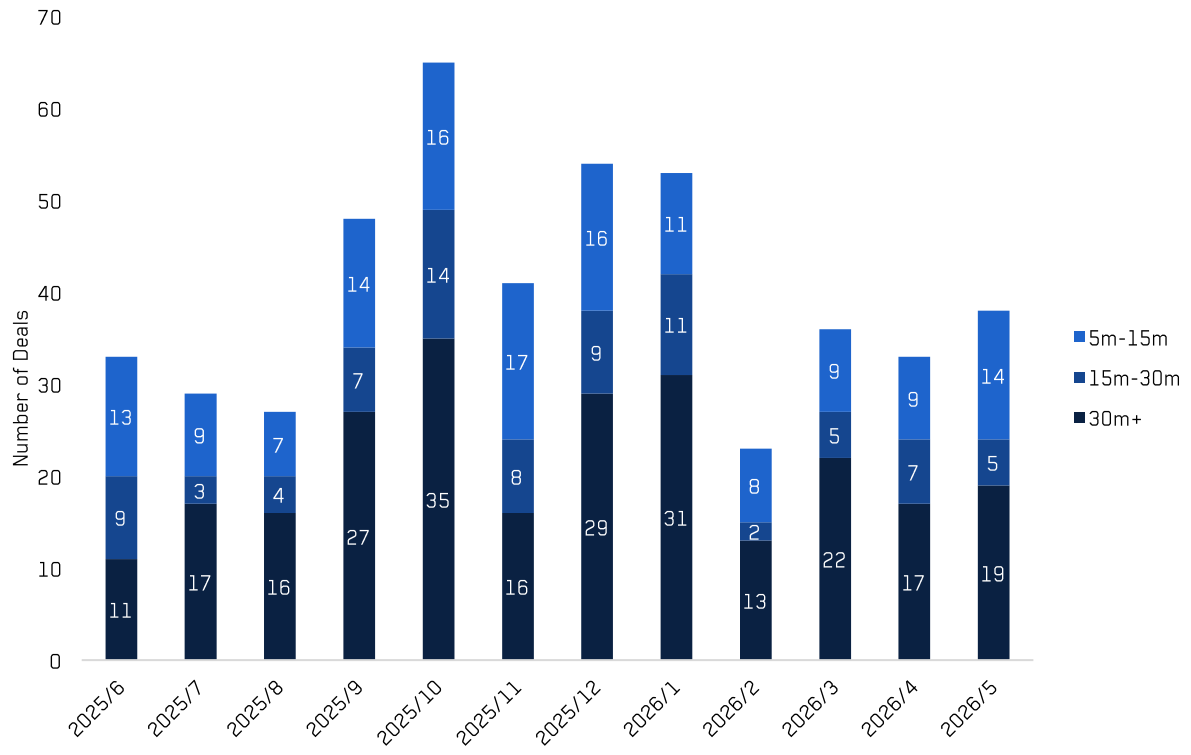
Figure 2. The graph shows the number of equity financing rounds of private biotech therapeutic & diagnostic companies by region (does not include research grants and loans).

LARGER DEAL SIZES CONTINUE TO ACCOUNT FOR A LARGE PORTION OF TOTAL DEALS

As shown in Figure 3, biotech private financing activity in the last 3 months remained skewed toward larger deal sizes, with rounds exceeding USD 30m continuing to account for the largest share of transactions. In March, 22 rounds above USD 30m were completed, before decreasing to 19 rounds in May. This compares with 9–14 rounds per month in the USD 5m–15m bracket and 5–7 rounds in the USD 15m–30m range over the same period.

The spike in large financings seen throughout the second half of 2025, continued into the first half of 2026. While activity in the sub-USD 30m categories remained comparatively stable, the dominance of the USD 30m+ segment during the last 3 months underscores continued investor selectivity and an ongoing preference for asset maturity.

