J.P.Morgan

Q2 2026 Medtech Licensing and Venture Report

July 2026

Fueled by

DealForma

Executive summary

Medtech M&A remained active in H1 2026, while venture and IPO activity stayed selective

Medtech capital markets remained mixed through H1 2026. M&A continued to provide the most active exit path, while venture funding remained steady but below prior-cycle levels. IPO activity improved modestly but remained concentrated among a small number of scaled issuers.

Strategic acquirers continued to support deal flow, though Q2 M&A value moderated from a strong Q1. Licensing activity remained milestone-heavy, with limited upfront cash relative to announced deal value.

Here are a few highlights from our Q2 2026 report:

- **Medtech venture activity:** Venture funding totaled $5.0 billion across 164 rounds in H1 2026, with $2.5 billion in Q2.
- **Medtech licensing partnerships:** Licensing and R&D partnership value reached $5.8 billion in H1 2026, with upfront cash representing only 1% of announced deal value.
- **M&A:** Medtech M&A totaled $48.9 billion in upfront cash across 92 deals in H1 2026, including $22.3 billion across 47 deals in Q2.
- **IPOs:** Medtech IPOs raised $710 million across 2 offerings on U.S. exchanges in H1 2026, with activity still selective relative to prior-cycles.

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Thank you for taking the time to read this report. We look forward to supporting you.

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Parameters

Medtech companies are defined as firms developing medical devices, diagnostics, therapeutic digital health and commercial research tools. Healthcare IT and payer/provider software are excluded.

Therapy areas, development stages, modalities and deal structures are segmented per the DealForma database.

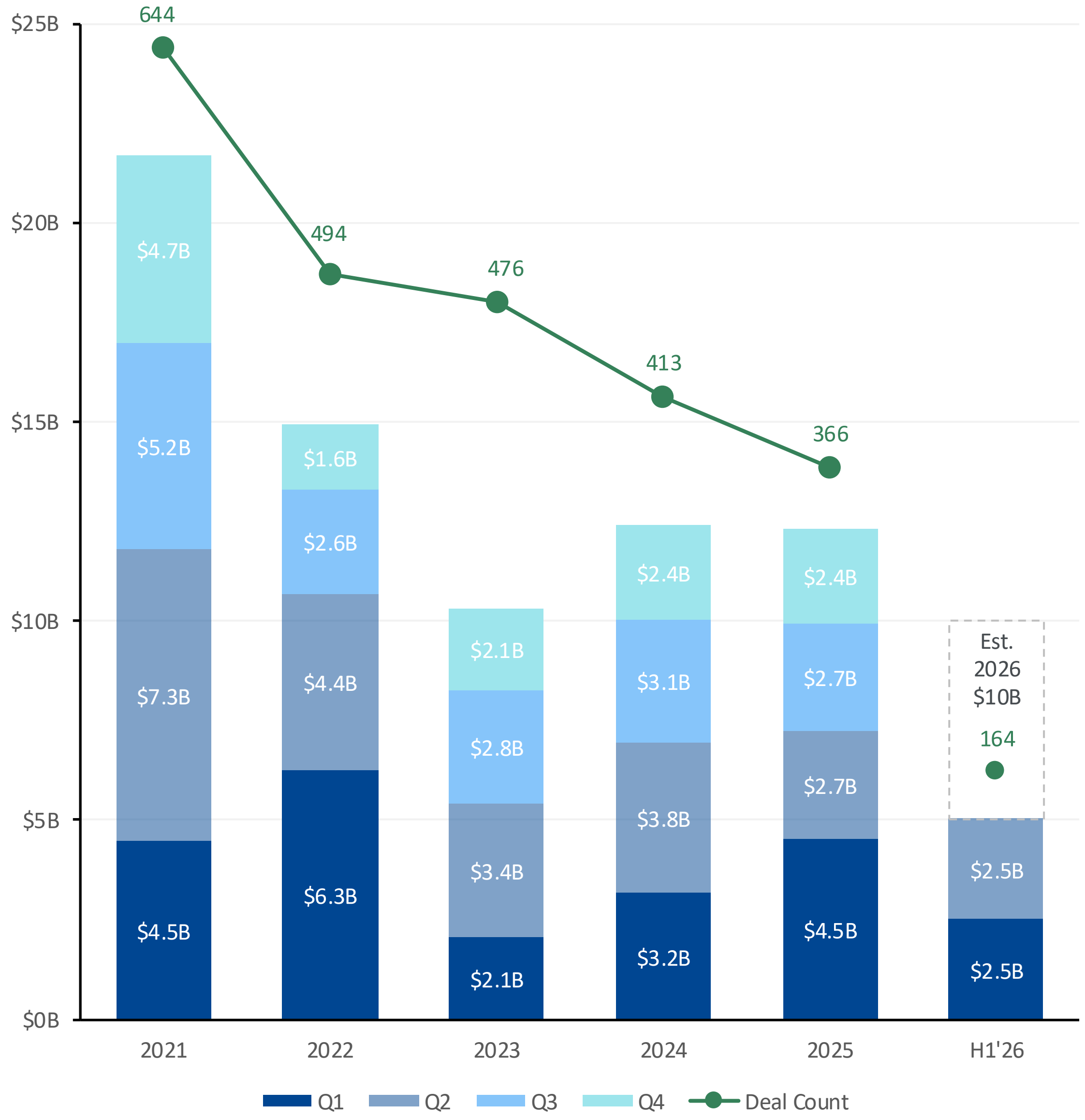
Financials are based on disclosed figures curated by DealForma. Multiple tranches of the same Series are counted as one together.

Deals are tracked globally unless otherwise noted.

