



EMERGING TECH RESEARCH

Pharma Biotech

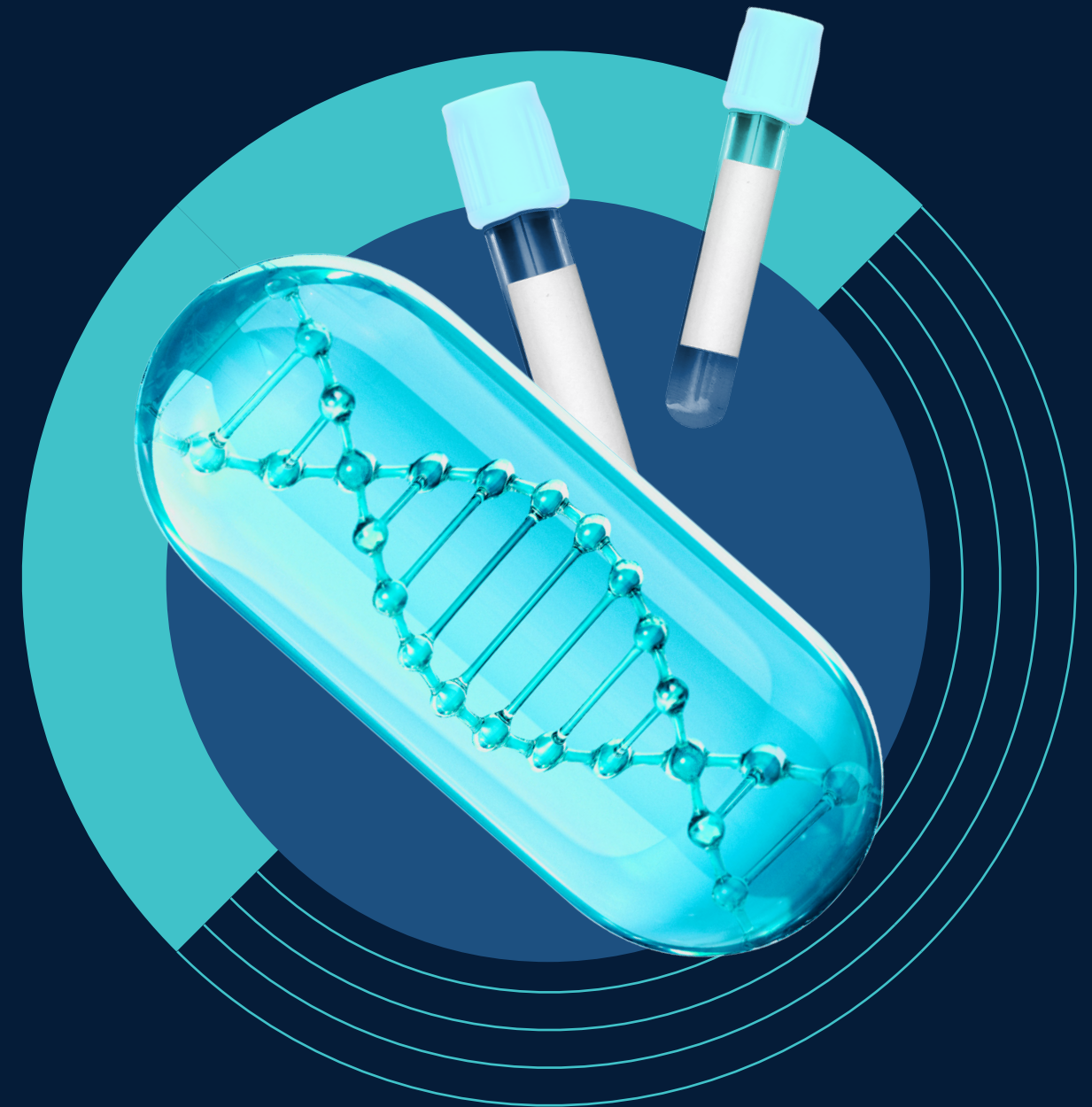
VC Trends

VC activity across the pharma biotech ecosystem

Q2
2025

REPORT PREVIEW

The full report is available through
the PitchBook Platform.





