

The Quarterly Rx:
Q3 2026 U.S. Biopharma Recap

October 2026

William Blair

Q3 2026 U.S. Market Summary – Key Takeaways

Biopharma entered Q3 with more avenues to access and recycle capital, as IPOs and reverse mergers brought companies public at a historic pace and M&A remained active, even as softer private financing and higher interest rates raised the bar for investors

Risk-Off Back in Vogue?

- Biopharma entered Q3 with momentum as the XBI hit a five-year high in August, but the rally narrowed as the quarter progressed, with clinical-stage and small to mid-cap names lagging while large-cap and commercial companies held up better
- Rates re-emerged as a headwind, with the Fed hiking 25 bps to 3.75%–4.00% in September and 16/18 policymakers projecting at least 1 more increase by year-end
- Biopharma is now competing for generalist capital against far larger offerings: Intel raised over $20B in August and Anthropic could raise over $100B in November, roughly 9x greater than all 2026YTD biopharma IPO and reverse merger PIPE proceeds combined

IPOs and Reverse Mergers Share the Runway

- Public-market activity accelerated at an unprecedented clip in 2026, with 49 companies going public YTD across 23 IPOs, 23 reverse mergers and 3 SPACs, already well above the 16 total public debuts in full-year 2025
- Reverse mergers have grown from a back-up to a mainstream path to public markets, expanding the universe of companies going public by serving earlier-stage issuers at lower valuations; RM PIPE proceeds total $3.9B in 2026YTD vs. IPO issuance of $7.8B, with 83 negative-EV U.S. listed companies giving a modest pool of public shells
- IPO market remains constructive: 9 Q3 offerings raised ~$2.7B, with 7 pricing at the high end or above the range and 7 of 9 trading above issue price at quarter-end

Made to Measure: Private Capital Gets Selective

- Private financing activity slowed from Q2's elevated pace, with Q3 closer to historical levels despite demand for select high-quality opportunities
- Capital has become increasingly concentrated in companies with more near-term clinical validation, with 65% of Q3 financings supporting clinical-stage companies, while average round size has moderated from H1 levels
- Importantly, the bridge to the public markets remains intact: crossover financings continue to get done despite softer aggregate private activity, with approximately 11 potential crossover rounds identified in the current Q3 work
- Dry powder also continues to build beneath the surface, with $2.5B+ of new life-sciences funds formed in Q3 and $13.4B YTD

M&A Keeps the Runway Moving

- Strategic activity remained a critical source of liquidity for the ecosystem, with Q3 public biopharma acquisitions returning an estimated ~$17B of capital to institutional shareholders, creating fresh capacity that can ultimately be redeployed across the sector
- Acquisition economics remain compelling for high-quality assets, as large pharma faces looming patent cliffs and continues to use M&A to supplement internal pipelines; YTD median public-biopharma deal value and upfront consideration remain well above recent historical levels
- Private company M&A has also remained an important source of realizations for a growing number of VCs, with 39 acquisitions YTD
- Higher rates have not constrained small-cap biopharma M&A (<$2b market cap), with deal activity and upfront dollars generally increasing alongside rates and takeout premiums have remained robust; buyers have instead increasingly used CVRs to manage risk, supporting a constructive M&A backdrop into 2027

Clinical Data Rewrites the Collection

- Clinical readouts remain a powerful driver of value creation in Q3, reinforcing a market in which company-specific execution can outweigh broader macro pressure
- Moderna/Merck's positive Phase III melanoma data for mRNA-4157 was the quarter's standout catalyst, adding >$73B of market capitalization and generating positive read-through across the broader mRNA landscape, including ARCT and BNTX
- The opposite proved equally powerful: Novartis' pelacarsen HORIZON miss reset expectations across the Lp(a) landscape
- Capital formation continues to follow the data, with catalyst-driven transactions dominating Q3 PIPE and FO activity as investors remain willing to deploy capital behind companies that deliver clinical de-risking and a clearer path to the next value inflection

Q3 2026 Runway Report

HIGHLIGHTS FROM THE QUARTER



DESIGNER DEAL
Largest M&A Deal
Crinetics Pharmaceuticals / Vertex
$10.0B ($10.0B upfront)

HOUSE COLLABORATION
Largest Partnering Deal
InnoCare/ Eli Lilly
$3.4B ($100M upfront)

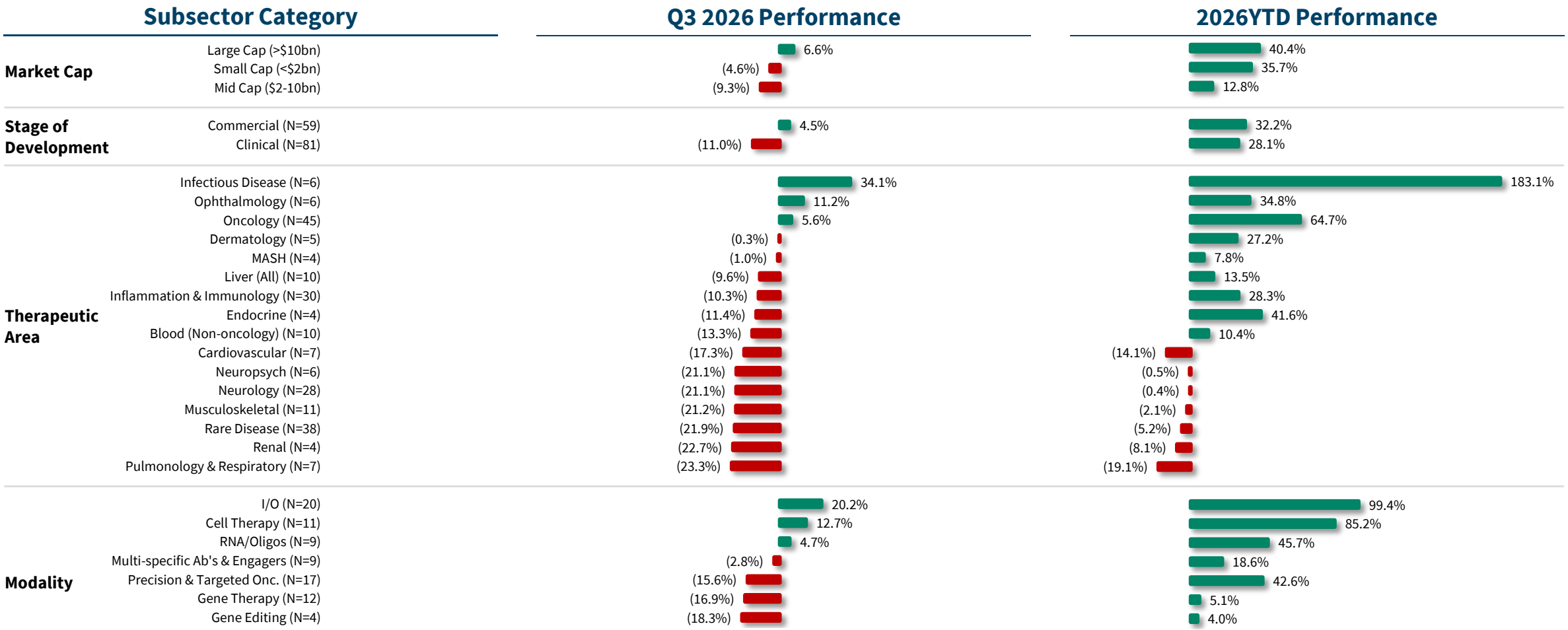
DEBUT COLLECTION
Best 1-Day IPO Performance
Braveheart Bio raising $440M with +65.6% Offer/1 Day

TAILORED OFFERINGS
Biggest Secondary Offering
Abivax raising $920M

CATALYST COUTURE
Most Impactful Catalyst
Moderna / Merck's Ph 3 mRNA-4157 interim data (>$73B in market cap gained)