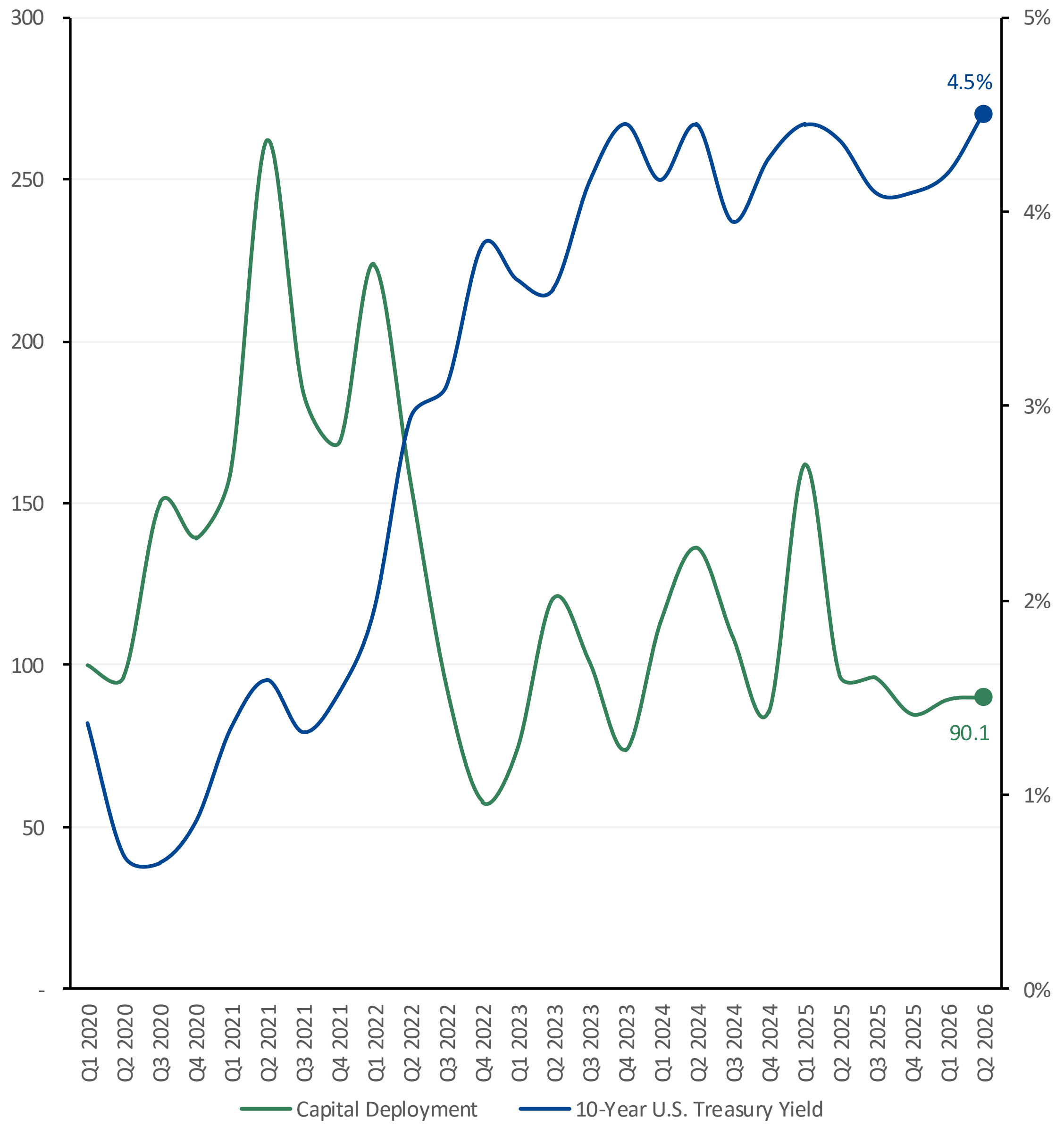
Data as of June 30, 2026

Medtech venture funding posts three consistent quarters at modest levels

QUARTERLY MEDTECH VENTURE INVESTMENT VS. ANNUAL VENTURE DEAL COUNT[1]



10-YEAR U.S. TREASURY YIELD VS. MEDTECH VENTURE DEPLOYMENT (INDEXED)[1,2]



Global medtech venture funding totaled $5 billion across 164 rounds in H1 2026, with Q2 funding of $2.5 billion, in line with Q1.

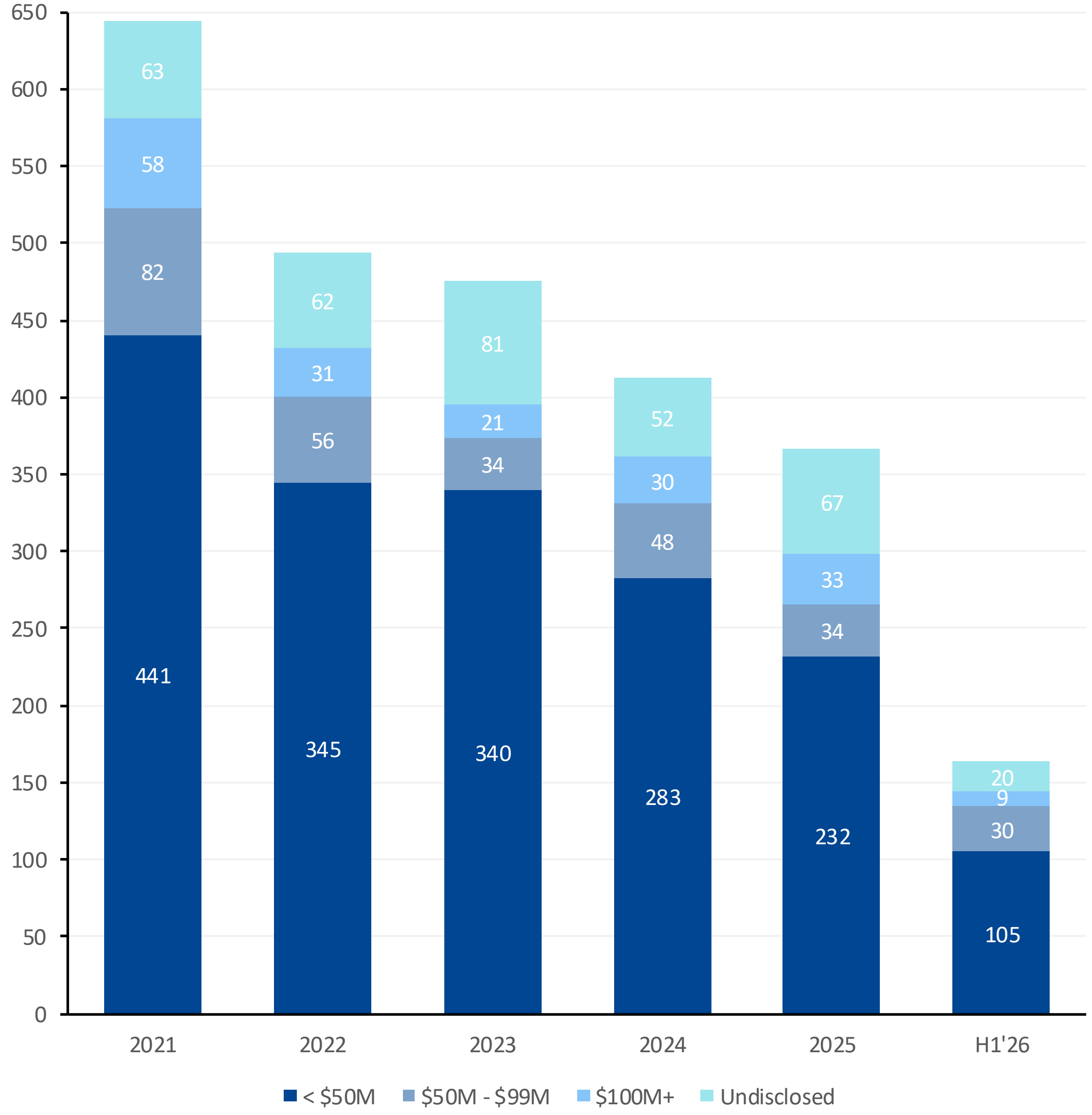
The current run-rate implies roughly $10 billion for full-year 2026, below earlier-cycle highs and notably below full year 2025 (trending towards a YoY decline of 19% in venture funding totals).

