



Medtech VC and PE Trends

VC and PE activity across the medtech ecosystem

**Q2
2025**

REPORT PREVIEW

The full report is available through
the PitchBook Platform.





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Medtech landscape

- 1 Remote monitoring & portable care
- 2 Diagnostics & life sciences
- 3 Surgical devices & tools
- 4 Nonsurgical medical treatments
- 5 Medical imaging

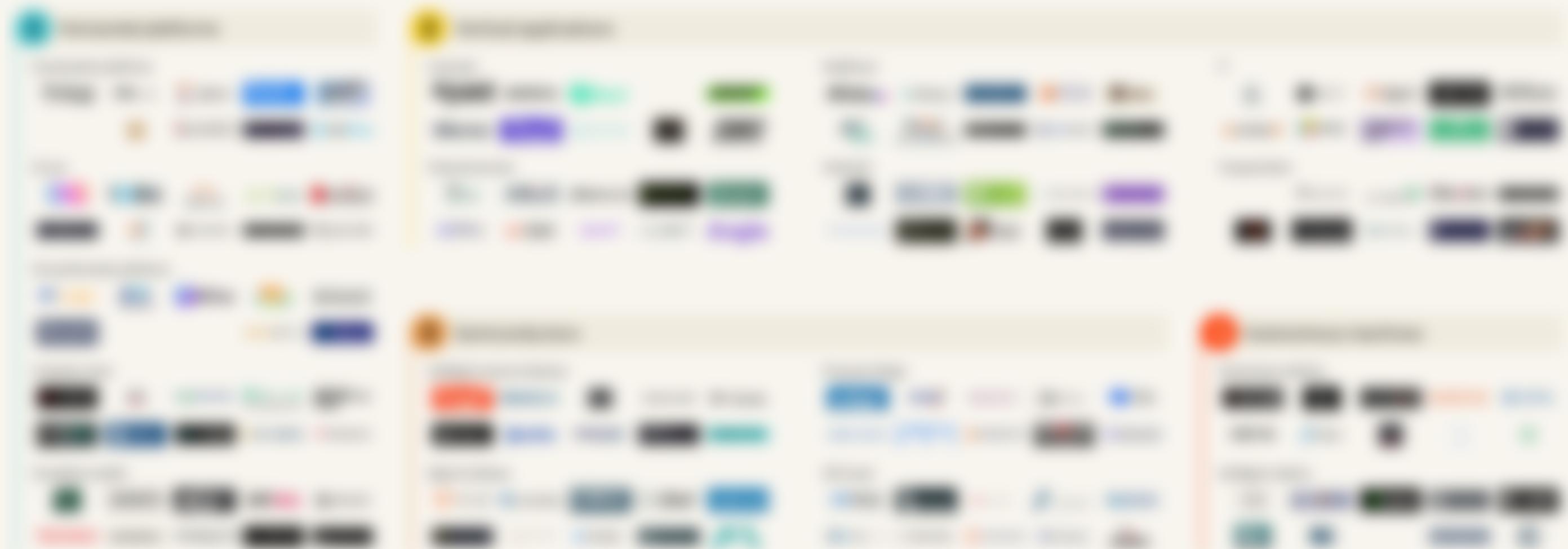




Medtech VC and PE ecosystem market map

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 and PE activity

VC activity

Medtech investment had another strong quarter in Q2 with \$4.1 billion of VC funding, just below Q1 investment of \$4.4 billion. Halfway through the year, the sector is on pace for its second-highest annual funding total on record, trailing only the 2021 peak. While additional Q2 deals may still be reported retroactively, the 189 currently disclosed transactions represent the lowest quarterly deal count in our dataset since at least 2017. This decline aligns with the broader VC market trend of rebounding deal value along with stagnant deal counts. In medtech, the sector's trailing 12-month (TTM) deal count has declined 10.4%, while its share of overall VC deal volume has ticked up from 2.3% to 2.4%. The data underscores a meaningful shift in private markets toward capital concentration: Larger rounds increasingly favor top-tier companies and AI-native startups, leaving other startups fighting for a smaller pool of capital.