Number of biotech private financing rounds by investment size



Source: Biotechgate

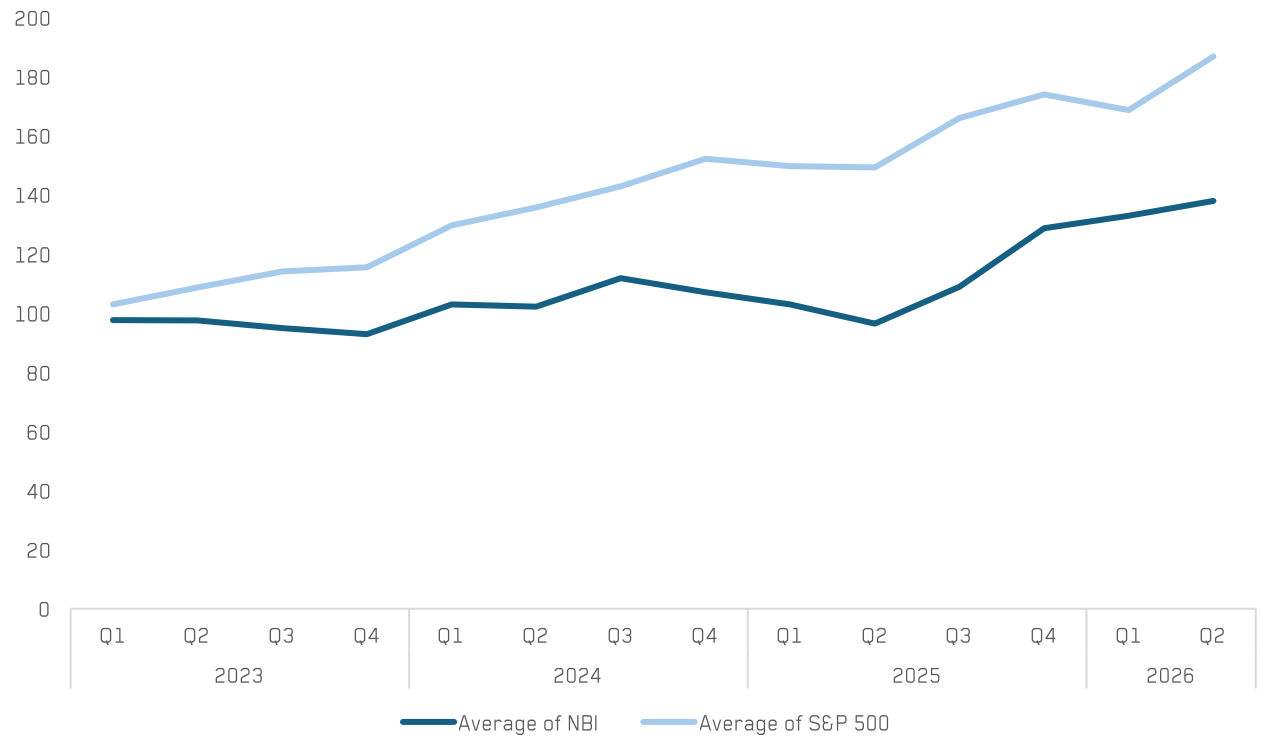
Figure 3. The graph shows the number of companies that secured private equity financing rounds by investment size (does not include small <5m deals. Also excludes IPOs, research grants, and loans), covering 12 months. The dataset includes worldwide private Biotech (human therapeutics & diagnostics) companies.

NBI TRAILS S&P 500 DESPITE SHARED UPTREND

Between March and May 2026, both the NASDAQ Biotechnology Index (NBI) and the S&P 500 maintained an upward trajectory, albeit to a different pace. Over the last 3 months, the NBI average surged from 132.90 points in Q1 2026 to 137.91 points by Q2 (an increase of approximately 4%), while the S&P 500 rose from 168.57 points to 186.77 points (a gain of roughly 11%) over the same period.

In 2026, the NBI and S&P 500 have continued to move in tandem, though biotech has underperformed the broader market on a relative basis during this specific window. Despite both indices trending upward, the S&P 500's stronger advance highlights a widening short-term performance gap, even as biotech maintains a steady recovery trajectory that continues to narrow the longer-term divergence observed throughout much of the previous year (Figure 4).

