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HEALTHCARE TRANSACTIONS REPORT

S E P T E M B E R 2 0 2 5



EXECUTIVE SUMMARY

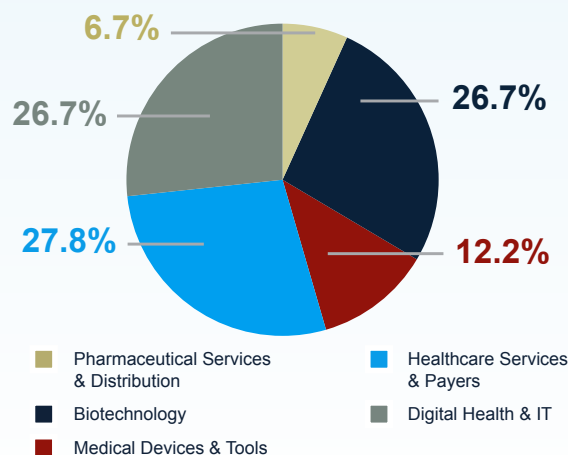
Healthcare M&A held steady through the close of the third quarter of 2025, with an uptick in investment across biotechnology, health services, and digital health. Strategic buyers emphasized integration and portfolio diversification, while private equity sponsors focused on scaling provider networks through investments in platforms that enhance care delivery and data-driven performance.

Biotechnology accounted for approximately 60% of total capital deployed in September, generating more than \$19 billion in announced transactions. The increase was supported by heightened competition for innovation-stage platforms positioned to accelerate R&D pipelines and address unmet therapeutic needs, highlighted by Genmab's \$8 billion acquisition of Merus, Pfizer's \$4.9 billion purchase of Metsera, and Roche's \$3.5 billion acquisition of 89bio. Private equity sponsors were also active, led by Patient Square Capital's \$2.6 billion take-private of Premier Inc. and GTCR's \$1.6 billion acquisition of Dentalcorp Holdings, underscoring continued consolidation across healthcare technology, supply chain management, and provider services.

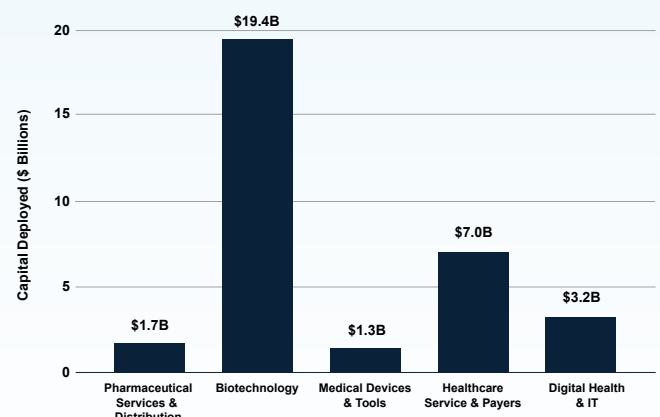
Capital also moved into next-generation health platforms, where growth and crossover investors backed companies improving clinical outcomes, operational efficiency, and patient engagement. The convergence of technology and life sciences remained a defining investment theme, reinforcing focus on data infrastructure, software, and advanced therapeutic delivery.

The healthcare sector closed the third quarter on solid footing, with broad-based participation across strategic and financial sponsors. Market fundamentals remain supportive, driven by steady demand, ongoing innovation, and a diversified set of growth opportunities across the ecosystem. Healthcare remains a priority sector for global capital deployment, anchored by durable demand drivers and accelerating technological advancement.

PERCENTAGE OF TOTAL HEALTHCARE TRANSACTIONS BY VERTICAL (DEAL COUNT)



CAPITAL DEPLOYED BY VERTICAL (BILLIONS)



KEY VERTICALS

Biotechnology

Transaction Value: \$19.4B

September 2025 marked a breakout month for biotechnology, nearly doubling August's \$10.9 billion in deal value. This surge reflected a decisive pivot toward high-impact clinical-stage innovation, particularly in oncology, metabolic, and gene-based therapeutics. Genmab's \$8 billion acquisition of Merus and Pfizer's \$4.9 billion purchase of Metsera were headline transactions that showed how large-cap pharma continues to rely on strategic M&A to secure promising biologics and precision therapies. Roche's \$3.5 billion acquisition of 89bio further underscored the race for metabolic and cardiovascular treatment pipelines, sectors increasingly viewed as core to long-term portfolio diversification.