Medtech deal activity is driven primarily by the surgical devices & tools segment, which accounted for 46% of deal value and 30% of deal count in the quarter. The second-most-active segment was diagnostics & life sciences, which accounted for 28% of the deal count and 19% of deal value. While funding leadership within medtech has typically alternated between the surgical and diagnostics/life science segments, a clear shift has taken place. During the pandemic period, diagnostics & life sciences held a slight edge, receiving slightly more total funding in aggregate. However, since 2023, the surgical segment has received \$13.6 billion in funding compared with diagnostics' \$7.6 billion. This marks a strategic realignment in investor priorities, with the surgical sector now firmly established as the hottest destination for capital within medtech.

On this point, five out of the nine deals exceeding \$100 million in Q2 came from the surgical devices & tools segment. Elon Musk's Neuralink led the way with a \$650 million Series E, attaining a valuation of \$9 billion. Other surgical devices startups raising significant funding included competing brain-chip interface startup Science Corporation (founded by a Neuralink co-founder), unicorn CMR Surgical, Vascular Perfusion Solutions, and Hexin Medical. Together, these five startups raised \$1.2 billion in VC funding, representing over 25% of all medtech VC funding in the quarter. Beyond the surgical segment, diagnostics startup Function Health attained unicorn status through its \$300 million Series B, corresponding to a \$2.5 billion post-money valuation. This comes after Function acquired full-body MRI company Ezra one month prior, aiming to leverage Function's lab testing expertise with Ezra's AI imaging engine. Other startups receiving significant funding rounds in Q2 included Luminell (medical imaging), Foresight Robotics (vision tech) and Biolinq (remote monitoring).

PE activity

Medtech private equity funding is set to be at its highest level on record this year, with investors deploying just under \$5 billion across 60 investments through the first two quarters. Funding levels have increased each year since 2020, growing at a 31.5% CAGR and peaking at \$9.2 billion in 2024. Rising deal count was strongly correlated with this increased funding activity from 2020 to 2023, but that trend has since reversed as investors have more recently prioritized later-stage, more mature assets. Two of the most notable deals in Q2 came in the surgical devices & tools segment. Kardium raised an oversubscribed \$250 million round, and OrganOx raised a \$160 million funding round supported primarily by Luxera Capital Partners.



VC AND PE ACTIVITY

PE exit activity remains muted, with just two exits occurring in Q2 for a total of 14 exits on the year so far. Most exit value is stemming from just one IPO: Caris Life Sciences at a pre-money valuation of \$5.3 billion. This single exit represents over 80% of exit value from PE-backed medtech companies over the first half of 2025. PE-backed companies expected to IPO in the near term include Sahajanand Medical Technologies and Brainlab, both surgical device innovators.