XBI Subsector Market Performance

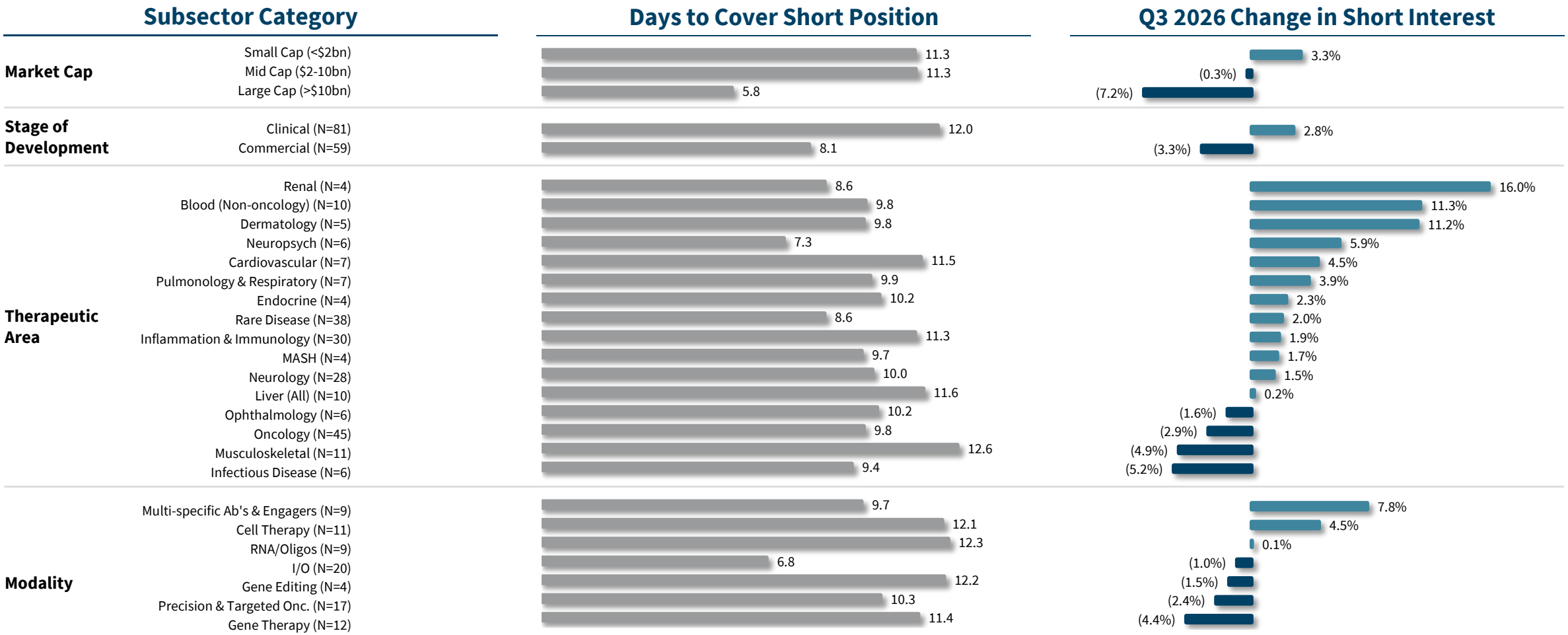
Q3 marked a pause in the biopharma rally, with weakness concentrated in clinical-stage (down 11% in Q3) and small/mid-cap names, while the sector remains up ~30% YTD



Source: FactSet. Therapeutic area and modality based on William Blair analysis.
Note: Market capitalizations are as of the first trading day of each graph's performance period.
Subsector indices are equally weighted and averaged. Includes XBI constituents as of June 30, 2026, and performance as of September 30, 2026. Excludes non-therapeutic focused companies in the XBI.

XBI Subsector Short Interest

Short positioning rotated down-cap and into clinical-stage names with renal and multi-specific Ab's and engagers the largest increases – within small caps, the most heavily shorted names still averaged the best returns, skewed by a handful of big winners



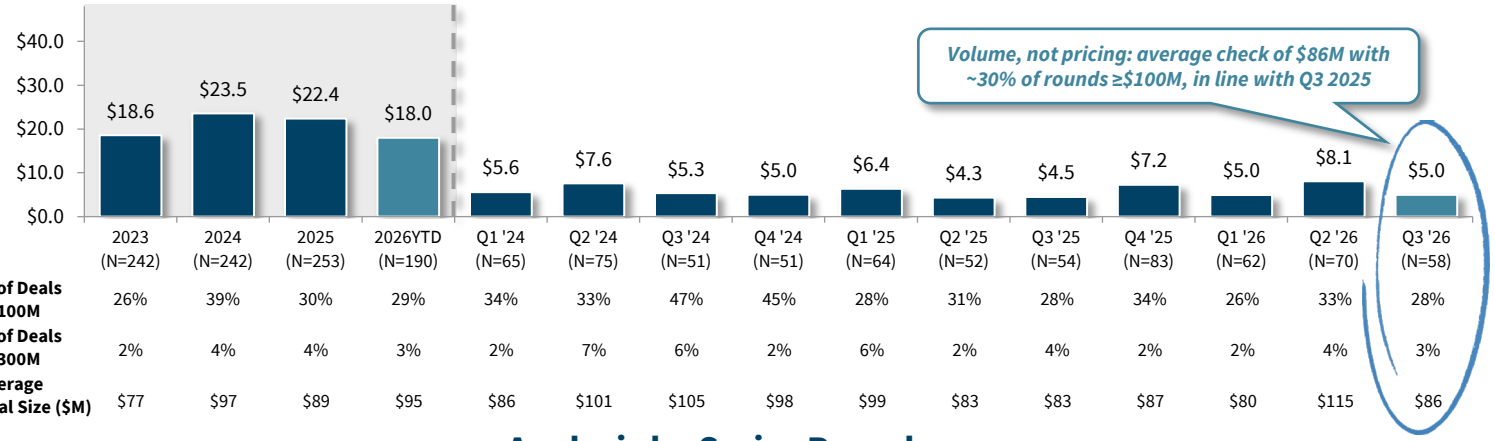
Source: FactSet, CapIQ, and William Blair internal reporting.
Note: XBI constituents are equally weighted and averaged. Includes XBI constituents as of June 30, 2026.
Excludes non-therapeutic focused companies in the XBI. Market capitalizations are as of the first trading day of the quarter.
Days to cover short position calculated as total number of shares shorted / 3-month ADTV. Days to cover short position as of 9/15/26 settlement date. Short interest change measured from 6/30/26 to 9/15/26 settlement dates.

Q3 2026 Private Financings Trends

- Deal activity cooled in Q3 2026: $5.0B across 58 deals, likely as rising RM activity pulls demand from private rounds
- Investor appetite was concentrated in Phase I and II opportunities, representing 55% of financings

Total Proceeds and Deal Volume

($ in billions)



	2023 (N=242)	2024 (N=242)	2025 (N=253)	2026YTD (N=190)	Q1 '24 (N=65)	Q2 '24 (N=75)	Q3 '24 (N=51)	Q4 '24 (N=51)	Q1 '25 (N=64)	Q2 '25 (N=52)	Q3 '25 (N=54)	Q4 '25 (N=83)	Q1 '26 (N=62)	Q2 '26 (N=70)	Q3 '26 (N=58)
% of Deals ≥$100M	26%	39%	30%	29%	34%	33%	47%	45%	28%	31%	28%	34%	26%	33%	28%
% of Deals ≥$300M	2%	4%	4%	3%	2%	7%	6%	2%	6%	2%	4%	2%	2%	4%	3%
Average Deal Size ($M)	$77	$97	$89	$95	$86	$101	$105	$98	$99	$83	$83	$87	$80	$115	$86