NBI vs S&P 500 price tracker



Source: S&P and NBI Historical Index https://www.nasdaq.com

Figure 4. The graph shows the performance of the NBI to the S&P 500 Index over the last 3 years. Both indices rebased to 100.

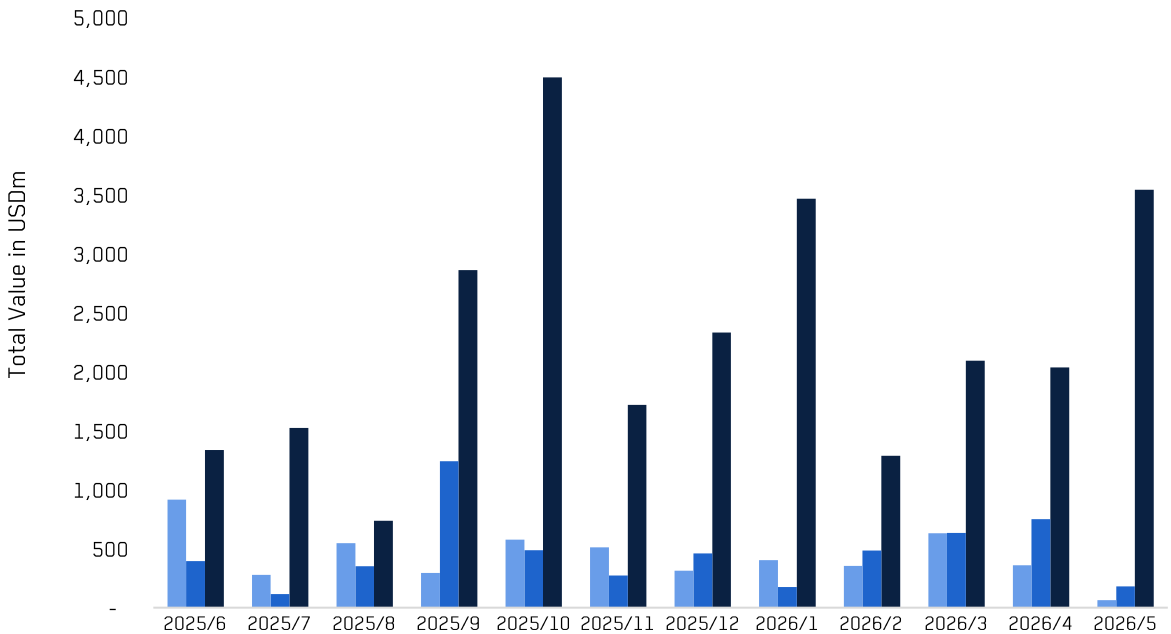
BIOTECH FUNDING NEARS YEAR RECORD HIGH, WHILE DIGITAL HEALTH AND MEDTECH DROP SIGNIFICANTLY

Private financing activity across life science sectors in the USA and Europe, showed a strong momentum between March and May 2026 with biotech and pharma maintaining its dominant position. After a soft patch in February, biotech and pharma financing rebounded strongly to over USD 2bn in March and accelerated further to USD 3.5bn in May, the highest monthly total since the October 2025 peak.

Digital health continued to display a more subdued profile through the spring. Funding remained compressed at USD 634m in March before increasing to USD 749m in April, then dropping sharply to USD 181m in May – one the lowest monthly data points over the last 12 months. This trajectory suggests that the brief recovery seen in early 2026 was not sustained, and digital health deal flow remains structurally weaker relative to the broader life sciences rebound.

Medtech similarly struggled to regain momentum, with financing declining from USD 629m in March to just USD 64m in May. This was a stark contrast to the biotech and pharma funding in the same month. The growing divergence between biotech and pharma on one hand, and digital health and medtech on the other, reinforces a pattern of capital concentration in traditional drug development over the spring 2026 period. (Figure 5).