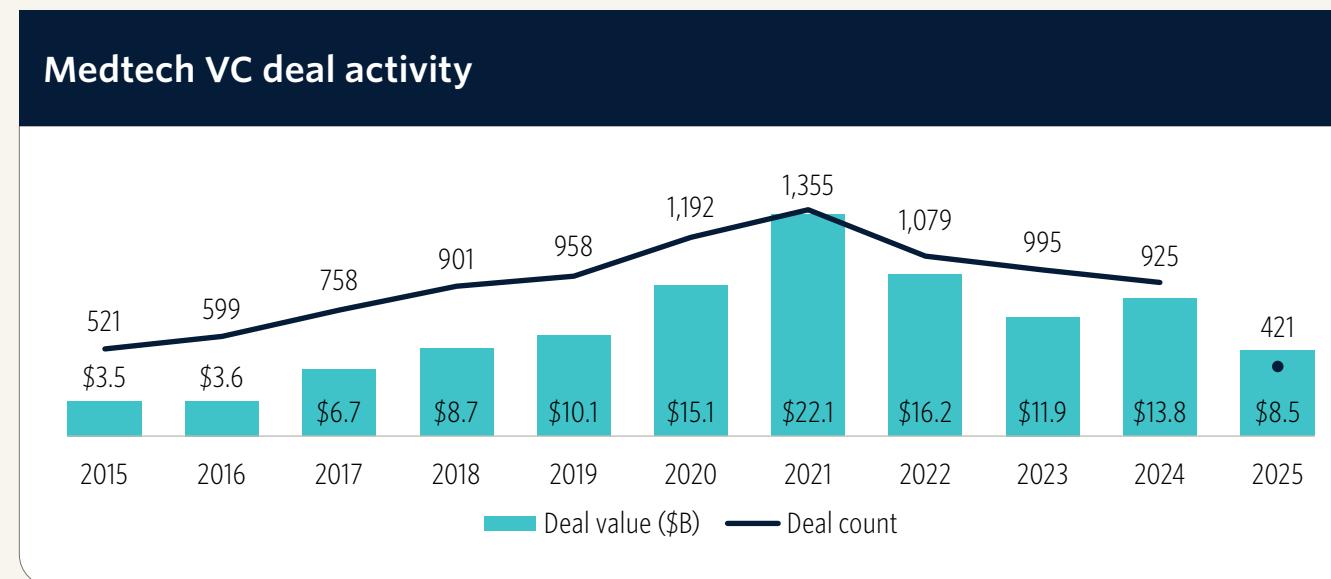
Exit outlook

Although VC exits have been stagnant for the last several quarters, Q2 saw two of the more significant VC exits of the past several years. Boston Scientific acquired the remaining stock of Bolt Medical, a developer of an intravascular lithotripsy laser-based platform for treating coronary and peripheral artery disease, in a \$664 million transaction valuing Bolt at \$897 million. Another significant transaction was early cancer detection company MiRXES' successful IPO, which valued the company at \$827 million. After a surge in medtech exits in 2024, activity slowed sharply in the first half of this year—representing just 30% of 2024's total exit value and fewer than half the number of exits.

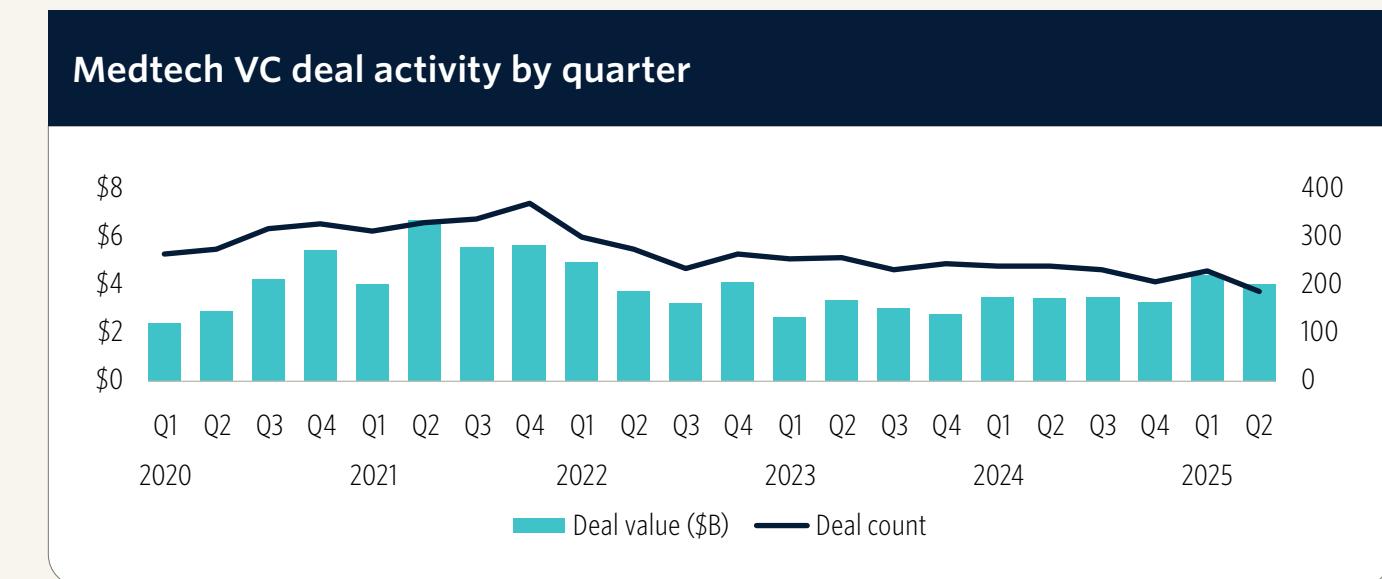
Due to medtech's lack of liquidity events, funding allocated toward venture-growth-stage companies (which refers to companies in the latest stages of the venture lifecycle) has increased. PitchBook defines the venture-growth stage as any deal tagged in round Series E+, or deals involving companies that are at least 7 years old and have raised at least six funding rounds. While pre-seed, early-stage VC, and later-stage VC all experienced deal value and count declines in Q2, venture-growth companies experienced a roughly 25% increase in funding value while holding steady at an especially high deal count, with Q1 and Q2 2025 in the top two of all time for venture-growth deal count. With medtech companies struggling to reach an exit, more are turning to venture-growth funding to extend their runway. As a proportion of total deal count, the number of venture-growth companies receiving funding has increased each year since 2021, growing from 11% of deals to 25% so far in 2025. As net funding continues to rise despite subdued exit activity, investors are clearly readjusting their expectations and recognizing that medtech venture time horizons have extended.