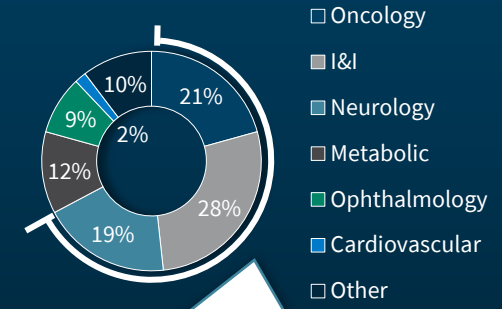
Analysis by Series Round

($ in millions, deal size represents mean, includes extension rounds)

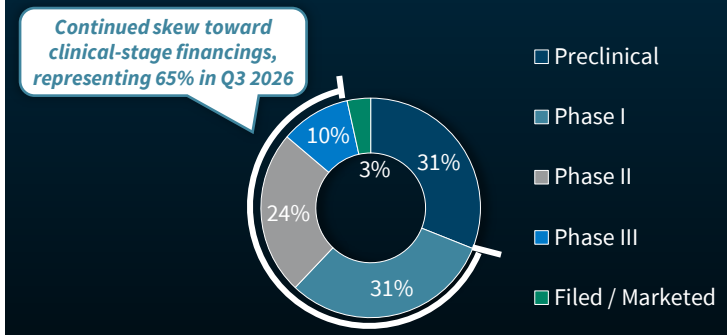
	2025				H1 2026				Q3 2026			
Series Round	Deal Size	Series Count	% Ext. Rounds	% Clin. Stage	Deal Size	Series Count	% Ext. Rounds	% Clin. Stage	Deal Size	Series Count	% Ext. Rounds	% Clin. Stage
Series A	$83	110	22%	44%	$66	56	21%	54%	$68	24	21%	46%
Series B	$83	82	22%	71%	$129	49	16%	65%	$76	15	0%	60%
Series C	$92	36	11%	86%	$97	14	7%	71%	$79	10	20%	90%
Series D+	$124	25	8%	88%	$127	13	15%	85%	$156	9	11%	100%
All Rounds	$89	253	19%	63%	$99	132	17%	63%	$86	58	14%	65%

Q3 2026 Analysis by TA and Stage

Therapeutic Area



Stage of Development



Source: CapIQ, PitchBook, a Morningstar company, and SEC Filings as of September 30, 2026.
The cited data has not been reviewed by PitchBook analysts and may be inconsistent with PitchBook methodology.
Note: Includes Series A and later private financing deals and extension rounds with a minimum disclosed deal size of $20M, involving at least one U.S./EU healthcare investor.
Ext = Extensions.

Q3 2026 Crossover Financings

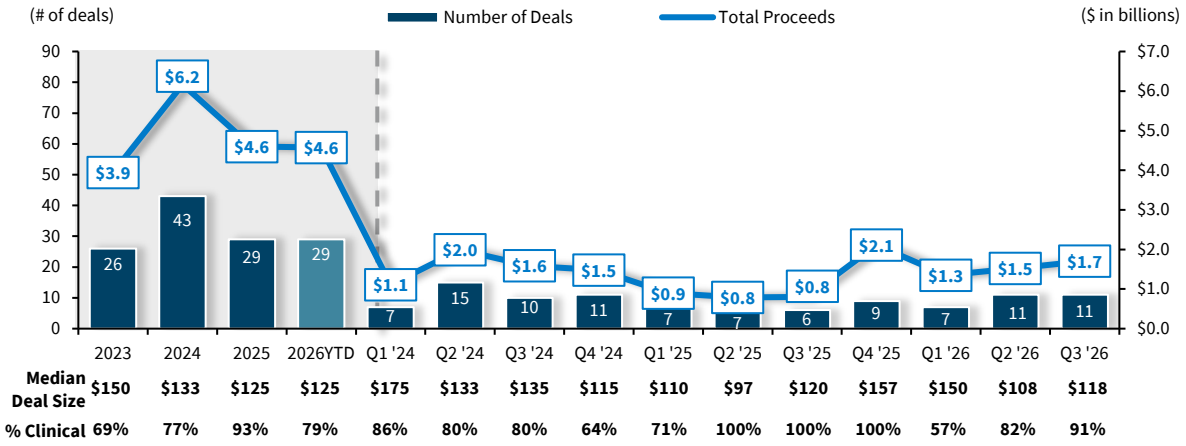
- Crossover activity reaccelerated as the public market window reopened, with 11 financings raising ~$1.7 billion
- Directionally higher valuation step-ups signal renewed investor demand for public-ready biopharma asset stories

Q3 2026 Crossovers

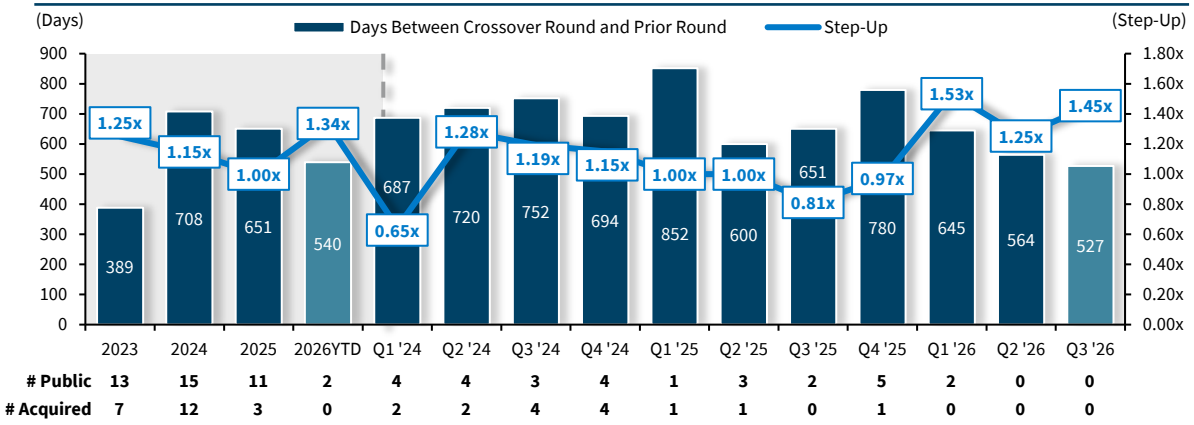
($ in millions)

Deal Date	Company	Series	Deal Size	Lead Investors	Days Since Prior Round	Stage	Modality	Therapeutic Area
9/23/26	Enveda	Series E	$311	Catalio Capital Management	384	Phase IIa	Small Molecule	I&I, Dermatology
9/9/26	Encoded Therapeutics	Series F	$275	GV	2,240	Phase I/II	Gene Therapy - AAV	Neurology
9/3/26	Superluminal Medicines	Series B	$65	BVF Partners L.P.	729	Preclinical	Small Molecule	Metabolic
8/18/26	abcuro	Series D	$66	NLV	552	Phase II/III	Antibody	I&I, Musculoskeletal
8/11/26	epicrispr biotechnologies	Series C	$90	Janus Henderson Investors, Octagon Capital	503	Phase I/II	Gene Therapy - AAV	Musculoskeletal, Neurology
8/11/26	Vaderis Therapeutics	Series B	$152	Goldman Sachs, TCGX	1,044	Phase III	Small Molecule	Hematology
8/5/26	Expedition Therapeutics	Series B	$115	General Atlantic	300	Phase II	Small Molecule	I&I, Pulmonary
7/28/26	Claris Bio	Series B	$118	Catalio Capital Management, Samsara BioCapital	936	Phase I/II	Protein	Ophthalmology
7/22/26	Crystalys	Series B	$130	Frazier Healthcare Partners	295	Phase III	Small Molecule	I&I, Metabolic
7/15/26	AdvanCell	Series D	$315	Ally Bridge Group, Alpha Wave	527	Phase II	Radiopharma	Oncology
7/7/26	Fore	Series D2	$67	medicxi, SR One, SymBiosis	411	Phase II	Small Molecule	Oncology