Growth capital flowed into next-generation platforms including Kriya Therapeutics (\$320 million) for gene therapy, Odyssey Therapeutics (\$213 million) for autoimmune and inflammatory diseases, and Treeline Biosciences in oncology innovation, all pointing toward disease-modifying therapeutics rather than incremental treatments. This momentum represents a shift from the consolidation-heavy August landscape to a research-driven growth phase, where big pharma and venture syndicates are pursuing differentiated modalities such as mRNA, bispecific antibodies, and engineered cell therapies. Collectively, September's biotech activity reinforced the sector's role as the primary engine of healthcare innovation.

Healthcare Services & Payers

Transaction Value: \$7B

Healthcare services and payers maintained steady momentum, building on August's \$6.4 billion in deal volume but shifting toward integration and outcomes-based models. The marquee transaction, Patient Square Capital's \$2.6 billion take-private of Premier Inc., signaled a growing trend of private equity-led transformations focused on data-driven supply chain management and clinical analytics. Similarly, GTCR's \$1.6 billion buyout of Dentalcorp Holdings highlighted investor appetite for scalable, consumer-facing healthcare delivery models, especially in dental and specialty clinic networks.

Significant growth rounds in Strive Health (\$550 million) and AbsoluteCare (\$135 million) advanced kidney care and chronic condition management within value-based frameworks, emblematic of a broader shift from fee-for-service to risk-bearing reimbursement structures. This vertical also reflects the healthcare industry's broader thesis that platform consolidation combined with technology enablement through predictive analytics and care coordination can generate sustainable cost containment and improved patient outcomes. In contrast to August's home health and specialty practice rollups, September's deals signaled a shift toward platform-based growth strategies focused on technology, integration, and care quality.



Digital Health & IT

Transaction Value: \$3.2B

Digital health continued to evolve as the connective tissue of modern care systems, combining data science, AI, and virtual engagement. The segment accounted for roughly 27% of total deal volume in September, generating \$3.2 billion in announced transactions and building on August's \$3.6 billion. This sustained momentum underscored investor conviction despite rising valuations.

Waystar's \$1.25 billion acquisition of Iodine Software was the sector's defining move, illustrating how automation and machine learning are now central to clinical documentation and revenue cycle operations. Significant financings for Oura (\$875 million Series E at an \$11 billion valuation) and Axtria (over \$500 million) reflected sustained conviction in platforms that integrate consumer data, wearable-derived analytics, and enterprise life sciences workflows. With revenue projected to approach \$1 billion in 2025, Oura has become a bellwether for consumer-grade digital health, showing how connected devices are shifting the landscape of preventive care, patient engagement, and personalized wellness at scale.

Recent activity points to a sharper bifurcation across digital health: enterprise-grade infrastructure focused on efficiency and interoperability on one side, and consumer-facing ecosystems driving continuous monitoring and behavioral engagement on the other. Capital flows into cybersecurity, telemedicine, and patient-facing digital tools signal that data protection and care continuity are now foundational investment themes. The scale and trajectory of Oura and its peers underscore how wearable-centric models are moving from adjunct offerings to essential components of modern healthcare delivery.

Pharmaceutical Services & Distribution

Transaction Value: \$1.7B

While comparatively smaller in volume, the pharmaceutical services and distribution segment continued to play a critical role in value chain modernization. September's key transaction, Investindustrial's \$1.4 billion acquisition of DCC Healthcare, extended the European private equity firm's reach into global distribution, contract manufacturing, and medical logistics. Parallel developments, such as PharmEasy's ongoing expansion and Capital Rx's \$400 million rebranding round to launch Judi Health, showcased the evolution of pharmacy benefit management into a software-centric, transparency-driven business model.

Transaction volume eased relative to August's \$5 billion peak, while investor attention shifted toward digitization, compliance automation, and consumer access. The segment remains strategically important as investors monitor regulatory reform, pricing dynamics, and supply chain resilience, all of which are expected to shape deal priorities in 2026.



Medical Devices & Tools

Transaction Value: \$1.3B

Medical devices and life science tools maintained healthy activity, albeit at a slower clip than August's \$6 billion peak. The flagship transaction, ViCentra's \$85 million Series D financing, underscored investor momentum behind next-generation diabetes management technologies.

The Netherlands-based company will use the proceeds to accelerate manufacturing scale, launch its Kaleido 2 insulin patch pump across Europe, and prepare for U.S. market entry. Kaleido is described as one of the smallest, lightest, and most precise insulin patch pumps in its class, integrating with Diabeloop's self-learning automated insulin delivery algorithm and leading continuous glucose monitors to deliver personalized, data-driven care.

Growth equity funding for Galvanize Therapeutics (\$100 million), a leader in pulsed electric field ablation systems, further reflected investor appetite for precision-oriented, minimally invasive solutions.