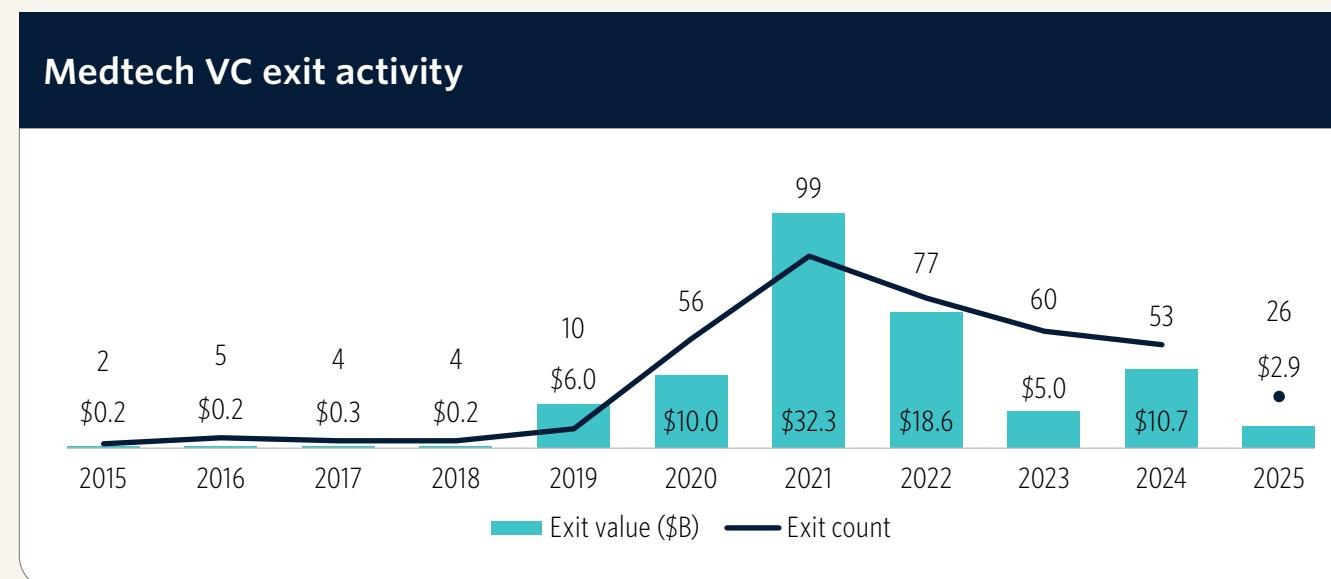
VC AND PE ACTIVITY



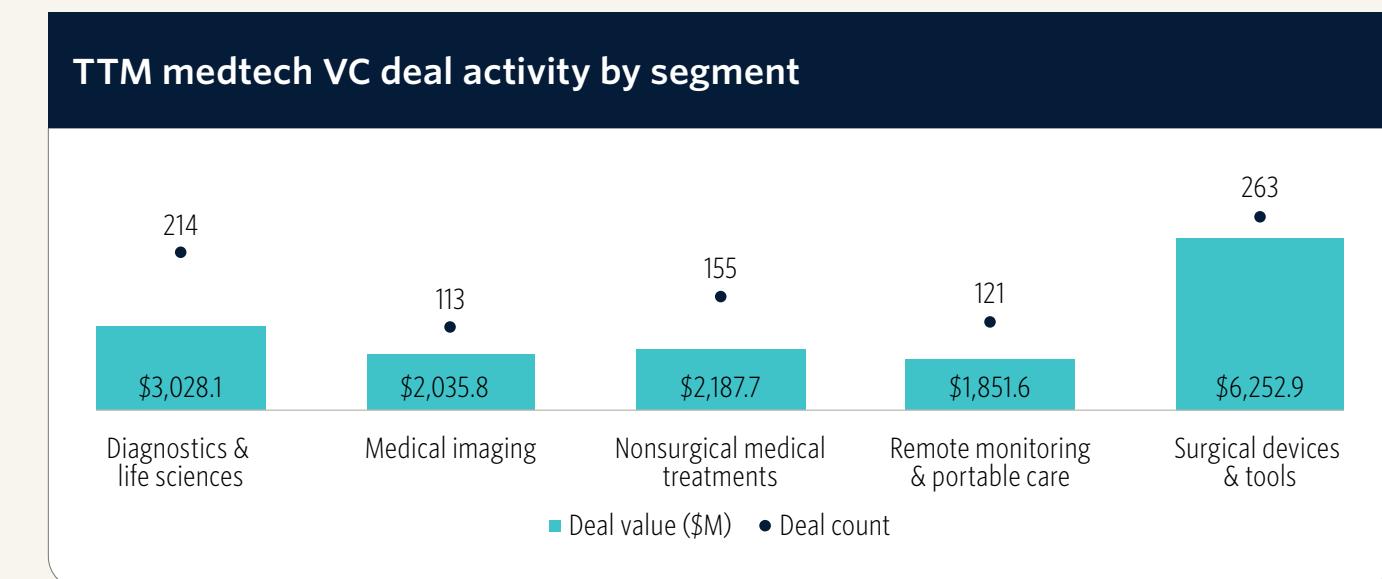
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