Total Crossover Volume and Proceeds



Pre-Crossover-to-Crossover Metrics[1]

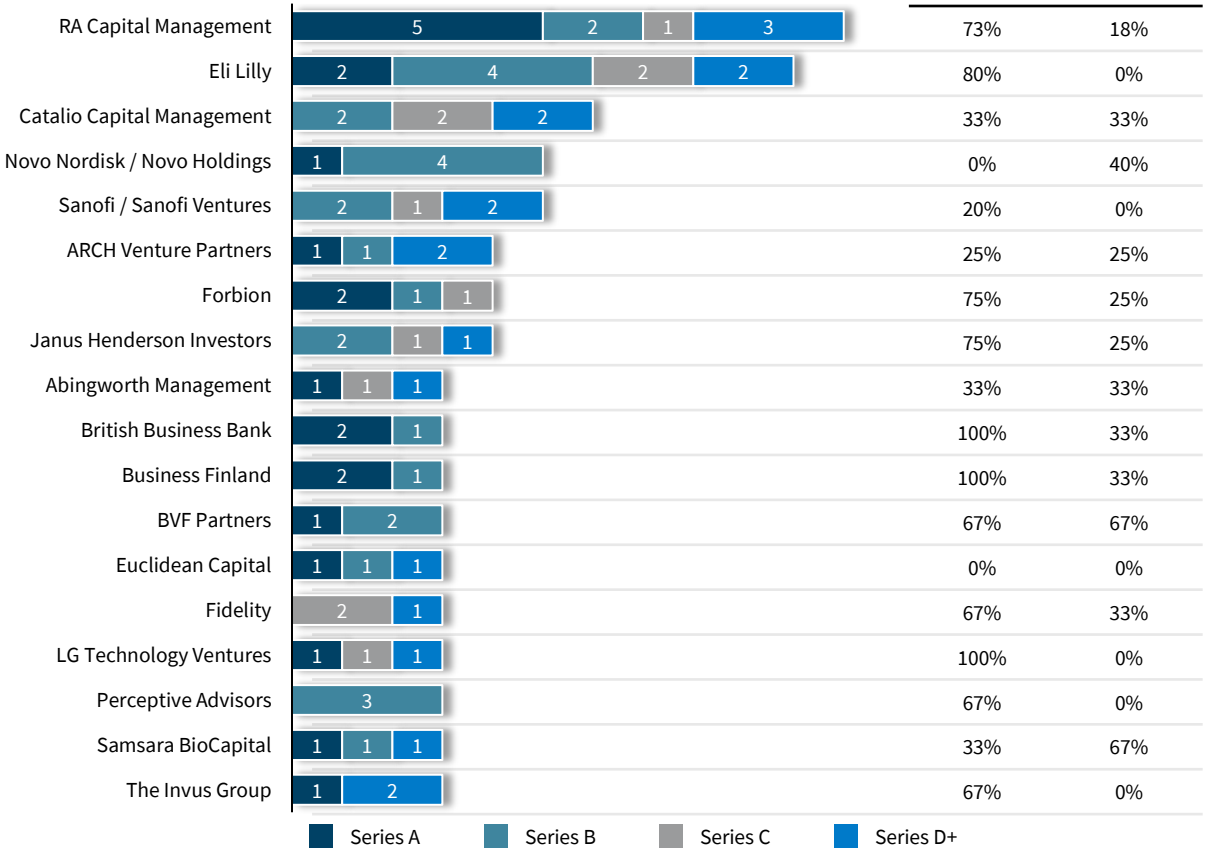


Source: CapIQ, PitchBook, a Morningstar company, and SEC Filings as of September 30, 2026. The cited data has not been reviewed by PitchBook analysts and may be inconsistent with PitchBook methodology.
Note: Includes crossover rounds for companies that have completed an IPO as well as crossover rounds where the next round of financing will likely be an IPO: either a $50M+ raise (Series B onwards) or a $100M+ raise (Series A) with multiple crossover and/or large mutual funds in the syndicate. Lead asset information shown.
(1) Chart reflects median values.

Q3 2026 Most Active Private Investors and New Funds Closed

- Life sciences specialists remained active in Q3 2026, with RA Capital leading as the most active investor
- Newly formed funds raised over $2.5B in Q3 2026, below the 2025 pace, with M&A proceeds helping replenish LP capital

Most Active Private Investors in Q3 2026



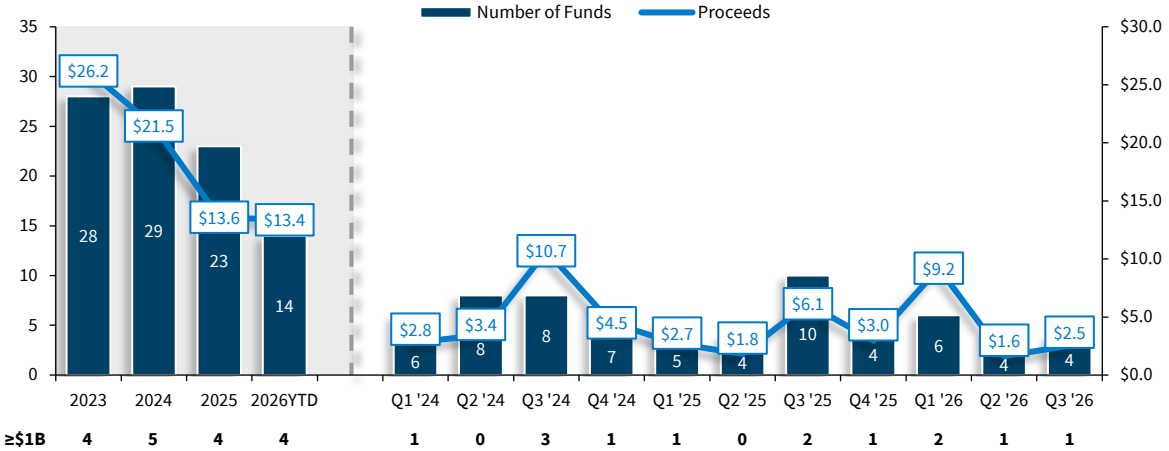
	% New	% Lead
RA Capital Management	73%	18%
Eli Lilly	80%	0%
Catalio Capital Management	33%	33%
Novo Nordisk / Novo Holdings	0%	40%
Sanofi / Sanofi Ventures	20%	0%
ARCH Venture Partners	25%	25%
Forbion	75%	25%
Janus Henderson Investors	75%	25%
Abingworth Management	33%	33%
British Business Bank	100%	33%
Business Finland	100%	33%
BVF Partners	67%	67%
Euclidean Capital	0%	0%
Fidelity	67%	33%
LG Technology Ventures	100%	0%
Perceptive Advisors	67%	0%
Samsara BioCapital	33%	67%
The Invus Group	67%	0%

New Funds Closed in Q3 2026

Investor	Fund Name	Close Date	Location	Fund Size ($M)
DIMENSION	Dimension Capital III	7/12/2026	New York, NY	$800
FRESENIUS	Fresenius Ventures	7/23/2026	Bad Homburg, Germany	$234 (€200M)
LUMA GROUP	LumaBio Fund I	9/9/2026	New York, NY	$410
FRAZIER HEALTHCARE PARTNERS	FLS Public Fund	9/10/2026	Palo Alto, CA	$1,100[1]

Total Proceeds: $2,544

Life Sciences Fund Formation (2023–2026YTD)



Source: PitchBook, a Morningstar company, and internal William Blair research as of September 30, 2026. The cited data has not been reviewed by PitchBook analysts and may be inconsistent with PitchBook methodology.
Note: Includes private financing deals and extension rounds with a minimum disclosed deal size of $20M, involving at least one U.S./EU healthcare investor. Excludes seed rounds. ND = Not Disclosed.
Fund formation includes most recent publicly disclosed fund raise of at least $100M in size for investors/funds focused on US-biopharma investments, including broader healthcare funds with life sciences investment personnel.
(1) Additional fundraising for Frazier's evergreen Public Fund.