Capital deployment remained constrained despite stabilization in funding levels, with investors focused on differentiated technologies, later-stage companies and clearer regulatory or commercial pathways.

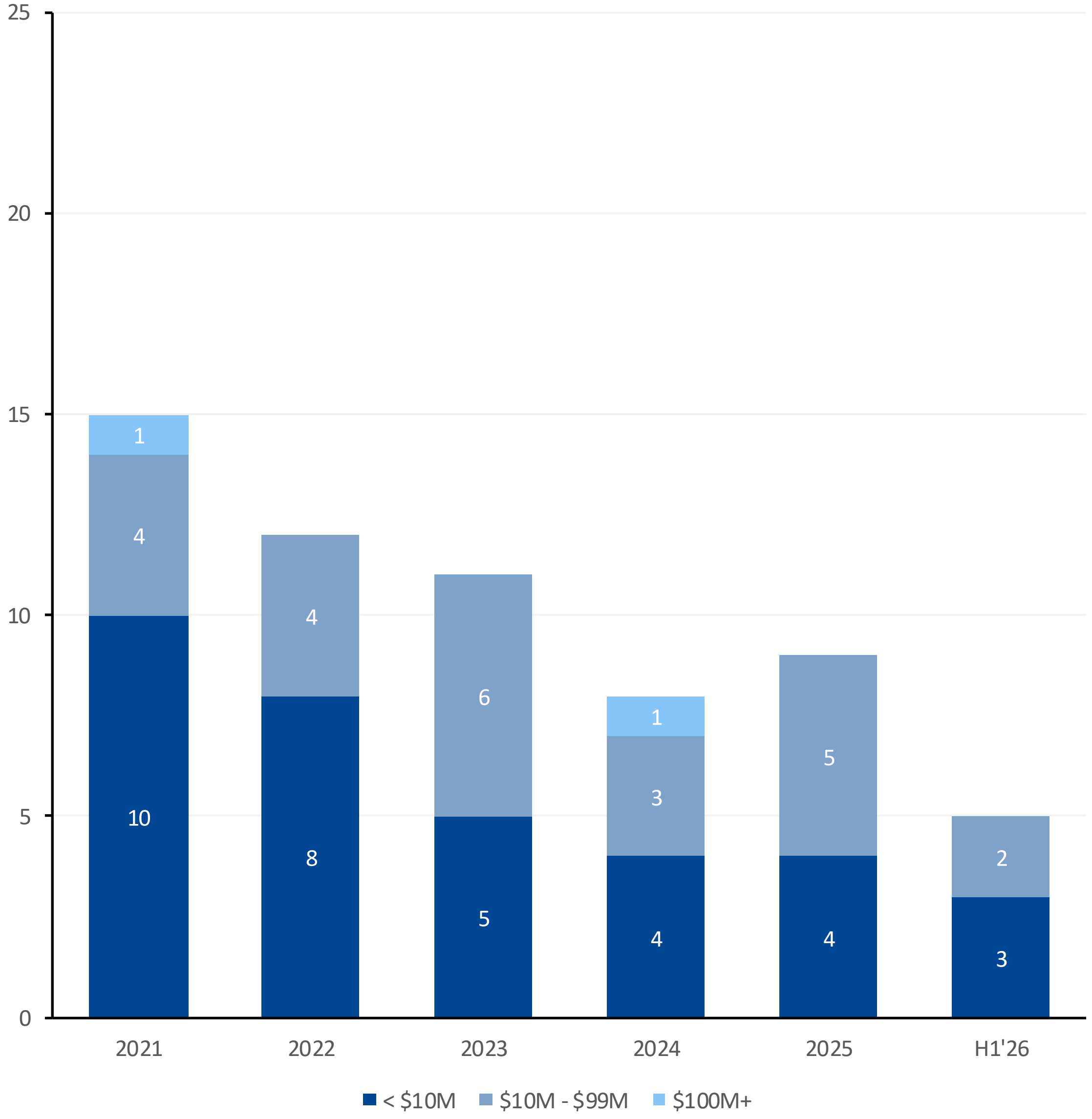
Note: [1]Financials based on disclosed figures. Data through June 30, 2026. [2]Medtech venture capital deployment is indexed to Q1 2020, where Q1 2020 = 100.

Large rounds continued to support medtech, while licensing upfronts remained sparse

COUNT OF VENTURE INVESTMENT ROUNDS BY ROUND SIZE[1]



COUNT OF MEDTECH R&D LICENSES BY DISCLOSED UPFRONT CASH AMOUNT[1]



H1 2026 included 39 venture rounds of $50 million or more, including 9 rounds above $100 million, showing continued capital concentration in larger financings.

Most venture rounds remained below $50 million, and total round count remained well below prior annual levels.

Medtech licensing disclosed limited upfront consideration, with only 5 deals showing upfront payments in H1 2026 and none above $100 million.