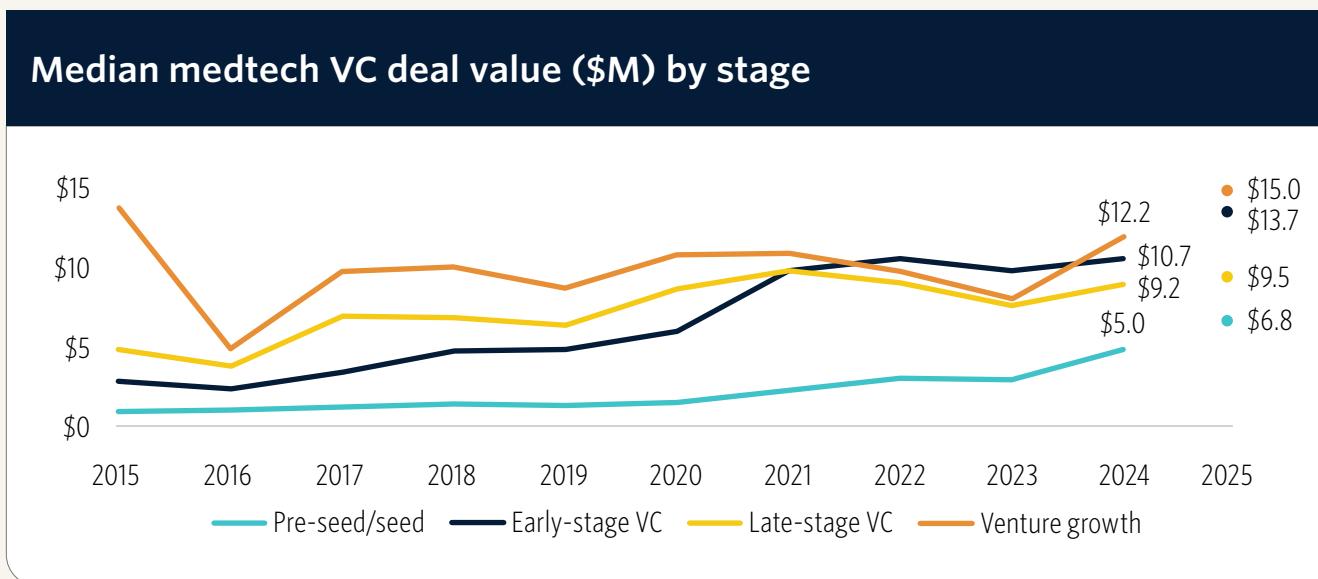
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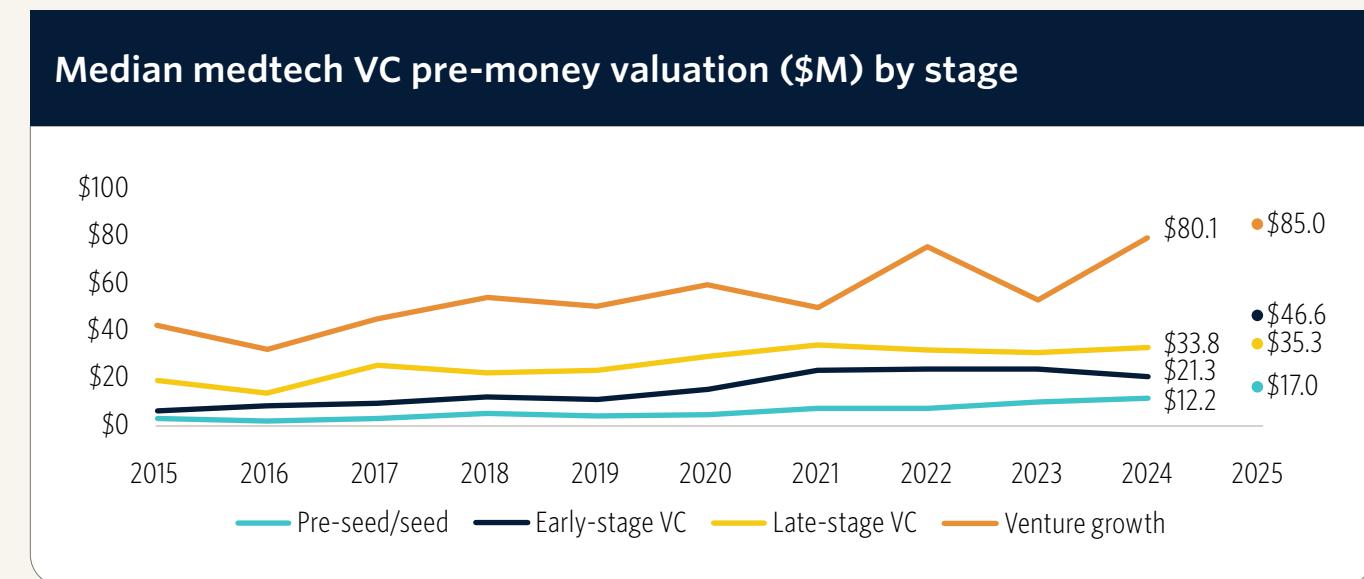