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Pharma biotools landscape

- 1** Mature
- 2** Advanced
- 3** Emerging





Pharma biotools VC ecosystem market map

This market map is an overview of venture-backed or growth-stage companies that have received venture capital or other notable private investments.

The full market map can be viewed on the PitchBook Platform.





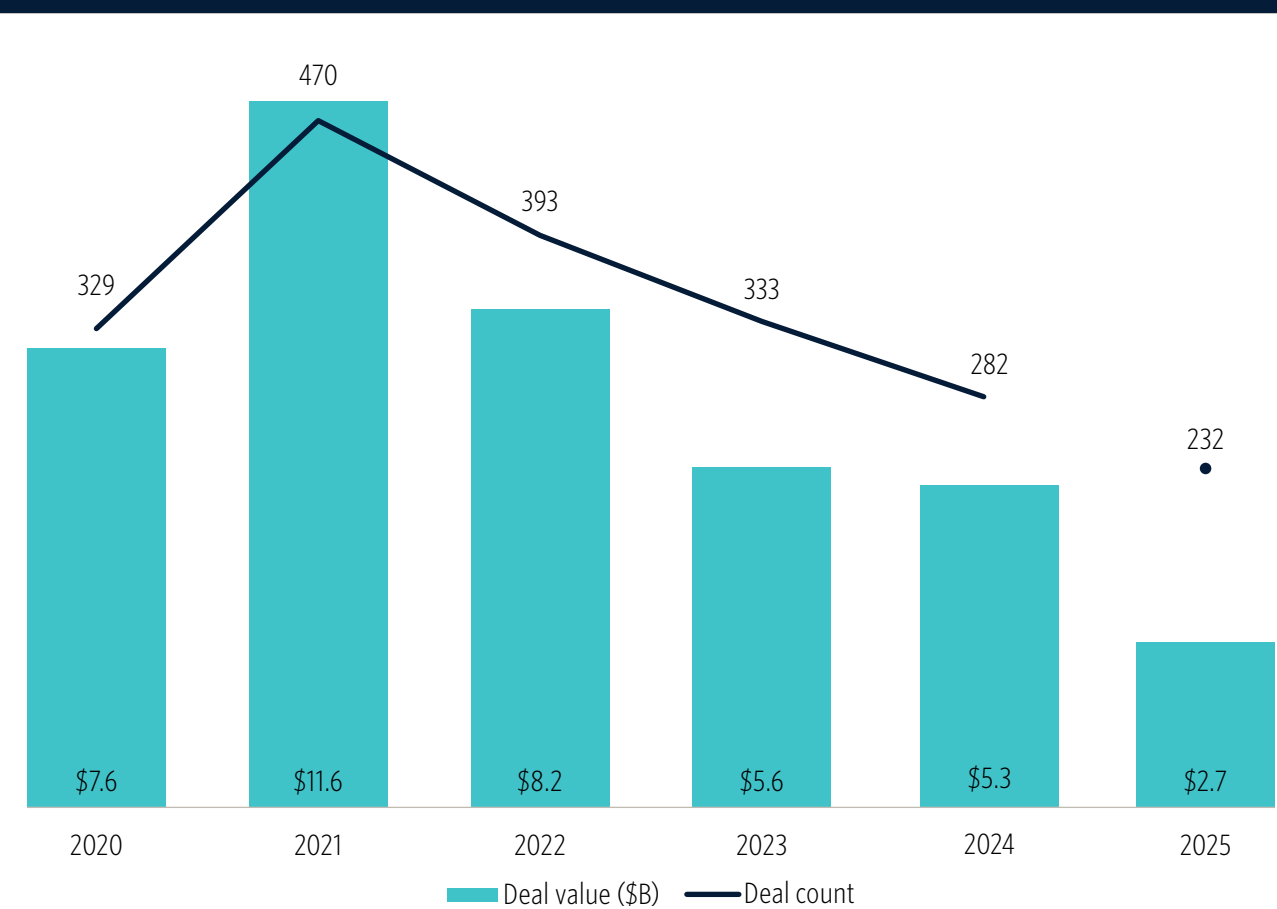
VC activity

The pharma biotools industry encompasses instruments, technologies, and services supporting drug discovery, biopharmaceutical manufacturing, and diagnostics. The space has progressed beyond basic laboratory equipment, evolving into a field defined by sophisticated platforms that integrate digital technologies into traditional wet lab approaches and provide tech-enabled services tailored to emerging therapeutic modalities. With drug developers weathering a downturned funding environment,¹ innovations such as in silico molecule validation, improved preclinical testing models, and AI-enabled clinical trial platforms are proving critical in reducing development costs and accelerating commercialization timelines.