Private financing rounds by different sectors (USA and Europe)



	2025/6	2025/7	2025/8	2025/9	2025/10	2025/11	2025/12	2026/1	2026/2	2026/3	2026/4	2026/5
Biotech and Pharma	1,335	1,523	737	2,859	4,490	1,716	2,329	3,462	1,287	2,090	2,035	3,537
Digital Health	393	116	351	1,241	486	273	460	174	483	634	749	181
Medical Technology	915	278	547	293	577	510	312	402	354	629	360	64

Source: Biotechgate.com

Figure 5. The graph shows private financing rounds of life science companies in the USA and Europe by the company's sector (does not include research grants and loans).

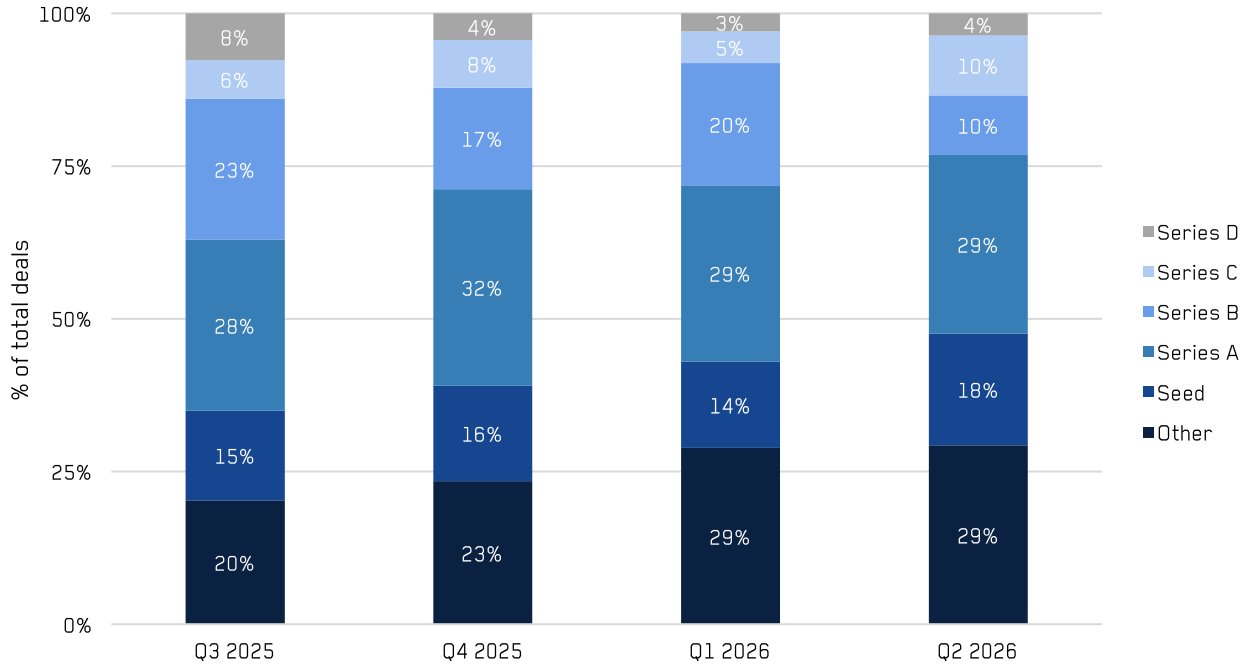
Data from previous months may change compared to previous reports as new information is received and/or new tranches to existing financing rounds are added. Data available on Biotechgate – www.biotechgate.com

SERIES A ACCOUNTS FOR A THIRD OF ALL LIFE SCIENCE FUNDING ROUNDS

During the first two months of Q2 2026 (April–May), private biotech financing activity was dominated by Series A rounds which accounted for 29% of all deals. This reflects the same percentage of Series A deals observed in the last quarter, signalling renewed investor willingness to back companies that have moved beyond seed stage but are still early in clinical development.

Seed rounds have rebounded slightly, increasing to 18% of total financing value compared to 14% in Q1 2026. Series B activity on the other hand, contracted from 20% in Q1 2026 down to 10% over the last 3 months. while Series C rounds grew to 10% compared to the previous quarter (Figure 6).