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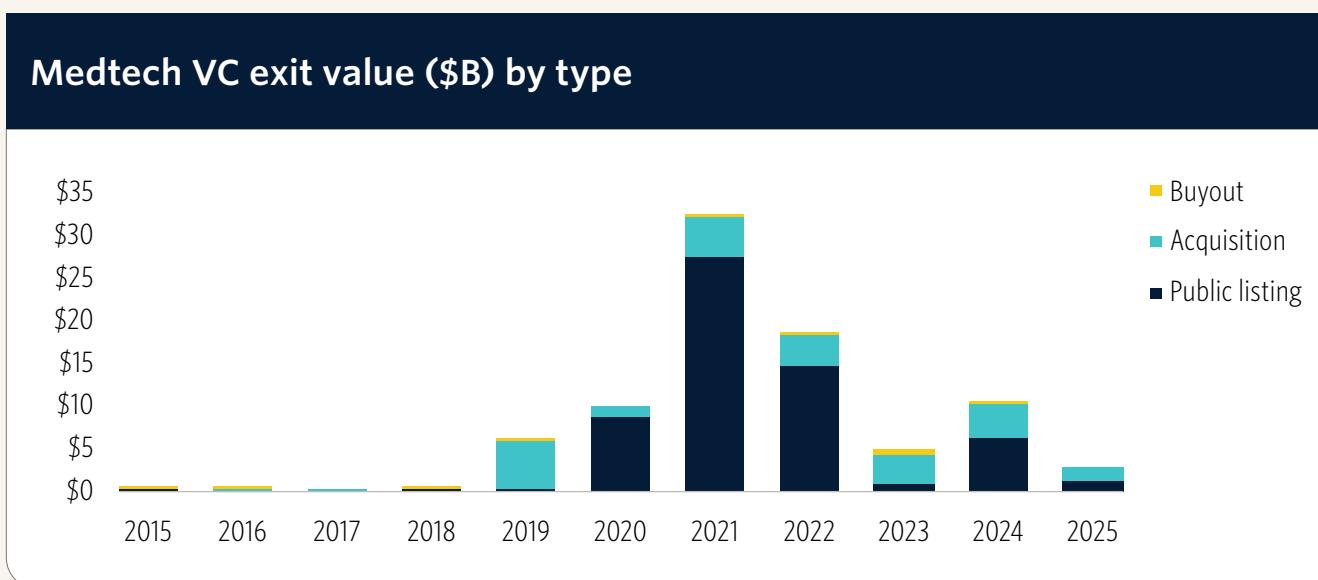
VC AND PE ACTIVITY