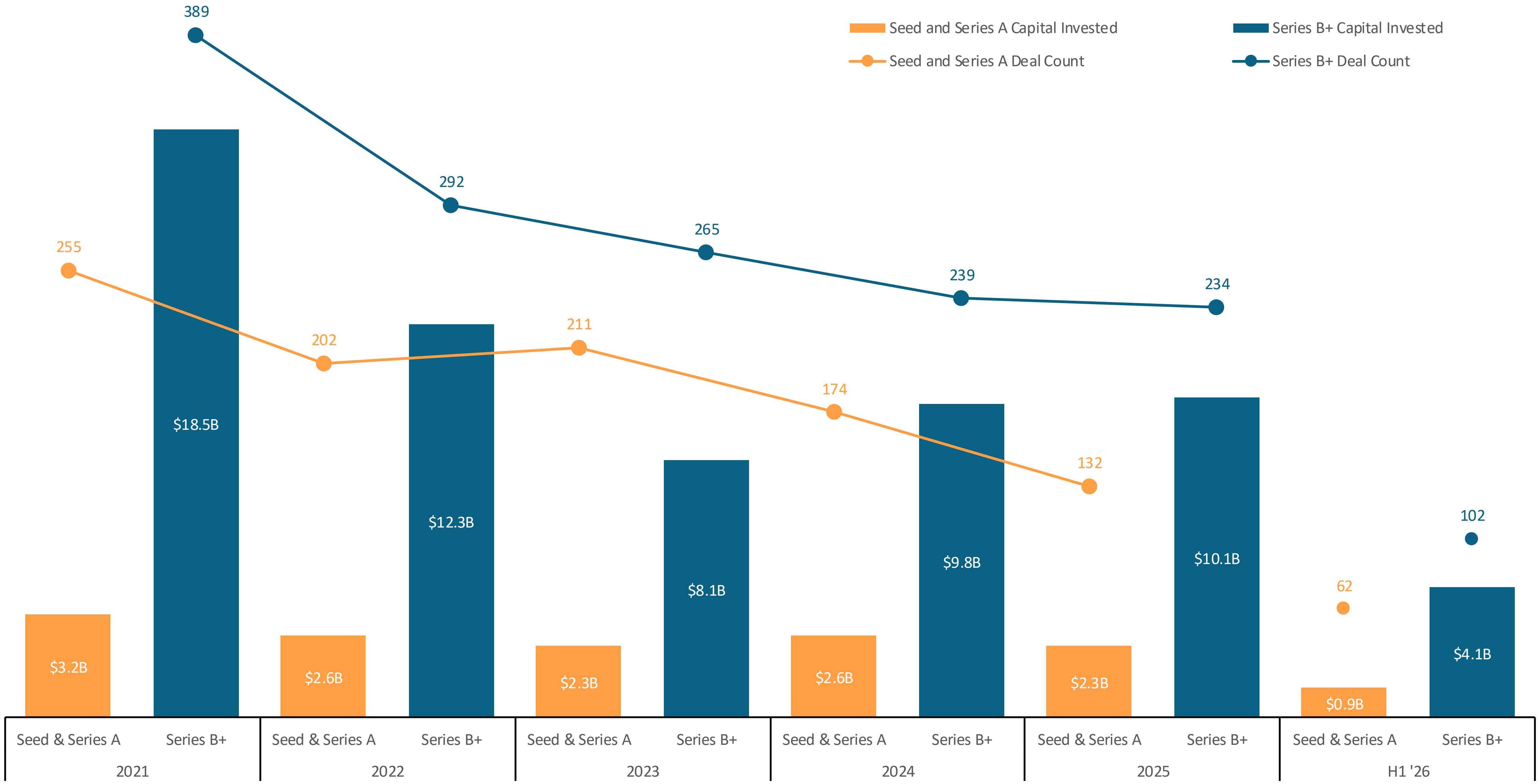
Notable venture rounds in H1 2026 include GT Medical Technologies' $100 million Series E and Contraline's $92.5 million Series B.

Contraline offers a unique investment thesis in the space as the company is focused on developing male contraceptive products, an area that hasn't traditionally experienced meaningful investor interest.

Note: [1]Financials based on disclosed figures. Data through June 30, 2026.

Series B and later rounds captured most medtech venture capital in H1 2026

MEDTECH SEED AND SERIES A VENTURE ACTIVITY VS. SERIES B+ VENTURE ACTIVITY[1]



Series B and later rounds accounted for $4.1 billion across 102 deals in H1 2026, compared with $940 million across 62 deals for Seed and Series A.

Later-stage rounds represented approximately 80% of medtech venture capital deployed in H1 2026.

Investors continued to favor companies with clinical validation, regulatory visibility and commercial traction, potentially driven by a more favorable M&A environment.

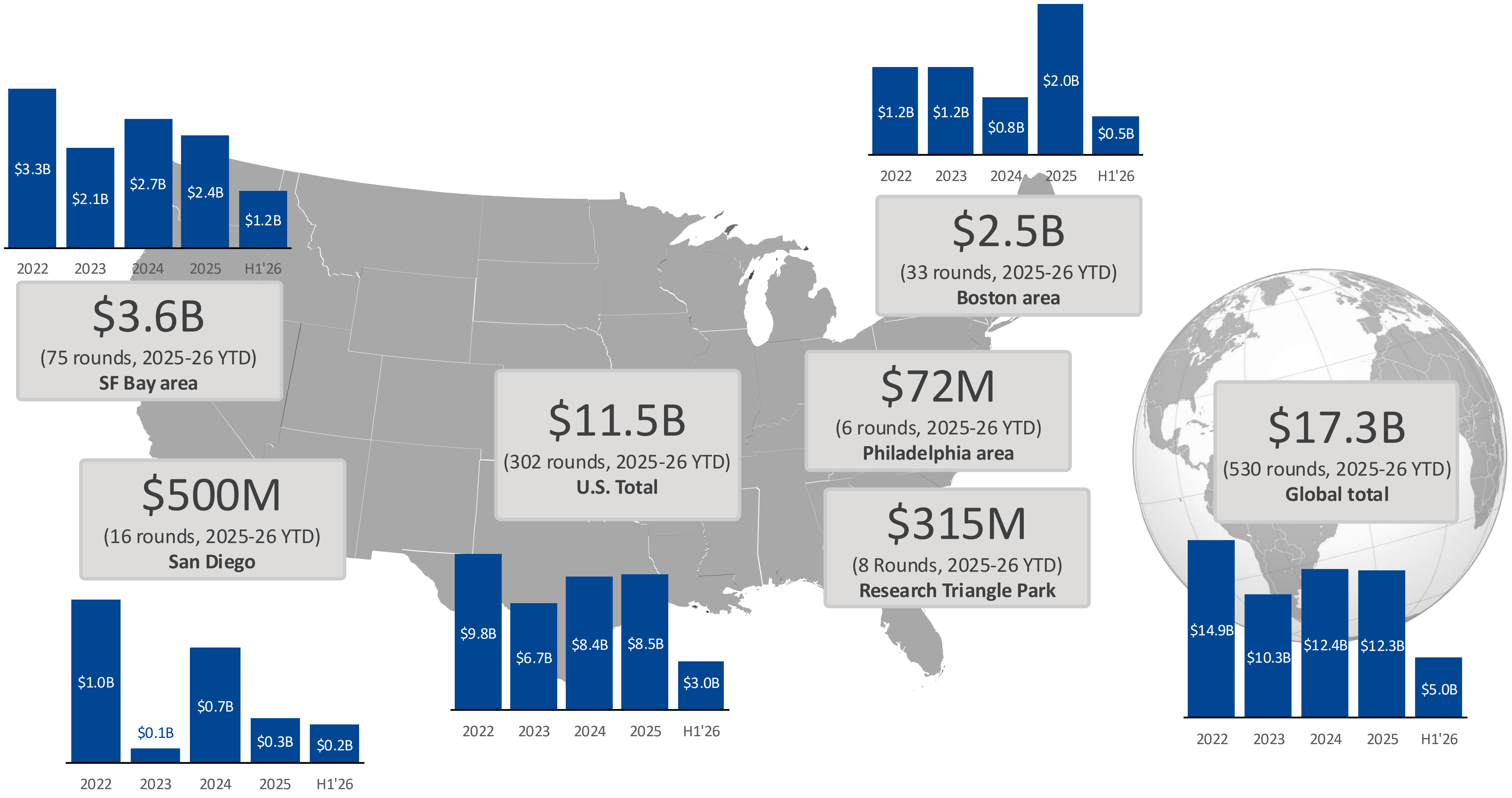
Seed/Series A companies appear to be under pressure with annualized venture totals trending towards $1.8 billion, a 17% YoY decline.