Proportion of number of private financing rounds by series



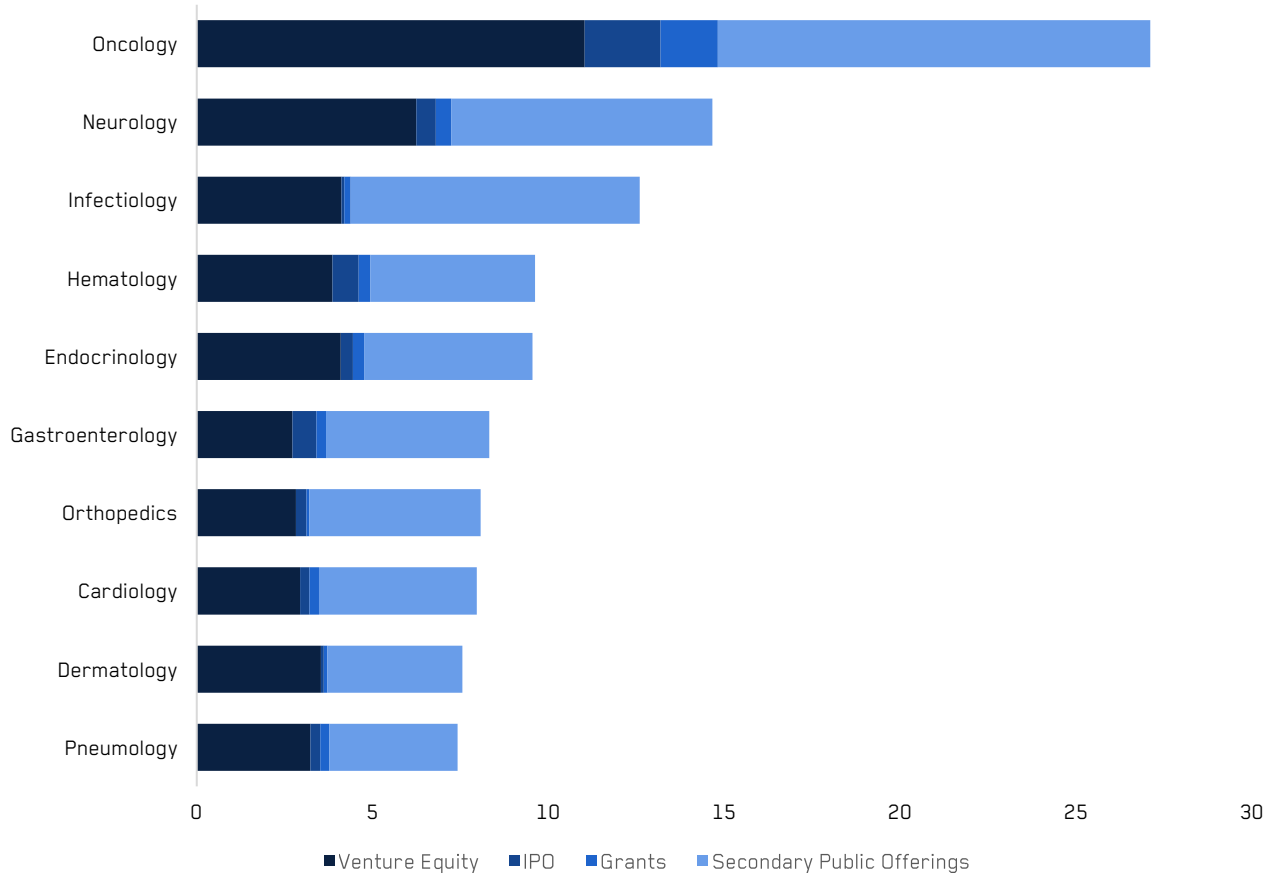
Source: Biotechgate.com

Figure 6. The graph shows the percentage share of total private financing value by financing stage for worldwide private biotech companies in the Therapeutics & Diagnostics sectors.