In Q2, VC deal activity totaled \$987.4 million across 102 transactions, marking QoQ declines of 43.6% and 21.5%, respectively. Despite the sharp QoQ decline, deal counts remain significantly elevated compared with prior years, up 54.5% YoY. With 232 deals recorded in H1, 2025 is positioned for record levels of activity. However, total investment remains well below historical averages, reflecting a contraction in deal sizes, particularly at the later stages. Median deal size fell to \$6.9 million in H1, compared with \$10 million across 2024. This funding dynamic stands in contrast to both the biopharma industry and broader VC ecosystem, where capital is concentrating in fewer, larger rounds as investors prioritize risk mitigation.

The divergence highlights the distinct profile of the pharma biotools sector. Given its smaller scale and ongoing evolution toward asset-light platforms—including AI and computational approaches, multiomics platforms, and lab automation solutions—capital deployment has skewed toward smaller, earlier-stage opportunities. Current investor focus on capital efficiency has

Pharma biotools VC deal activity



Source: PitchBook • Geography: Global • As of June 30, 2025

1: For an overview of VC activity in biopharma, read our [Q2 2025 Biopharma VC Trends report](#).



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suppressed the frequency of large, later-stage rounds for startups in more capital-intensive areas like traditional pharma services and tools. Overall, emerging technologies have made the sector attractive on a deal-count basis, though a sustained uptick in deployed capital will likely depend on the maturation of these new startups.

Areas of investment and notable deals

The microfluidics & biosensors category attracted significant funding in Q2, with \$198.6 million across 16 deals. Investor interest is fueled by both regulatory shifts—the US Food and Drug Administration has begun to phase out animal testing requirements for certain drug modalities—as well as advancements in stem cell and genetic technologies, allowing for the development of improved preclinical testing models. These dynamics are creating strong tailwinds for startups developing organoids and organ-on-a-chip platforms. Deals in the space included Vivodyne, which raised a \$40 million Series A led by Khosla Ventures to advance its human tissue models and predictive AI capabilities, and Parallel Bio’s \$20 million Series A1, supporting its own human organ models and AI analysis platform. These rounds highlight investor conviction in new drug discovery and validation models that accelerate time-to-market and reduce research & development costs.

The synthetic biology & CRISPR category also saw an uptick in activity in Q2, securing \$152 million across 18 deals. This category—which encompasses biomanufacturing platforms, gene editing services, and DNA synthesis—is experiencing growth, as emerging therapeutics modalities require specialized manufacturing and scale-up services. Additionally, a policy and market focus on reshoring biopharmaceutical manufacturing may spark increased investor

interest in biomanufacturing platforms that offer price-competitive alternatives to traditionally offshored manufacturing processes. The largest deal of the quarter was Antheia’s \$85 million late-stage round, which will fund its synthetic biology platform that harnesses yeast to produce pharmaceutical key starting materials (KSMs) and active pharmaceutical ingredients (APIs) traditionally derived from plants. By replacing products often sourced from outside the US, Antheia aims to increase manufacturing sustainability and strengthen pharmaceutical supply chains—a theme that investors are increasingly prioritizing.

Other notable deals of the quarter include PhaseV, an AI-driven software platform for clinical trials that raised a \$50 million Series A round, and Etiome, a Flagship Pioneering company that raised \$50 million for its multiomics and AI data analysis platform intended to categorize disease stages for clinical trial patient selection and therapeutic development. These deals reflect the growing integration of AI technology into all aspects of drug development and demonstrate strong investor appetite for capital-efficient, precision medicine-driven solutions designed to improve clinical trials.