Notable Seed/Series A financing's include Spiro Medical's $67 million round and Axoft's $55 million round.

Note: [1]Financials based on disclosed figures. Data through June 30, 2026.

U.S. medtech hubs continued to attract the majority of global venture funding in H1 2026

MEDTECH VENTURE INVESTMENT BY GEOGRAPHY, 2024 TO H1 2026[1]



From 2025 through H1 2026, medtech companies raised $17.3 billion globally, with $11.5 billion invested in U.S.-based companies.

The US accounted for 60% of global medtech venture dollars in H1 2026. This compares to 69% and 68% for FY'24 and FY'25 respectively.

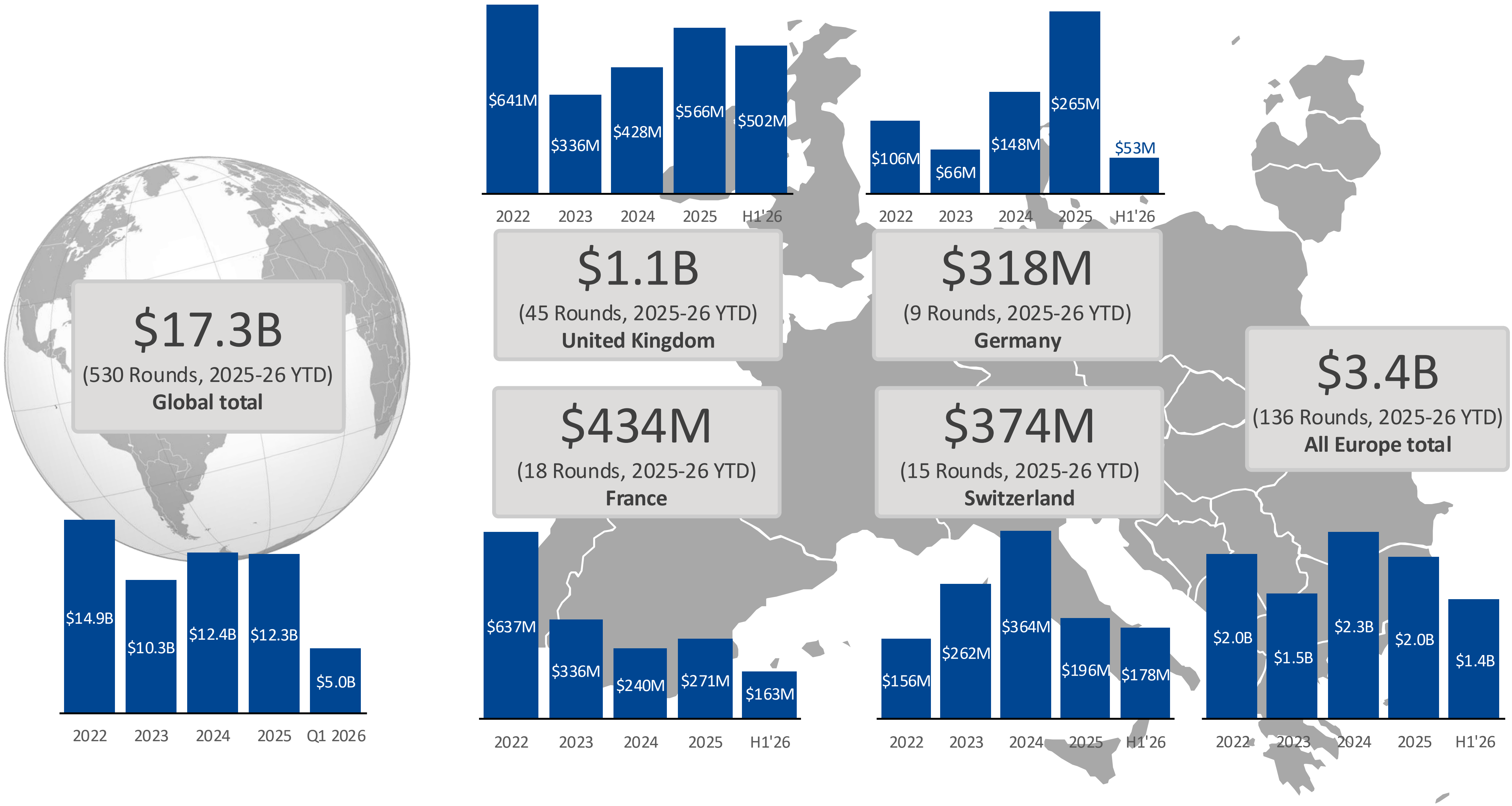
The San Francisco Bay Area and Boston remained the leading U.S. medtech hubs as with biotech, raising $3.6 billion and $2.5 billion respectively, from 2025 through H1 2026.

San Diego, Research Triangle Park and Philadelphia continued to attract targeted investment, though at smaller scale than the two largest U.S. hubs.

Note: [1]Financials based on disclosed figures. Data through June 30, 2026.