Q3 2026 IPOs

- IPOs maintained momentum with 9 pricings raising $2.7B, with 7 pricing at the high end of the range or above and 7 trading above issue at quarter-end
- Four additional IPOs on file, though Q4 activity should be moderate as U.S. election volatility and holidays compress the calendar

($ in millions)

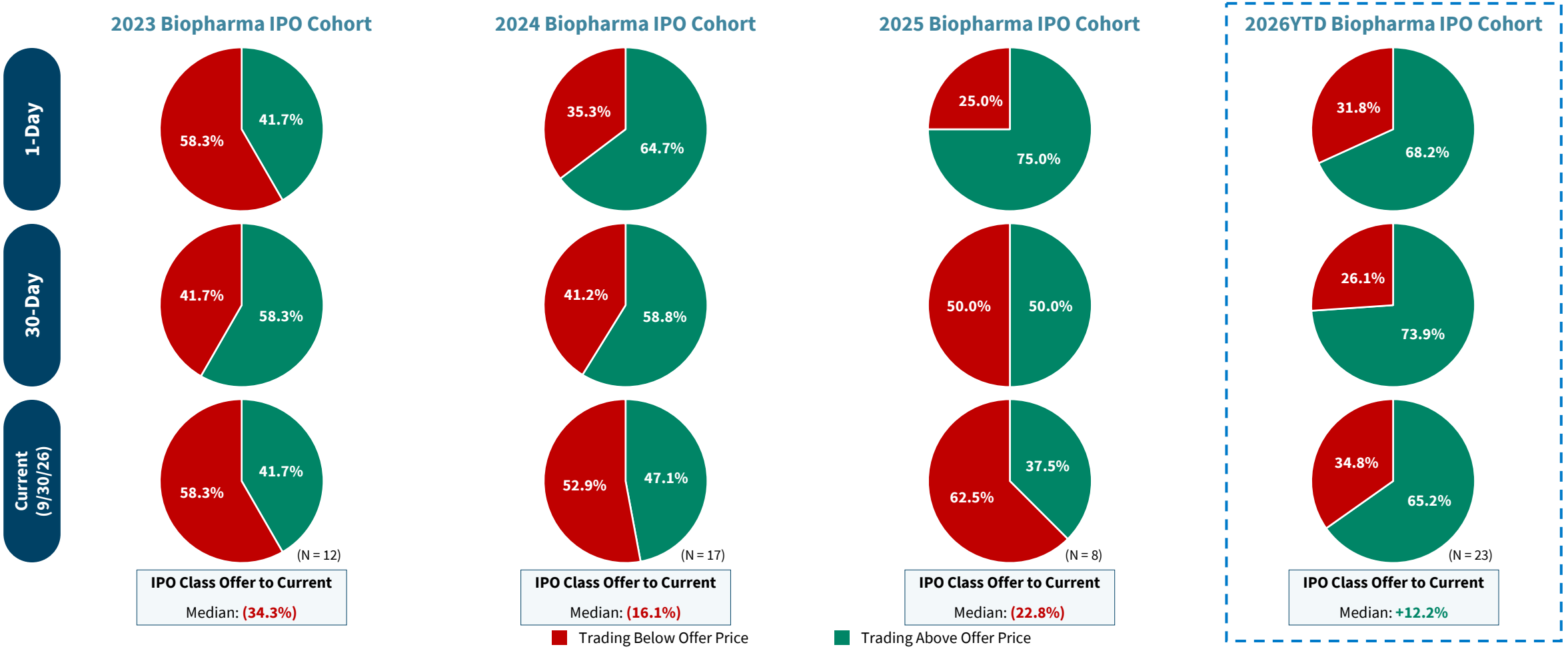
Pricing Date	Issuer	At Pricing: Deal Value	At Pricing: Market Cap	At Pricing: Pre-Money Equity Value	At Pricing: Pre-Money Step-Up	Days from Pre-IPO Financing to IPO	Offer / Initial Range	Deal Value as % of Market Value	% Change Offer/ 1 Day	% Change Offer/ Current	Lead Product at Pricing: Phase	Lead Product at Pricing: Therapeutic Area / Modality	Next Major Catalyst (months)	Select Pre-IPO Investors
9/24/26	ADARx	$536	$1,727	$1,280	1.74x	1,142	High-End	31%	14%	17%	Phase III	I&I / siRNA	8 to 10	Ascenta, Bain, BlackRock, Commodore, Cormorant, HBM, Invus, Lilly Asia, Marshall Wace, OrbiMed, Redmile, SR One, T. Rowe, TCGX, Venrock, Vivo
9/17/26	ELECTRA THERAPEUTICS	$350	$942	$592	1.48x	330	Midpoint	37%	(12%)	(25%)	Phase II/III	I&I / Antibody	9 to 16	Nextech, EQT Life Sciences, Sanofi, HBM Healthcare Investments, Mubadala
8/11/26	Vogenx	$93	$193	$100	2.28x	1,656	High-End	48%	0%	75%	Phase II	Metabolic / Small molecule	5 to 17	NA
8/7/26	BLOSSOMHILL THERAPEUTICS, INC.	$168	$509	$340	0.91x	239	Midpoint	33%	0%	17%	Phase I/II	Oncology / Small molecule	2 to 5	Janus Henderson, BioTrack, Cormorant, OrbiMed, Vivo
8/6/26	LATIGO BIO	$397	$1,190	$793	1.78x	507	High-End	33%	1%	(7%)	Phase II	Neurology / Small molecule	10 to 17	5AM, Access, Alexandria, Blue Owl, Cormorant, Corner, Deep Track, Foresite, Qatar Investment, Rock Springs, Sanofi, UPMC, Westlake Village
8/5/26	braveheart bio	$440	$1,374	$934	4.11x	273	Above	32%	66%	12%	Phase III[1]	Cardiovascular / Small molecule	10 to 17	Andreessen Horowitz, Enavate Sciences, Forbion, Frazier, OrbiMed
8/4/26	Attovia	$332	$775	$442	1.33x	476	High-End	43%	29%	1%	Phase I	I&I / Protein	5 to 11	Cormorant, Deep Track, EcoR1, Frazier, GS Alternatives, Illumina, Logos, Marshall Wace, Mirae, Nextech, Redmile, Sanofi, venBio, Vida
7/30/26	Apnimed	$221	$666	$445	1.23x	141	High-End	33%	56%	37%	Filed	Pulmonary / Small molecule	7[2]	Alpha Wave, Morningside, NexPoint, Sectoral, Seligman, Tao Capital
7/23/26	scribe THERAPEUTICS	$156	$283	$135	0.42x	1,940	High-End	55%	44%	23%	Phase I	Cardiovascular / Epigenetic silencing	5 to 11	a16z, Avoro, Menlo, OrbiMed, Perceptive, RA Capital, Wellington
Mean (N=9)		**$299**	**$851**	**$562**	**1.70x**	**745**		**38%**	**22%**	**17%**				
Median		**$332**	**$775**	**$445**	**1.48x**	**476**		**33%**	**14%**	**17%**				
75th Percentile		**$397**	**$1,190**	**$793**	**1.78x**	**1,142**		**43%**	**44%**	**23%**				
25th Percentile		**$168**	**$509**	**$340**	**1.23x**	**273**		**33%**	**0%**	**1%**				

Source: CapIQ, Dealogic, Factset and SEC Filings as of September 30, 2026.
Note: Includes U.S. IPOs only. Excludes best efforts IPOs. Excludes IPOs less than $25 million in gross proceeds. All valuations performed on a basic share count basis.
(1) BHB-1893 is being studied as HRS-1893 in a Phase III study conducted by partner Hengrui based in China.
(2) The FDA assigned a PDUFA target action date of February 28, 2027.