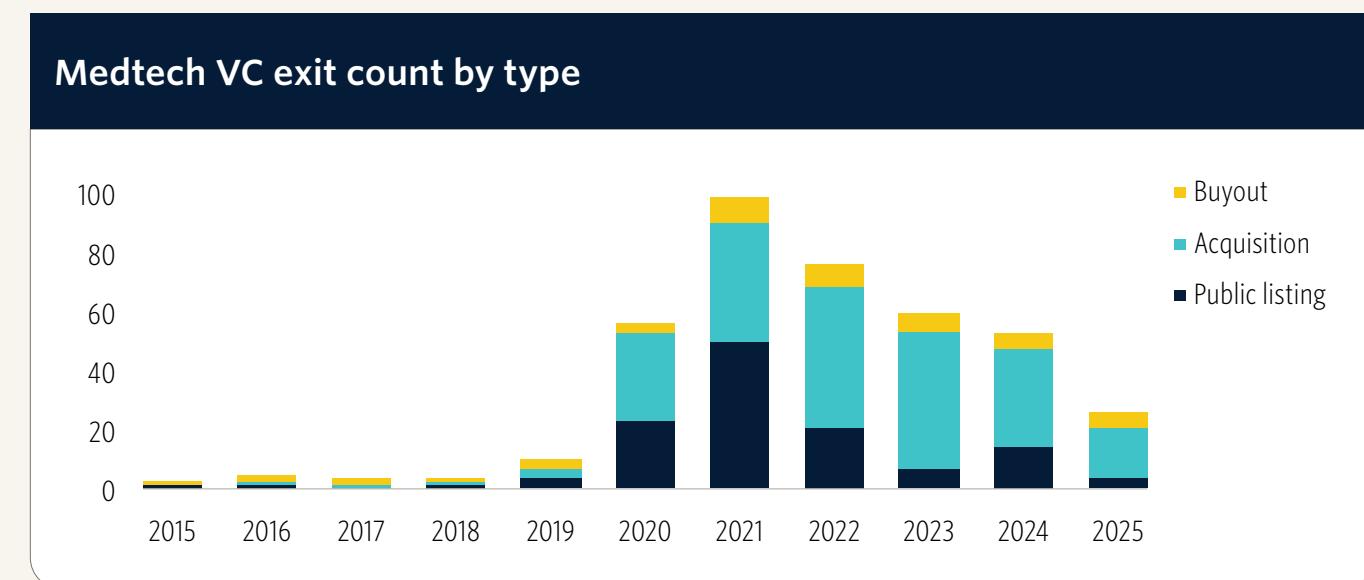
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Medtech VC deal summary

	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	241	234	208	232	189	963	863
QoQ change	-0.4%	-2.9%	-11.1%	11.5%	-18.5%	N/A	-10.4%
Share of total VC	2.3%	2.5%	2.2%	2.4%	2.3%	2.3%	2.4%
Deal value (\$B)	\$3.5	\$3.5	\$3.3	\$4.4	\$4.1	\$12.9	\$15.4
QoQ change	-1.0%	0.5%	-5.7%	33.8%	-7.5%	N/A	19.1%
Share of total VC	3.8%	4.1%	2.6%	3.3%	3.8%	3.8%	3.4%
Exit count	8	20	18	9	17	40	64
Public listings	2	15	13	6	12	25	46
Acquisitions	2	1	0	2	3	6	6
Buyouts	4	4	5	1	2	9	12

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



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Independent, data-driven, and timely market intel

As the private markets ecosystem continues to grow in complexity and competition, investors need tools and data that can give them an edge.

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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