European medtech investment remained steady in H1 2026, led by the U.K.

MEDTECH VENTURE INVESTMENT BY GEOGRAPHY, 2024 TO H1 2026[1,2]



European medtech companies raised $3.4 billion across 136 rounds from 2025 through H1 2026, including $1.4 billion in H1 2026 (vs. $1.1 billion in H1 2025) and $519 million in Q2 2026 (vs. $532 million in Q2 2025).

The U.K. remained the largest European hub at $1.1 billion, accounting for 31% of $3.4 billion raised in Europe and 33% of 136 rounds. France follows at $434 million (13%) across 18 rounds (13%), followed by Switzerland at $374 million (11%) across 15 rounds (11%) and Germany at $318 million (9%) across 9 rounds (7%)

Across Europe, the $3.4 billion of capital raised was mainly concentrated across cardiovascular and neurology.

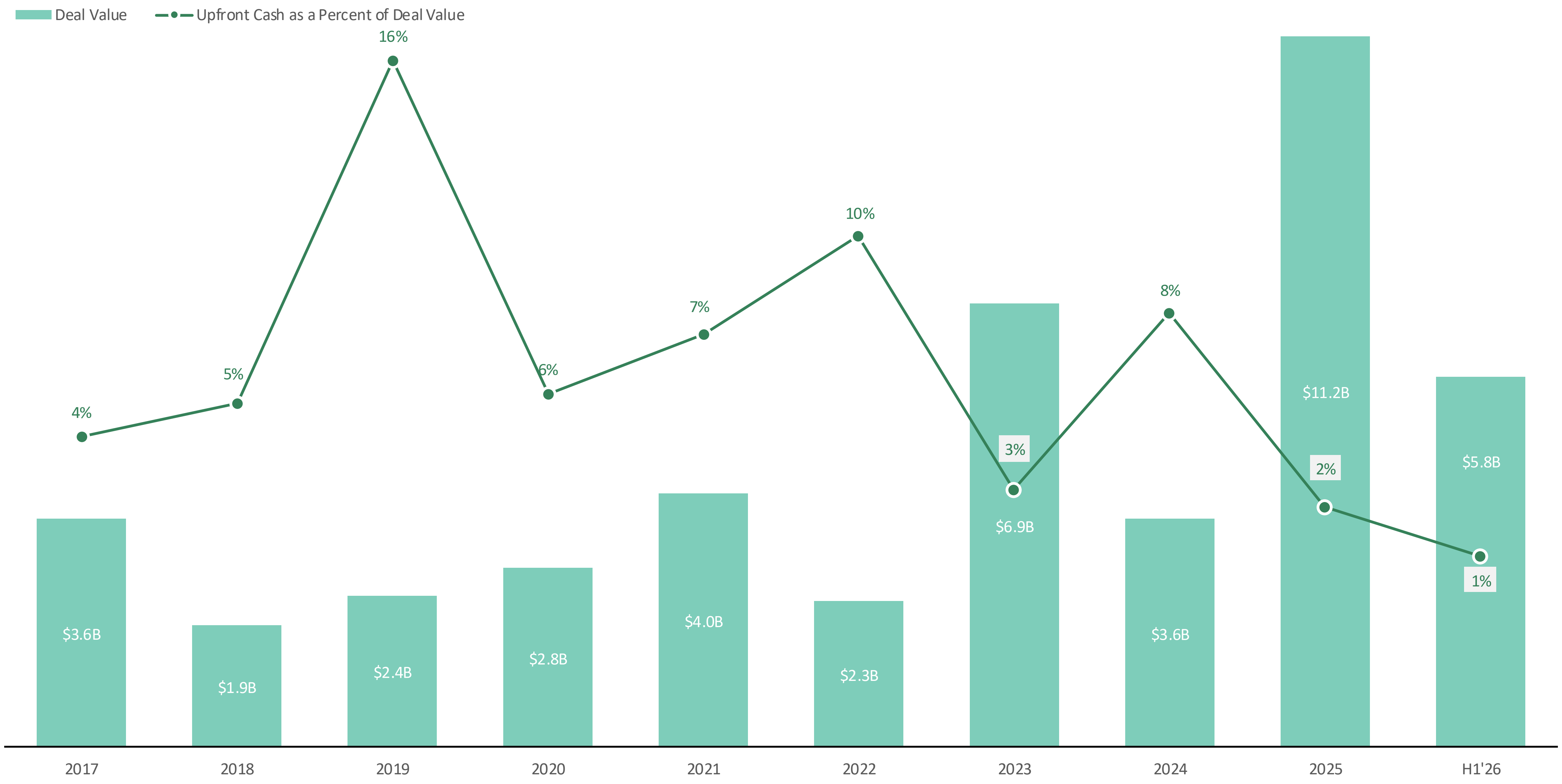
Funding concentration toward fewer, larger rounds continued as a trend, with 50% ($1.7 billion) of the $3.4 billion raised concentrated in 13% (18) of total rounds (136)

Notable funding rounds in Q2'26 include CeQur ($120 million Series E), UroMems ($60 million Series C), and Nvision Quantum Technologies ($38 million Series B)

Note: [1]Financials based on disclosed figures. Data through June 30, 2026.
[2]European countries include Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Poland, Spain, Sweden, Switzerland, and the United Kingdom.

Medtech licensing value remained meaningful in H1 2026, but upfront cash stayed limited

MEDTECH R&D PARTNERSHIP AND LICENSING DEAL VALUE TOTALS AND UPFRONT CASH AS A PROPORTION OF DEAL VALUE[1]



Medtech R&D partnership and licensing value totaled $5.8 billion in H1 2026, more than half of the $11.2 billion full-year total from 2025.

Upfront cash represented only 1% of total announced deal value in H1 2026, down from 2% in 2025.