Exit activity

After several years of muted activity, pharma biotools exits have picked up in 2025. Through Q2, the sector recorded 18 exits, already surpassing 2024’s total of 15. However, with the IPO window effectively closed, exit activity remains concentrated in smaller-scale strategic M&A transactions. Total disclosed exit value in H1 reached just \$1.3 billion, placing 2025 on pace to fall well below the annual average of \$14 billion and underscoring the gap between deal volume and value creation.



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Notable exits in the quarter included the merger of Inscripta and Manus Bio—forming the combined entity Manus—focused on biomanufacturing in both pharmaceuticals and industrial chemicals. Inscripta (last valued at \$1.3 billion in 2021) and Manus Bio (valued at \$415 million in 2020) were two of the largest startups in the vertical. Their merger reflects a current preference for scale and consolidation over riskier public market opportunities.

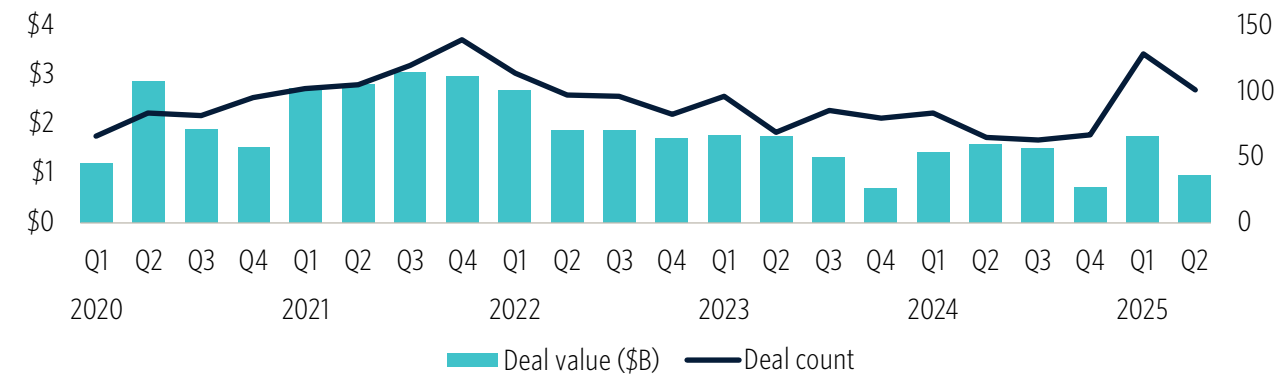
The largest acquisitions of the quarter were Evergreen Theragnostics, a radiopharmaceutical contract development and manufacturing organization acquired by Lantheus Medical Imaging for \$250 million, followed by Bio-Rad’s \$225 million acquisition of Stilla Technologies, a developer of digital PCR systems. The deals highlight an ongoing focus by strategic buyers on acquiring complementary technologies in analytical tools and diagnostics.

The quarter also saw one IPO: Medtide, a China-based contract development and manufacturing organization, listed on the Hong Kong Stock Exchange, raising \$65 million at a \$552.9 million valuation. With just two public listings thus far in 2025—both in China—the IPO window remains firmly shut for pharma biotools startups in the US. Tempus AI’s listing in 2024 marks the last major IPO in the vertical.