Biopharma IPO Aftermarket Performance by Cohort

2026YTD IPO strength has persisted well beyond pricing, with 65% of the 2026YTD cohort currently above offer and median returns of +12%, sharply outperforming prior vintages and 2026YTD healthcare ex-biopharma IPO median returns of (19.2%)

IPO Cohort Performance

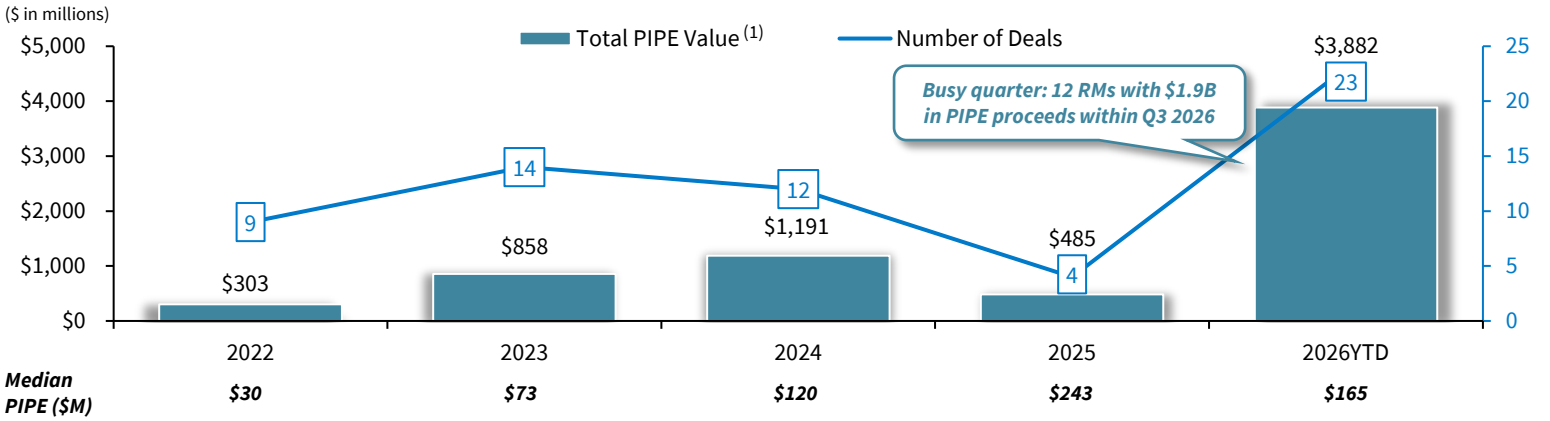


Note: Excludes IPOs with less than $25 million in gross proceeds. Acquired and delisted companies carry their takeout price forward from delisting.
Source: Dealogic and FactSet as of September 30, 2026.

More Traffic on the Road (to Public Markets) Less Traveled

Reverse mergers have emerged as an attractive alternative path to the public markets, with deal volume up 475% versus 2025; however, the PIPE - not the shell - typically funds the transaction, with median PIPE proceeds of $165M in 2026YTD

Total PIPE Value and Deal Volume

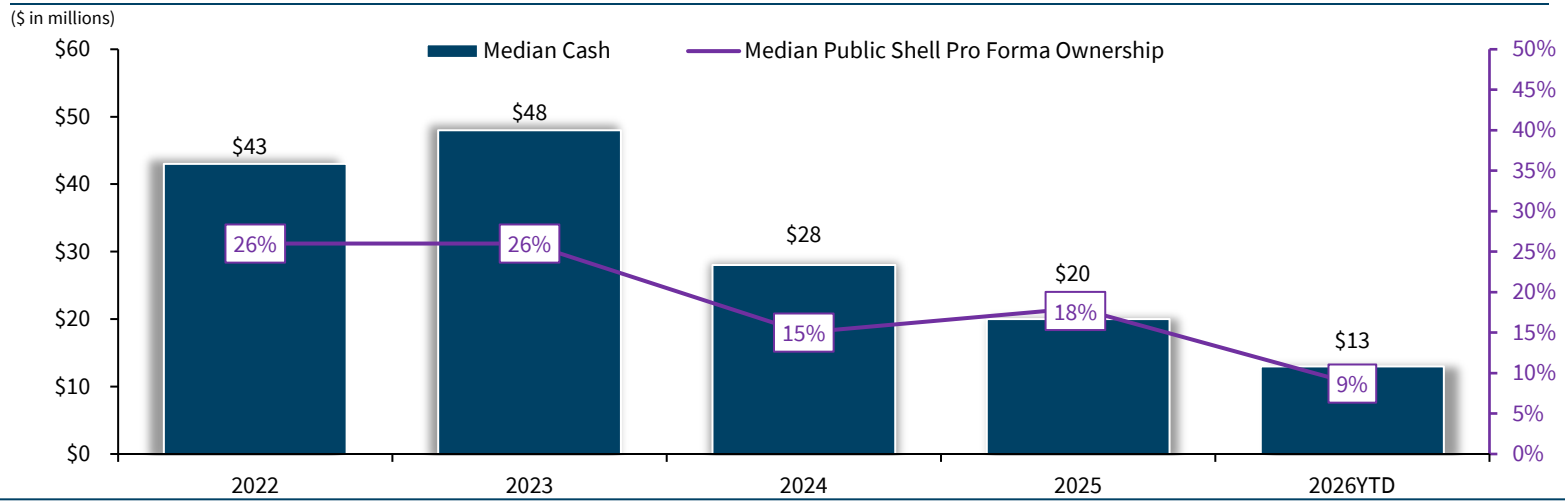


2026YTD RM - PIPE Investor League Table

Ranked by # of deals



Shell Company Trends



SPACs Back in Business

Three Acquisitions Announced

Not Disclosed	$285,000,000	$175,000,000
PrimeGen US	Talawar Therapeutics	Oak Hill Bio
has agreed to be acquired by	*has agreed to be acquired by*	*has agreed to be acquired by*
DT Cloud Star	JATT II Acquisition Corp	Research Alliance Corp. III
February 2026	June 2026	July 2026

Select Notable SPAC Vehicles Still Searching

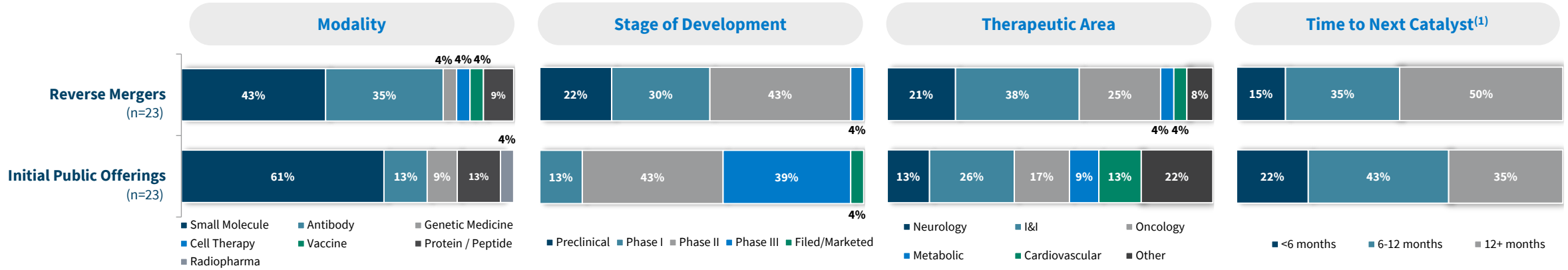
Cormorant Asset Management	blue water	TCGX	FRAZIER LIFE SCIENCES
$150M – January 2026	$125M – March 2026	$75M – July 2026	$75M – September 2026 (Filed)