ONCOLOGY CONTINUES TO DOMINATE PRIVATE BIOTECH FINANCING

Over the past 12 months, oncology-focused biotechs attracted the largest share of financing by indication, clearly outpacing all other therapeutic areas. Funding in oncology was driven primarily by a combination of Venture Equity and Secondary Public Offerings, with both contributing substantial portions, while IPOs and grants played a relatively limited role. Neurology, infectiology and haematology, emerged as the next most funded indications, with SPOs representing the dominant source of capital, complemented by meaningful venture investment. Indications such as endocrinology and gastroenterology attracted lower overall funding volumes, reflecting more selective capital allocation outside the leading disease areas (Figure 7).

Biotech private financing value (USD bn) by indication



Source: Biotechgate.com

Figure 7. The graph shows financing amounts in billion USD of biotechnology and pharmaceutical companies in the last 12 months by top 10 indications of the companies (each company can have multiple indications assigned to it) and financing type.

BIGGEST BIOTECH PRIVATE FINANCING ROUNDS FROM MAR TO MAY 2026

Isomorphic Labs Raised over USD 2bn in Series B Financing Round

Isomorphic Labs

Isomorphic Labs, an AI-first drug discovery company spun out of Google DeepMind, has raised USD 2.1bn in a Series B financing round led by Thrive Capital. The round included participation from Alphabet, GV, MGX, Temasek, CapitalG, and the UK Sovereign AI Fund, significantly expanding the company's global investor base. The funding will support the continued development of Isomorphic Labs' AI drug design engine, IsoDDE, and accelerate the advancement of its internal therapeutic programs toward the clinic. The company is leveraging AI technologies such as AlphaFold to design novel medicines across multiple disease areas and aims to initiate its first human clinical trials by the end of 2026.

Source / Press release

Earendil Labs Closes 787m Financing Round

Earendil Labs

Earendil Labs, an AI-driven biotechnology company focused on next-generation biologics, has raised USD 787m in financing from a syndicate of leading global investors, including Sanofi, DST Global, Dimension Capital, and the Biotech Development Fund, among others. The capital will be used to expand the company's AI-powered R&D platform, advance its growing pipeline of antibody and biologics programs, and scale its scientific, engineering, and translational medicine teams. Earendil Labs has generated more than 40 therapeutic programs through its AI-native discovery platform, including HXN-1001, an anti-TL1A antibody that has progressed into Phase II clinical development, with multiple additional IND filings planned over the coming years.

Source / Press release

Whoop Secured USD 575m in Series G Financing Round

WHOOP

WHOOP, the wearable health and performance technology company, has raised USD 575m in Series G funding at a USD 10.1bn valuation, marking one of the largest financing rounds in the digital health sector. The round included participation from strategic investors such as Abbott and Mayo Clinic, alongside sovereign wealth funds and prominent athlete investors including Cristiano Ronaldo and Rory McIlroy. The capital will be used to accelerate international expansion and enhance WHOOP's personalized health platform, which combines continuous biometric monitoring with AI-driven health insights. The company currently serves more than 2.5 million members worldwide and achieved a USD 1.1bn bookings run rate in 2025.

Source / Press release

TOP PRIVATE FUNDRAISERS

Company Name	Sector	Deal Value (USD m)	Type of Round	Country
XXXXXXX	Biotech – R&D Services	2,100.0	XXXXXXX	UK
XXXXXXX	Biotech – R&D Services	787.0	XXXXXXX	China
XXXXXXX	Digital Health	575.0	XXXXXXX	USA
XXXXXXX	Biotech – Therapeutics	300.0	XXXXXXX	USA
XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX

Biotech – Therapeutics*: Biotechnology – Therapeutics and Diagnostics

Source: Biotechgate

TOP PUBLIC FUNDRAISERS

Company Name	Sector	Deal Value (USD m)	Financing Stage	Country
XXXXXXX	Biotech – Therapeutics	2,225.0	XXXXXXX	USA
XXXXXXX	Biotech – Therapeutics	805.0	XXXXXXX	USA
XXXXXXX	Biotech – Therapeutics	700.0	XXXXXXX	USA
XXXXXXX	Biotech - Therapeutics	718.8	XXXXXXX	USA
XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX

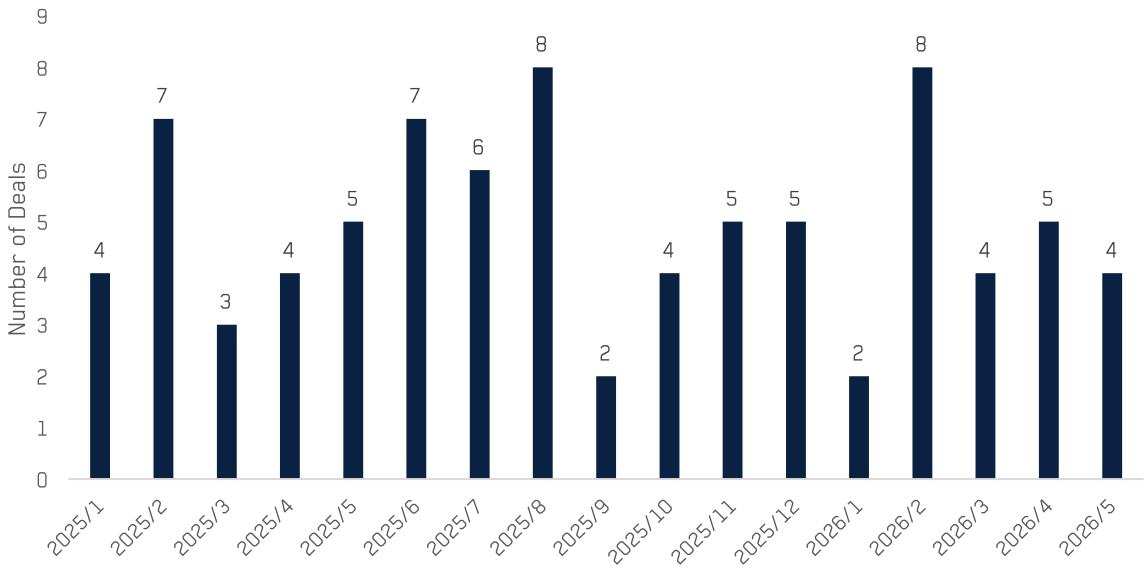
Biotech – Therapeutics*: Biotechnology – Therapeutics and Diagnostics

Source: Biotechgate

LIFE SCIENCE IPO ACTIVITY REMAINS STABLE

Between March and May 2026, 13 life science companies went public, representing a stable trend compared to the 12 companies that debuted during the same period in the previous year. On average, the market recorded 4.3 IPOs per month during this most recent three-month stretch, a slightly decrease compared to the 5 monthly IPO average observed across the full 2025 calendar year. This modest decline reflects normal cyclicality rather than a meaningful slowdown, meaning that full-year averages are needed to assess true market momentum (Figure 8).

Number of global life science companies that went public



Source: Biotechgate.com

Figure 8. The graph contains IPO rounds of life science companies (Biotech, Pharma, MedTech, and Digital Health) from around the world, over the last 12 months.

THE US LEADS THIS QUARTER'S INITIAL PUBLIC OFFERINGS

The three top companies that went public between March and May 2026 are all based in the United States. Collectively, they raised approximately USD 1.37bn, with the largest contribution coming from Kailera.

Kailera Therapeutics Secured USD 719m in IPO

Kailera Therapeutics, a clinical-stage biotechnology company focused on obesity treatments, has completed its initial public offering of 44.9 million shares at USD 16.00 per share, raising gross proceeds of approximately USD 719m. The offering included the full exercise of the underwriters' option to purchase an additional 5.9 million shares, reflecting strong investor demand. Kailera's shares now trade on the Nasdaq Global Select Market under the ticker KLRA. The proceeds are expected to support the advancement of the company's obesity pipeline, which includes multiple clinical-stage incretin-based therapies licensed from Jiangsu Hengrui Pharmaceuticals, as well as broader corporate and operational activities.

Source / Press release

Avalyn Pharma Raised USD 345m in IPO

The completion of Avalyn Pharma's IPO marked a key financing milestone for the clinical-stage biopharmaceutical company focused on inhaled therapies for severe respiratory diseases. The company issued 19.17 million shares at USD 18.00 per share, raising approximately USD 345m in gross proceeds, following full exercise of the underwriters' option to purchase an additional 2.5 million shares. Avalyn Pharma's shares now trade on the Nasdaq Global Select Market under the ticker AVLN. Capital raised from the offering is expected to advance its inhaled therapeutic pipeline targeting pulmonary fibrosis and other serious lung conditions, while also supporting general corporate and operational requirements.