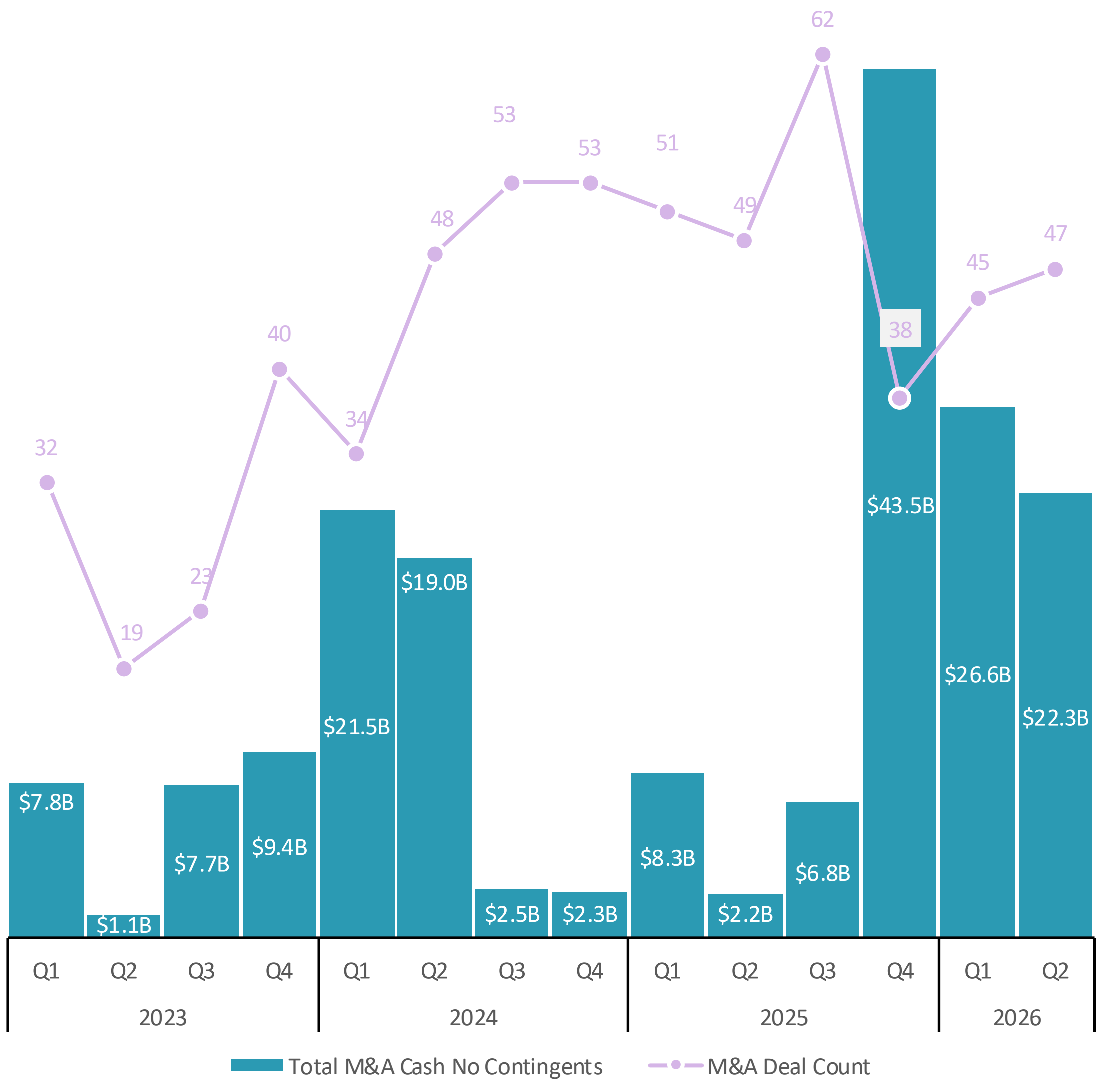
The continued reliance on milestones reflects risk-sharing structures tied to regulatory progress, commercialization and product performance.

The largest disclosed licensing deal of H1 2026 included Quotient Therapeutics/Merck with a $2.2 billion deal whereby Merck in-licensed rights to leverage Quotient's genomics platform technology to develop novel targets for inflammatory bowel disease.

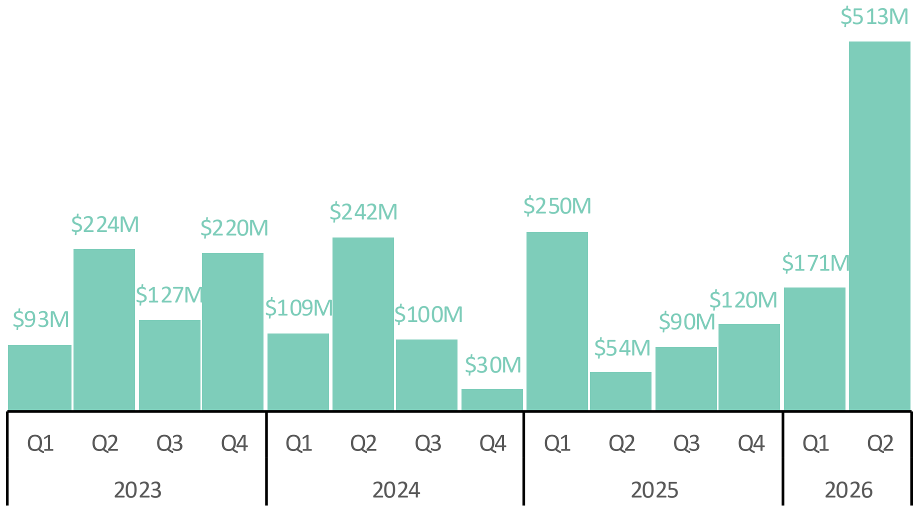
Note: [1]Financials based on disclosed figures. Data through June 30, 2026. The medtech deals in Q1 2026 disclosed only the total deal values and not the upfront payment terms.

Medtech M&A moderated in Q2 after a strong Q1, but median deal value increased

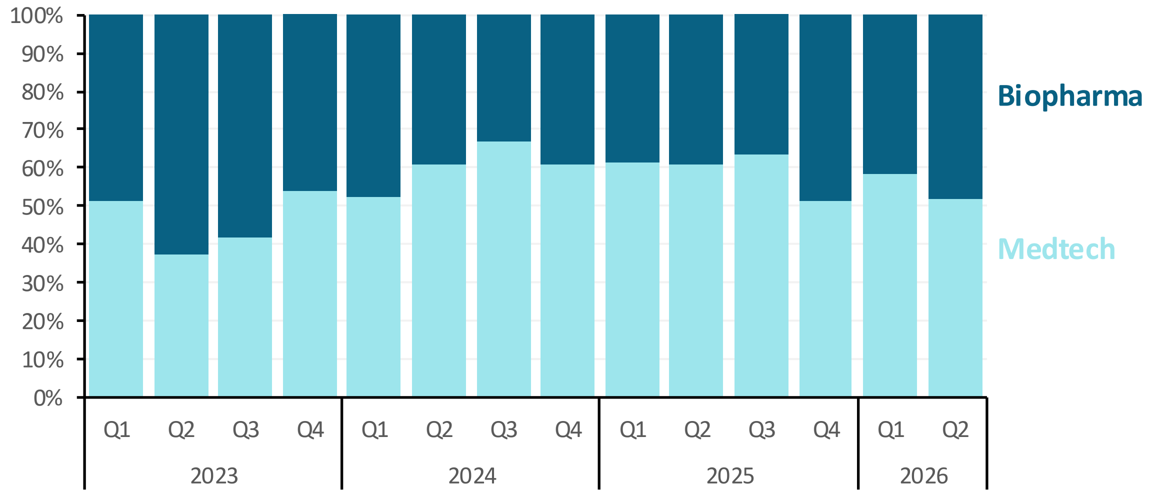
NUMBER OF MEDTECH M&A DEALS AND UPFRONT CASH AND EQUITY[1,2]