Source: SEC Filings, Company Press Releases, and William Blair analysis as of September 30, 2026.
Note: Implied valuation and expected net cash at time of announcement. Excludes terminated deals.
(1) Two pending 2026 transactions have raised capital in more than one private placement between announcement and closing

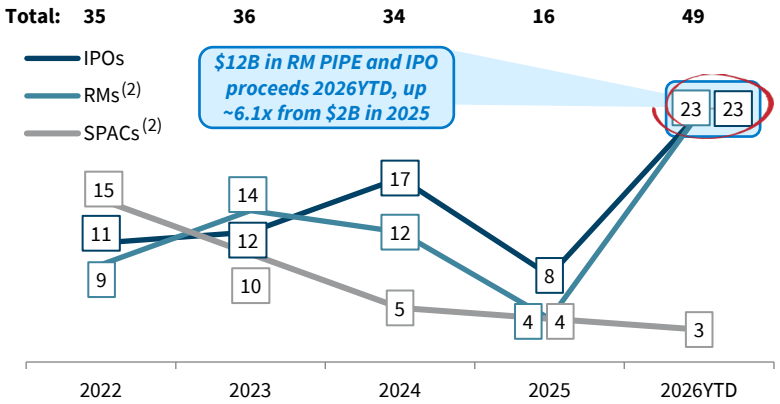
Public Issuance Trends: IPOs vs. RMs

With a boost from the recent surge in reverse mergers, the number of public issuers in 2026 is up over 3x year-over-year; those going public via reverse merger tended to be earlier in development and come in at lower valuations

2026YTD IPOs vs. RMs - Company Phenotype

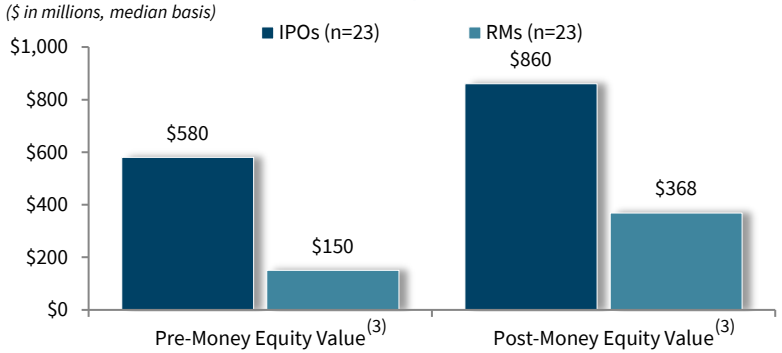


Count of Public Issuers Trended Annually

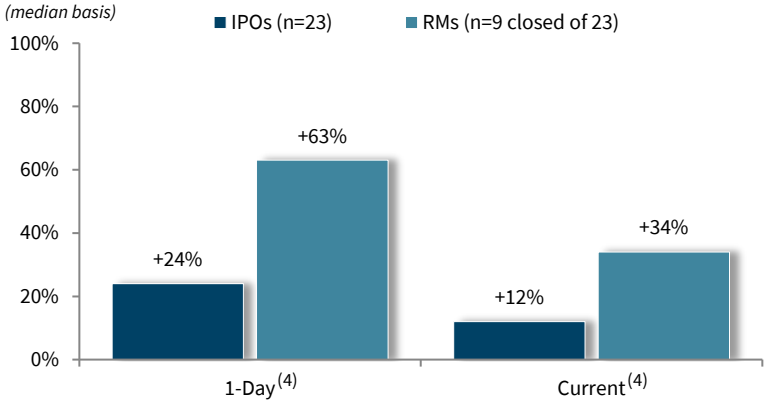


Valuation Metrics

Among the 2026YTD cohort, median concurrent PIPE size was $165M compared to $345M for IPO proceeds



Aftermarket Performance

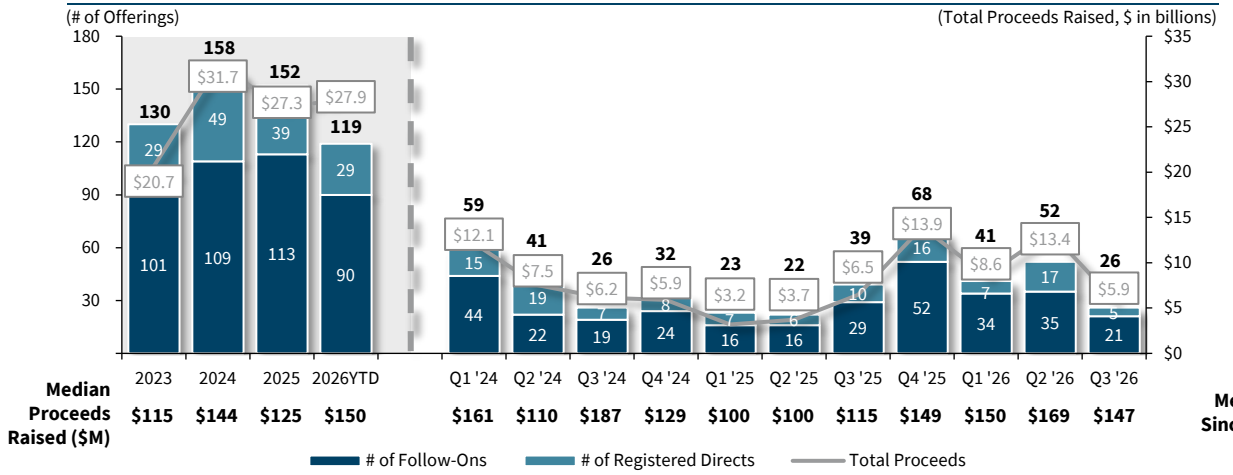


Source: CapIQ, Dealogic, FactSet, and SEC Filings as of September 30, 2026. Note: All valuations performed on basic share count basis.
Note: Includes U.S. IPOs only. Excludes best efforts IPOs. Excludes IPOs less than $25 million in gross proceeds. Reverse merger valuations for pending transactions reflect announcement terms.
(1) Catalyst guidance as of merger and PIPE announcement for reverse mergers and as of pricing for IPOs.
(2) Excludes terminated transactions.
(3) Pre-money equity value reflects private operating company equity value. Post-money equity value for reverse mergers reflects private operating company equity value plus public shell equity value and PIPE proceeds.
(4) IPO performance measured against offer price; reverse merger performance against PIPE price per as-converted common share.

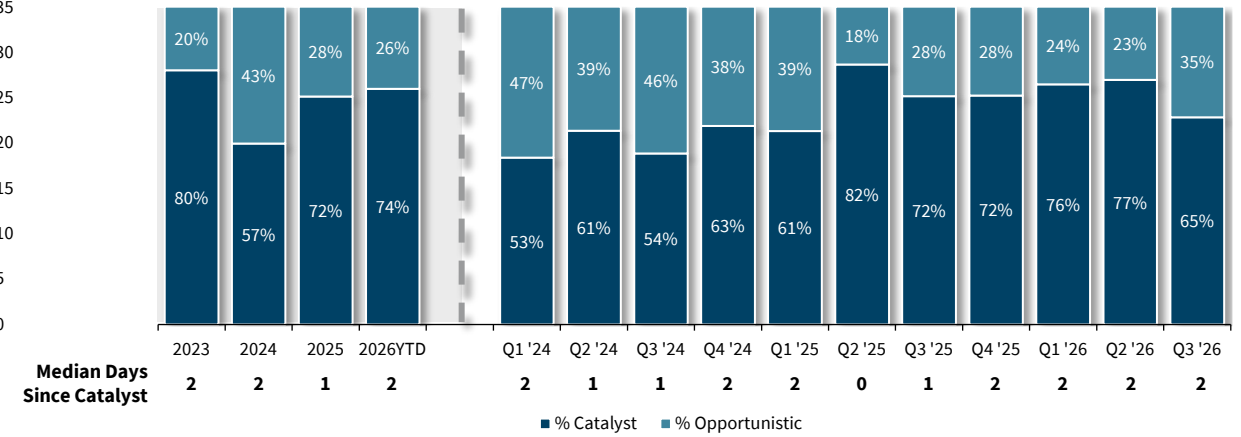
Follow-on & Registered Direct Trends

- Q3 2026 secondary volume lagged each of the previous 4 quarters, with only 26 offerings raising a total of $5.9B
- Lowest number of registered direct offerings since Q3 2022 as CMFOs represent over 65% of Q3 secondary volume