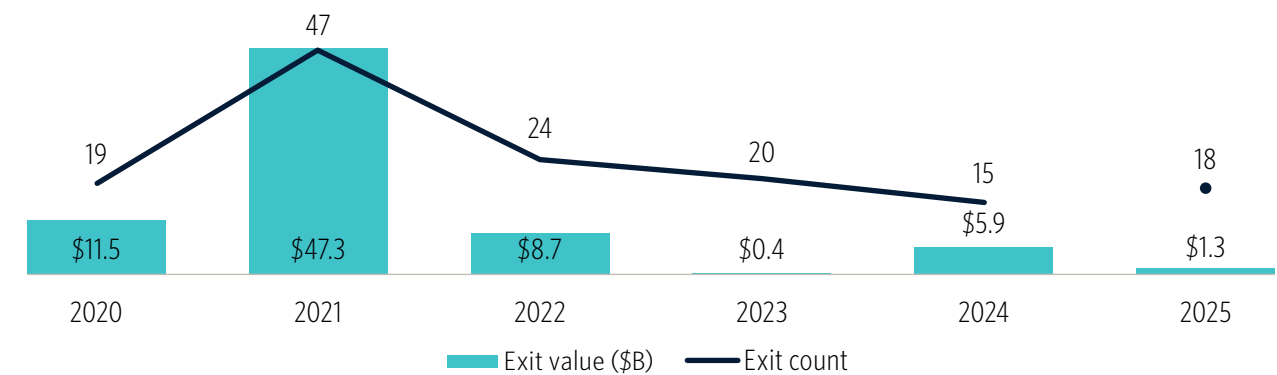
VC ACTIVITY

Pharma biotools VC deal activity by quarter



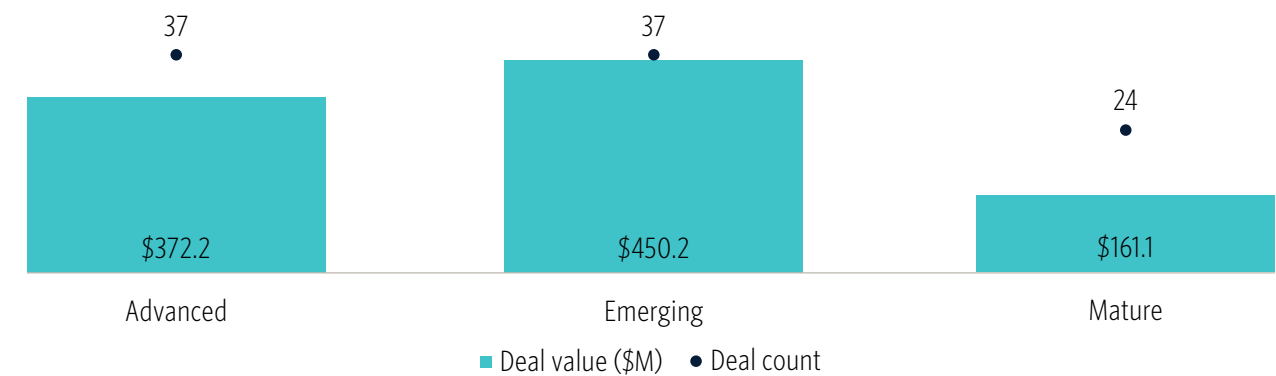
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Pharma biotools VC exit activity



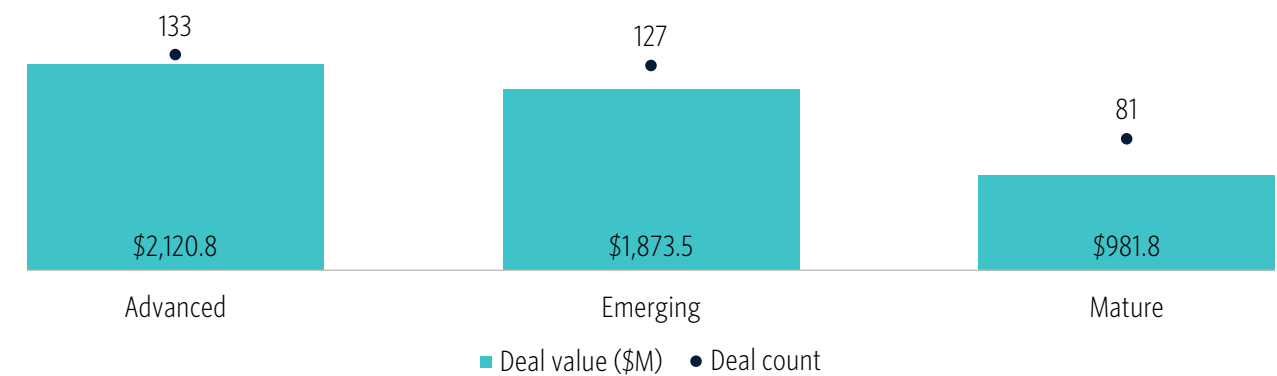
Source: PitchBook • Geography: Global • As of June 30, 2025