The sector's trajectory has shifted toward high-utility, data-integrated device ecosystems, where diagnostic, robotic, and monitoring systems are embedded into digital workflows. This continues the broader 2025 trend identified in August: a migration from stand-alone hardware innovation to platform-level instrumentation, where software integration and cloud connectivity drive scalability. As capital allocation narrows toward differentiated technologies, medical devices are emerging as a strategic bridge between biotech innovation and real-world clinical application.



TRANSACTION NEWS

This table showcases five of the largest and most significant transactions in the healthcare sector for September, selected for their impressive scale and strategic importance. These deals are a reflection of major investment trends, focusing on high-growth areas.

TOP 5 HEALTHCARE TRANSACTIONS - SEPTEMBER 2025

Rank	Name	Description	Type	Sub-Type	Vertical	Transaction Value	Buyer/ Investor
1	Merus (MRUS)	Merus develops innovative bispecific antibodies for cancer immunotherapy and treatment.	M&A	Strategic Acquisition	Biotechnology	\$8 bn	Genmab
2	Metsera (MTR)	Metsera develops innovative oral and injectable therapies for obesity treatment.	M&A	Strategic Acquisition	Biotechnology	\$4.9 bn	Pfizer
3	89bio (ETNB)	Clinical-stage biopharma developing innovative liver and cardiometabolic disease therapies	M&A	Strategic Acquisition	Biotechnology	\$3.5 bn	Roche
4	Premier Inc (PINC)	Premier improves healthcare through data analytics, supply chain services, and performance improvement solutions for hospitals and health systems.	Buyout	Take-Private	Healthcare Services & Payers	\$2.6 bn	Patient Square Capital
5	Dentalcorp (DNTL)	Canada's largest dental practice network supporting clinicians with operational resources and technology.	Buyout	Take-Private	Healthcare Services & Payers	\$1.6 bn	GTCR



KEY TRENDS & INSIGHTS

▶▶ Major Strategic M&A Continues

September saw multibillion-dollar acquisitions such as Genmab's purchase of Merus, Pfizer's buyout of Metsera, plus Roche's acquisition of 89bio, underscoring ongoing strategic consolidation in biotech and specialty pharma to gain access to novel therapeutics and advanced pipelines.

▶▶ Explosion of Growth Equity in Digital Health

Substantial capital is flowing into digital health, as evidenced by Waystar's \$1.25 billion acquisition of Iodine Software and substantial rounds for OURA and Atria. Companies offering AI-enabled analytics, clinical workflow automation, and virtual engagement platforms are in high demand.

▶▶ Vertical Integration in Services

Private equity-led take-private transactions for networks like Premier Inc. and Dentalcorp, coupled with investments spanning primary to specialist care models, signal increased vertical integration plus platform roll-up strategies across healthcare providers and payers.

▶▶ Rise of Value-Based Care Models

Growth equity into companies like Strive Health and AbsoluteCare demonstrates a sector-wide pivot toward outcomes-driven, risk-bearing models focused on delivering better care at lower cost, particularly for complex and chronic conditions.

▶▶ Next-Gen PBM and Distribution Platforms

Large investments in Capital Rx (rebranding as Judi Health) and continued global expansion by PharmEasy reflect disruptive trends in transparency, technology-enabled supply chains, and integrated pharmacy services in pharmaceutical distribution.

▶▶ Focus on Specialty, Gene, and Precision Therapies

Investments are surging into gene therapy and precision medicine companies such as Kriya Therapeutics, Odyssey Therapeutics, and Treeline Biosciences, fueling innovation in high-value, disease-modifying biologics.

▶▶ Acceleration in MedTech and Devices

Ongoing growth equity rounds in device makers and tooling, such as ViCentra's \$85 million Series D financing and Galvanize Therapeutics' \$100 million raise, highlight robust demand for advanced diagnostics, diabetes technologies, minimally invasive systems, alongside connected patient monitoring. Investors continue to favor platforms combining hardware precision with data-driven intelligence, reflecting the broader digital convergence across healthcare delivery.



LOOKING FORWARD

The healthcare sector is poised for continued transformation as innovation, cost pressures, and regulatory shifts converge in 2026. Industry leaders expect rapid advances in gene therapies, digital platforms, and value-based care to redefine service delivery, while costs, especially for prescription drugs and chronic condition management, are projected to rise at their fastest rate in more than a decade. This environment will push stakeholders toward advanced cost-containment, patient-centric models, and technology-enabled solutions, all while navigating regulatory uncertainties and addressing growing demand for equitable, personalized healthcare.

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