MEDIAN M&A UPFRONT CASH AND EQUITY[1,2]



COUNT OF M&A DEALS BY ACQUIRED COMPANY TYPE[1,2]



Medtech M&A totaled $22.3 billion across 47 deals in Q2 2026, down from $26.6 billion across 45 deals in Q1.

Median upfront cash and equity increased to $513 million in Q2 from $171 million in Q1.

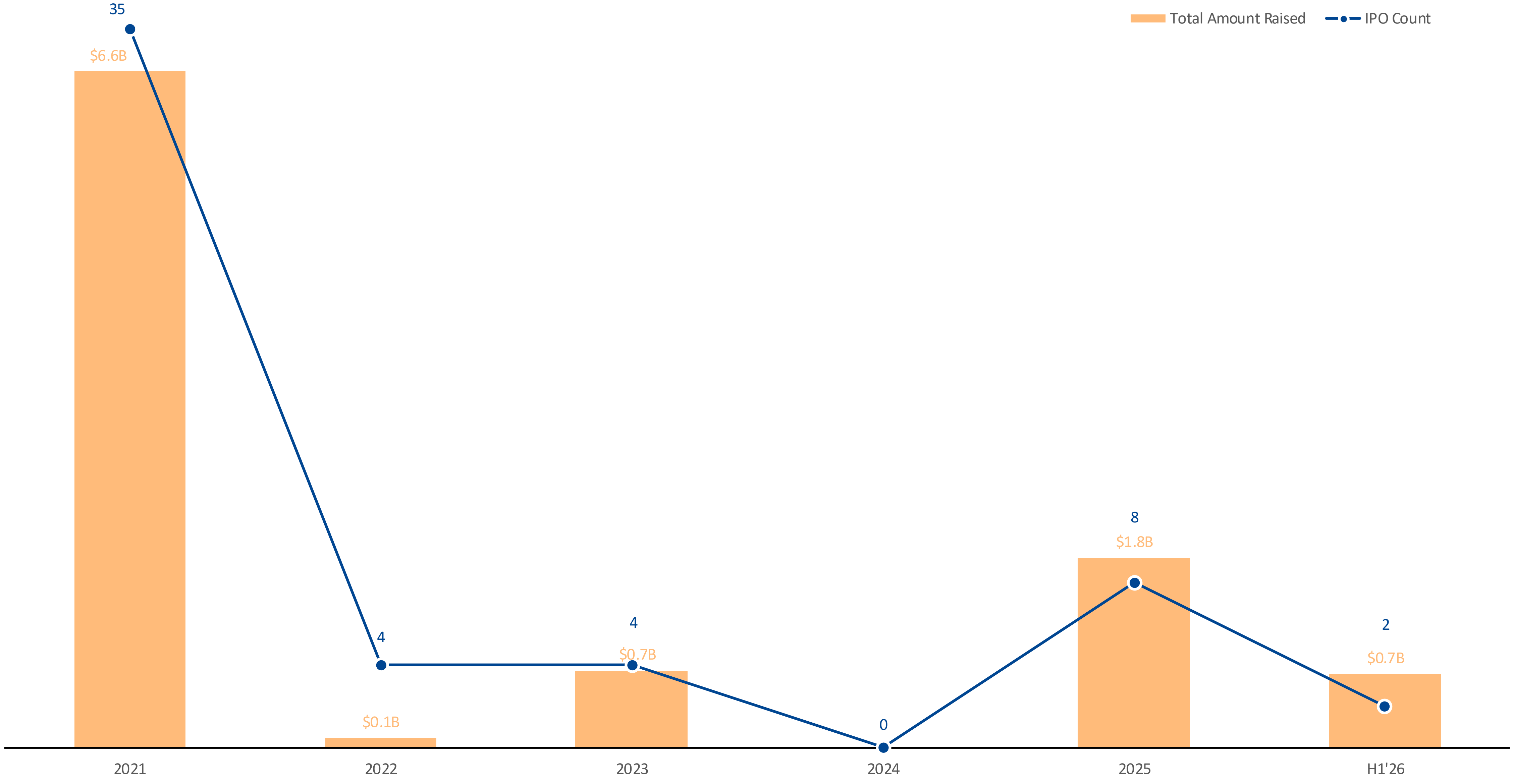
Medtronic announced two new acquisitions in H1 2026 (SPR Therapeutics, $650 million, and Scientia Vascular, $550 million). They also formalized a take-out of Cathworks ($585 million) where a previous partnership agreement existed from 2022.

Boston Scientific announced three acquisitions in H1 2026 including Penumbra ($14.5 billion), MiRus LLC ($4.5 billion, acquisition option), and Valencia Technologies for an undisclosed total.

Note: [1]Financials based on disclosed figures. Data through June 30, 2026. [2]Medtech M&A with any buyer type, acquisition options and reverse mergers.

U.S. medtech IPO activity remained selective in H1 2026

NASDAQ AND NYSE COMPLETED IPOS IN MEDTECH: TOTALS ($B) AND COUNT[1,2]



Medtech IPOs on NASDAQ and NYSE raised $710 million across two initial public offerings in H1 2026, following $1.8 billion across 8 IPOs in 2025.

MiniMed Group's $560 million Q1 IPO accounted for the majority of H1 2026 proceeds followed by Mobia Medical ($150 million).

IPO activity remains well below the 2021 peak, leaving M&A as the more active exit channel for medtech companies.

Outside of the two NASDAQ/NYSE IPOs, two were finalized on Chinese exchanges (Star Sports Medicine and Shenzhen Insight Lifetech).

Note: [1]Financials based on disclosed figures. Data through June 30, 2026. [2]Includes only NASDAQ and NYSE IPOs $15 million and larger by completion date.

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