Q2 2025 pharma biotools VC deal activity by segment



Source: PitchBook • Geography: Global • As of June 30, 2025

Trailing 12-month (TTM) pharma biotools VC deal activity by segment

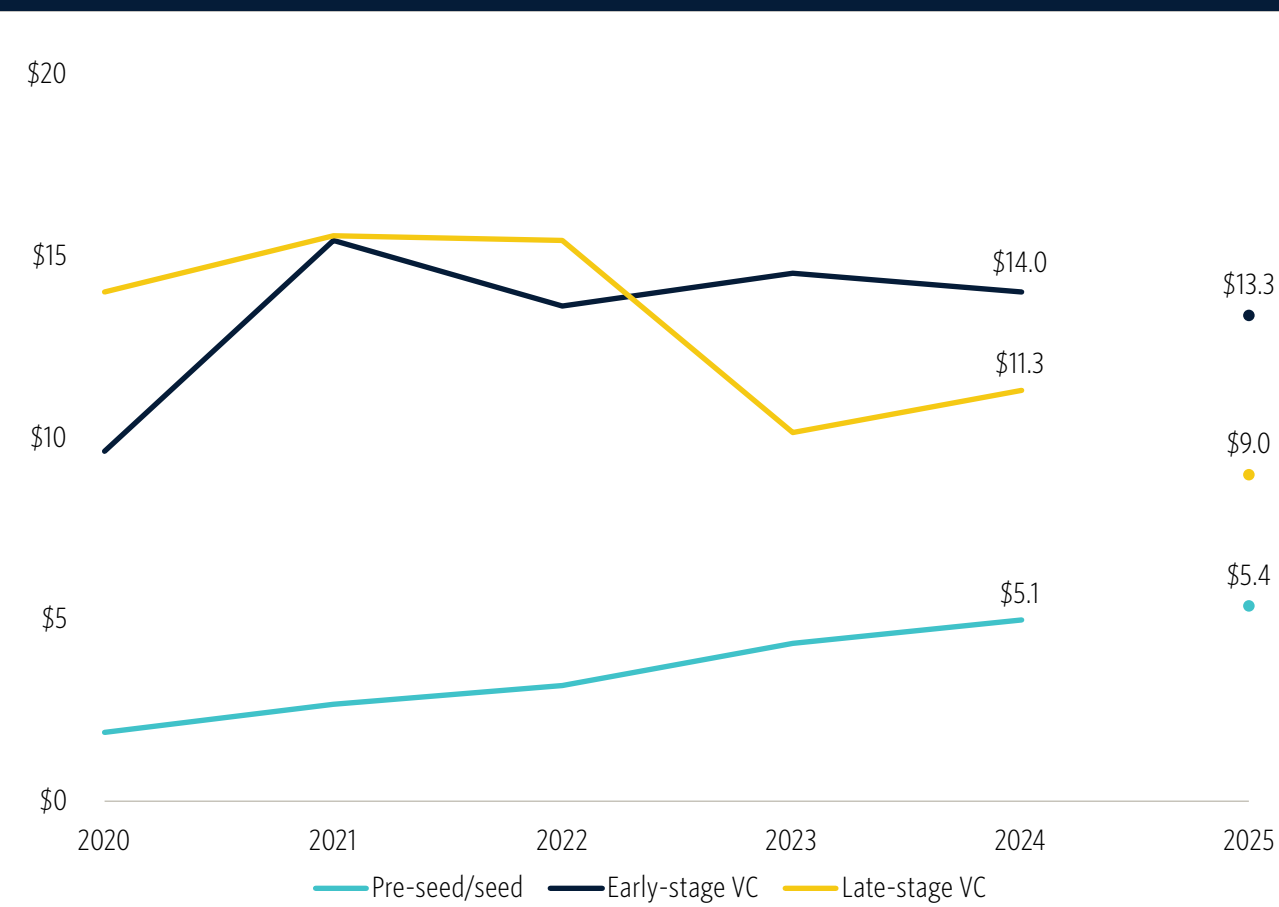


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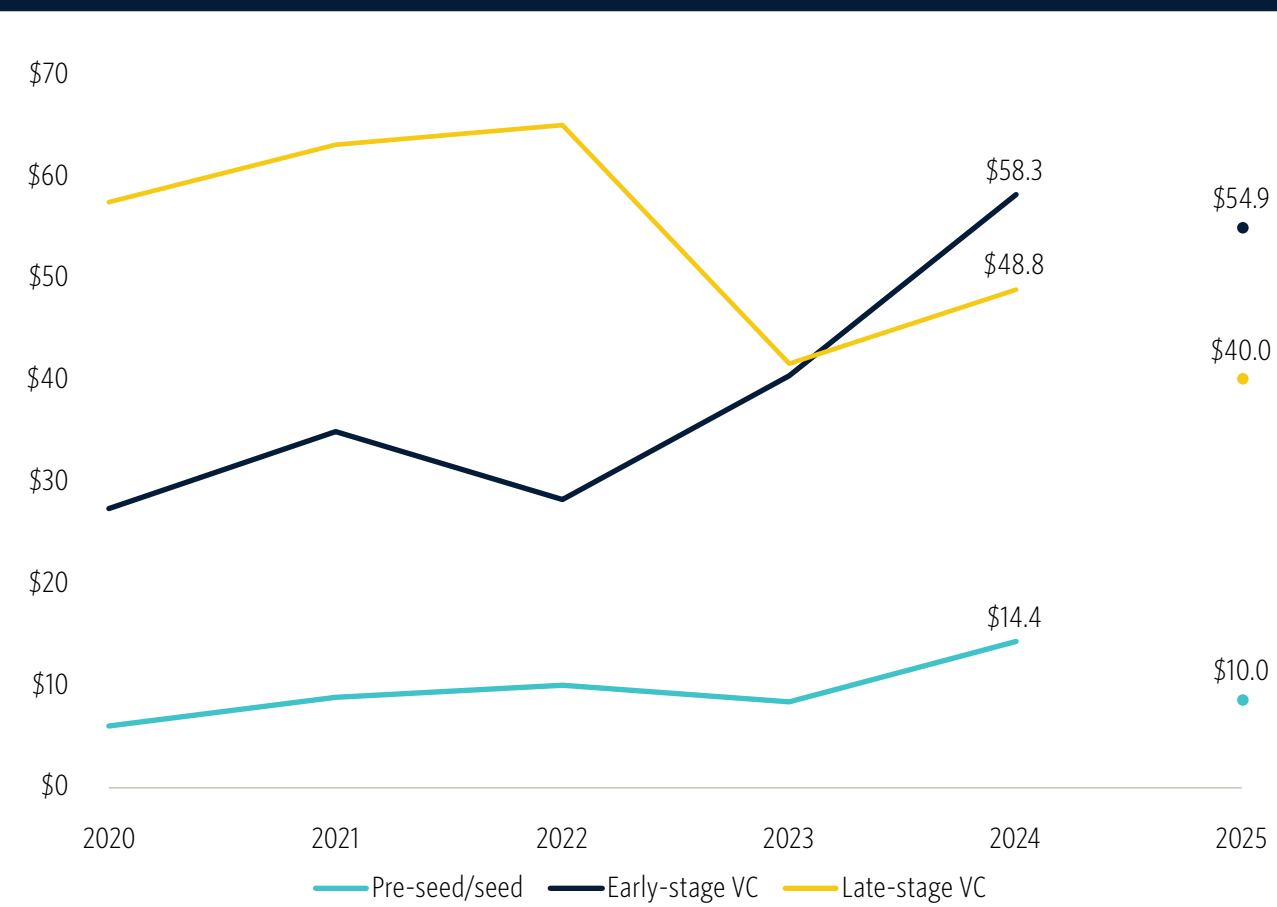
VC ACTIVITY

Median pharma biotools VC deal value (\$M) by stage



Source: PitchBook • Geography: Global • As of June 30, 2025

Median pharma biotools VC pre-money valuation (\$M) by stage



Source: PitchBook • Geography: Global • As of June 30, 2025



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Key pharma biotools early-stage VC deals in Q2 2025