Source / Press release

Odyssey Therapeutics Raised USD 304m in IPO

Odyssey Therapeutics, a clinical-stage biopharmaceutical company developing precision therapies for autoimmune and inflammatory diseases, has priced its upsized initial public offering of 15.5 million shares at USD 18.00 per share, raising gross proceeds of approximately USD 279m. In addition, the company granted underwriters a 30-day option to purchase up to 2.33 million additional shares, and also completed a concurrent private placement of roughly 1.39 million shares at the IPO price. The gross proceeds to Odyssey from the IPO are expected to be approximately $304 million. Odyssey's common stock is expected to trade on the Nasdaq Capital Market under the ticker ODTX. Net proceeds from the offering are expected to fund advancement of its clinical pipeline, including lead programs targeting autoimmune indications, as well as general corporate purposes.

Source / Press release

ABOUT THIS REPORT

This analysis was conducted by our team of specialists at Venture Valuation. The data used in this analysis was acquired from our proprietary global life sciences database Biotechgate (if not explicitly stated otherwise), which is a popular source for company and licensing deal information. This report is published on a periodic basis and can be downloaded freely from the Biotechgate newsletter or the Biotechgate website. If you want to give us feedback regarding our monthly reports, please visit this link.

Geri is a Senior Consultant, managing valuation projects, business research and is responsible for the financial modelling of valuation projects. During his time at Venture Valuation, he has worked with top management of Fortune 500 companies, established biotech firms as well as small innovative companies supporting their fundraising, licensing, and M&A activities. Geri holds a Pharm.D. degree (Semmelweis University, Budapest) and an M.Sc. degree in Bioentrepreneurship (Karolinska Institutet, Stockholm).

Venture Valuation provides valuation support to entrepreneurs as well as investors with a special focus on Biotech, Pharma and Medtech. With our extensive industry experience of over two decades, we guide you through the valuation process, tailoring our services carefully to your needs and circumstances.

Biotechgate is a global business intelligence platform used by biopharma professionals seeking to license assets, benchmark deals or monitor the market.

Unlock opportunities, forge partnerships and make informed decisions with our comprehensive BD&L solutions. Costing less than a single business trip, a subscription to Biotechgate gives you real-time information at your fingertips on the Biotech, Pharma, Medtech, Digital Health and other life sciences sectors.

See how Biotechgate can benefit your company. Request a free live demo by our global sales team or drop us an enquiry at support@biotechgate.com.

We offer Biotech, MedTech, Pharma, Healthtech, Suppliers, Consulting companies and not-for-profit organizations the opportunity to conduct their business development and interact with partners, clients, licensees / licensors and suppliers in a secure online environment.

BIOTECHGATE DIGITAL PARTNERING
Aug 31 – Sep 4, 2026

Copyright © 2026 Venture Valuation VV Ltd. All rights reserved. This report is provided for information purposes only. All information regarding financing rounds, deal summaries and merger and acquisition transactions was obtained from company websites, press-releases, conference profiles and different industry newsletters. The data contained in the tables and graphs can also be accessed on the Biotechgate website. All graphical information was provided via Biotechgate. While the information contained herein has been obtained from sources deemed reliable, Venture Valuation VV Ltd does not guarantee that it is accurate, complete, timely, or sequential. For more information about Biotech companies, including deals, licensing and financing round details, please visit the Biotechgate website at www.biotechgate.com.

If you are interested in learning more, please do not hesitate to contact us and request a demo.
Visit our website and try **Biotechgate**.
www.biotechgate.com

Venture Valuation
Kasernenstrasse 11
8004 Zurich
Switzerland

Phone: +41 43 321 86 60
Web: venturevaluation.com
E-mail: contact@venturevaluation.com

VENTURE VALUATION

BIOTECH GATE