Company	Close date	Category	Deal value (\$M)	Post-money valuation (\$M)	Deal type	Lead investor(s)	Valuation step-up
PhaseV	May 13	Advanced biopharma services	\$50.0	N/A	Series A	Accel, Insight Partners	N/A
EtioMe	April 24	Multimomics & proteomics	\$50.0	\$144.0	Series A	N/A	N/A
Portal Biotech	June 30	Microfluidics & biosensors	\$35.0	N/A	Series A	Earlybird Venture Capital, NATO Innovation Fund	N/A
Inductive Bio	May 7	AI-driven drug discovery	\$25.1	\$80.0	Series A	Obvious Ventures	3.5x
Kincell Bio	May 14	Cell & gene therapy services	\$22.0	N/A	Early-stage VC	Kineticos Life Sciences Management, NewSpring Capital	N/A
Hedera Dx	May 27	Multimomics & proteomics	\$16.9	N/A	Series A	VSquared Ventures	N/A
Biostate AI	May 12	Genomics & sequencing	\$16.0	\$92.0	Series A	Accel	N/A
Tamarind Bio	May 15	Generative AI & quantum computing	\$13.6	\$57.0	Series A	N/A	N/A
Persist AI	May 19	Basic molecular & cell biology	\$12.0	N/A	Series A	Spero Ventures	N/A
Dash	June 26	Advanced biopharma services	\$11.0	\$61.0	Early-stage VC	The Aligned Fund	2.0x

Source: PitchBook • Geography: Global • As of June 30, 2025



VC ACTIVITY

Key pharma biotools VC exits in Q2 2025

Company	Close date	Category	Exit value (\$M)	Post-money valuation (\$M)	Exit type	Acquirer(s)/exchange
Medtide	June 30	Advanced biopharma services	\$487.4	\$552.9	Public listing	Hong Kong Stock Exchange
Evergreen Theragnostics	April 1	Advanced biopharma services	\$250.0	\$250.0	Acquisition	Lantheus Medical Imaging
Stilla Technologies	June 30	Genomics & sequencing	\$225.0	\$225.0	Acquisition	Bio-Rad Laboratories
Inscripta	April 15	Synthetic biology & CRISPR	N/A	N/A	Acquisition	Manus Bio
Halo Labs	May 21	Analytical & pharma tools	N/A	N/A	Acquisition	Waters
Microbiome Insights	May 29	Bioinformatics & cheminformatics	N/A	N/A	Acquisition	MapmyGenome
Biocrates	June 2	Multomics & proteomics	N/A	N/A	Acquisition	Bruker
LCC Therapeutics	June 12	Basic molecular & cell biology	N/A	N/A	Acquisition	XtalPi Technology

Source: PitchBook • Geography: Global • As of June 30, 2025



Pharma biotools VC deal summary

	Quarterly activity					TTM activity	
	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2023 to Q2 2024	Q3 2024 to Q2 2025
Deal count	66	64	68	130	102	316	364
QoQ change	-21.4%	-3.0%	6.3%	91.2%	-21.5%	N/A	15.2%
Share of total VC	0.6%	0.7%	0.7%	1.3%	1.2%	0.7%	1.0%
Deal value (\$B)	\$1.6	\$1.5	\$0.7	\$1.8	\$1.0	\$5.1	\$5.0
QoQ change	10.2%	-5.1%	-51.9%	139.4%	-43.6%	N/A	-2.3%
Share of total VC	1.7%	1.8%	0.6%	1.9%	0.9%	1.5%	1.2%
Exit count	4	4	4	8	10	11	26
Public listings	1	3	3	7	9	6	22
Acquisitions	0	0	0	0	0	0	0
Buyouts	3	1	1	1	1	5	4

Source: PitchBook • Geography: Global • As of June 30, 2025



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Our Industry and Technology Research provides detailed analysis of established industries and nascent tech sectors from the perspective of private market dealmaking, helping you stay current on market trends and providing the insights you need to pursue new opportunities with confidence.

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