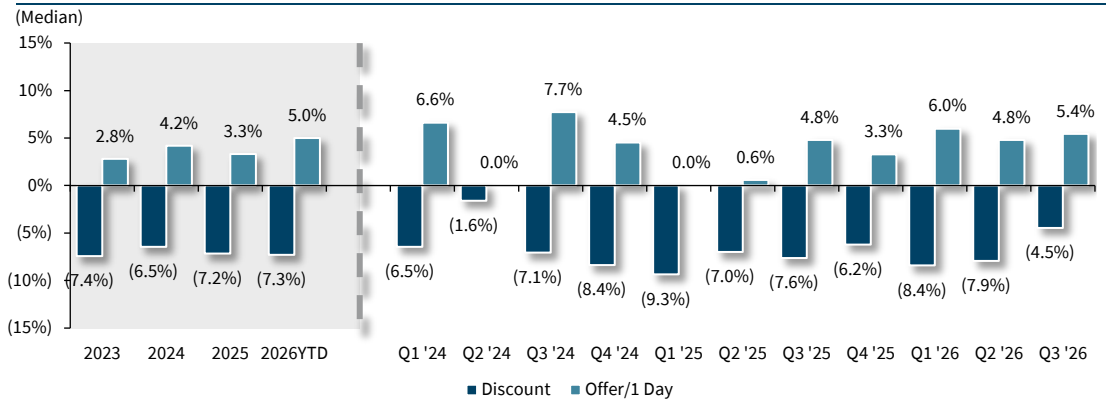
Deal Volume and Proceeds



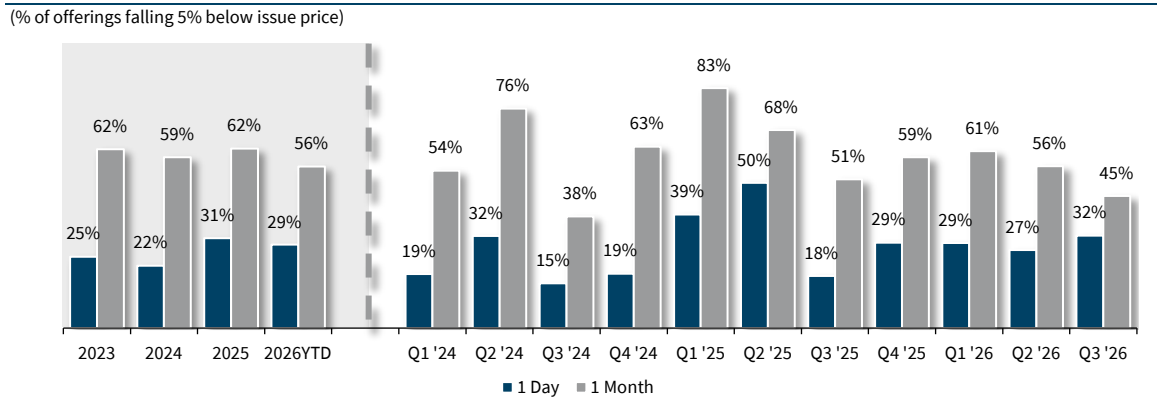
Catalysts Still in Favor, Though Opportunistic Raises Occur More Frequently Than Previous Quarters Amidst Lower Volume



1-Day Performance Remains Strong As Discounts Tighten in Q3(1)



Less Than 50% of Offerings Broke Below Issue Over 1-Month

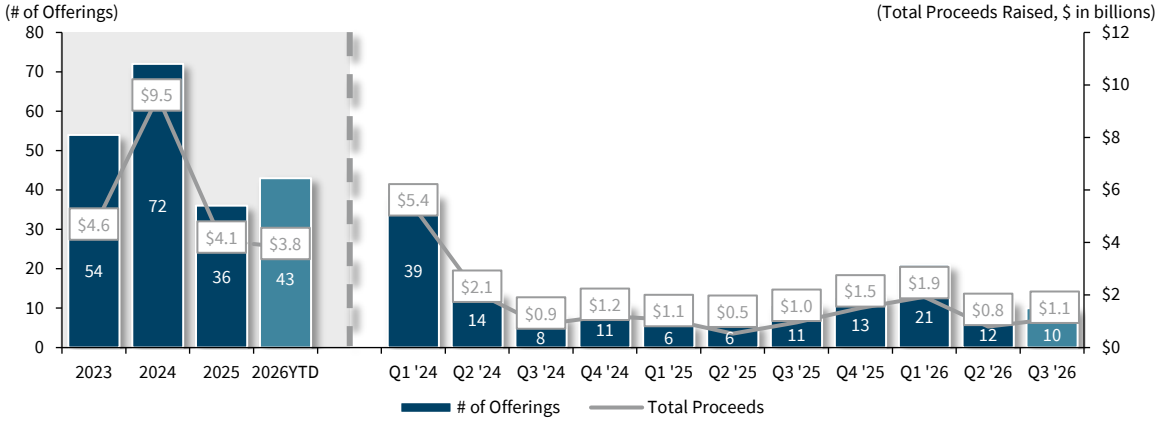


Source: Dealogic as of September 30, 2026.
Note: Includes fully marketed and confidentially marketed follow-on offerings and registered directs. Excludes offerings with gross proceeds below $20 million. Median pricing and performance includes offerings with warrants.
(1) Represents file/offer for fully marketed follow-on offerings and premium/discount to last trade for confidentially marketed follow-on offerings and registered directs.

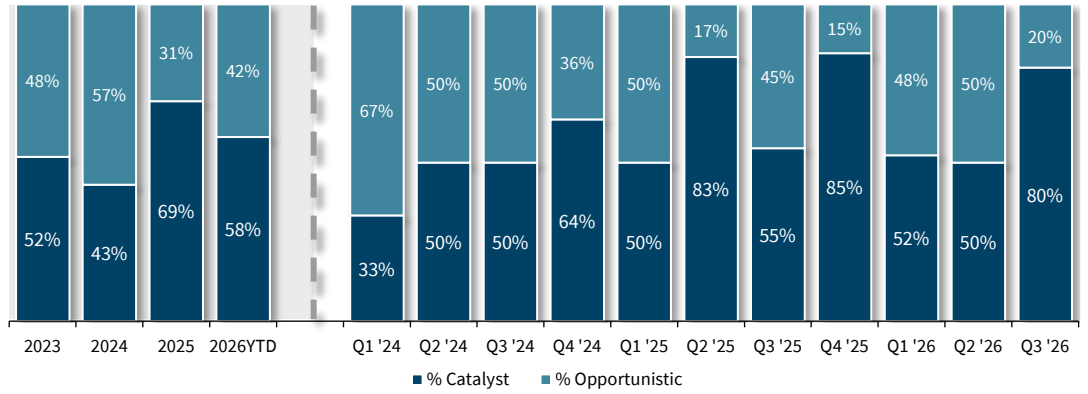
PIPE Trends

- 2026YTD PIPE deal count has surpassed full-year 2025, though smaller deals; post-Labor Day activity at its lowest since 2020
- Recap appetite remains strong, with 30% of issuers in 2026 raising more than 90% of their pre-deal market cap

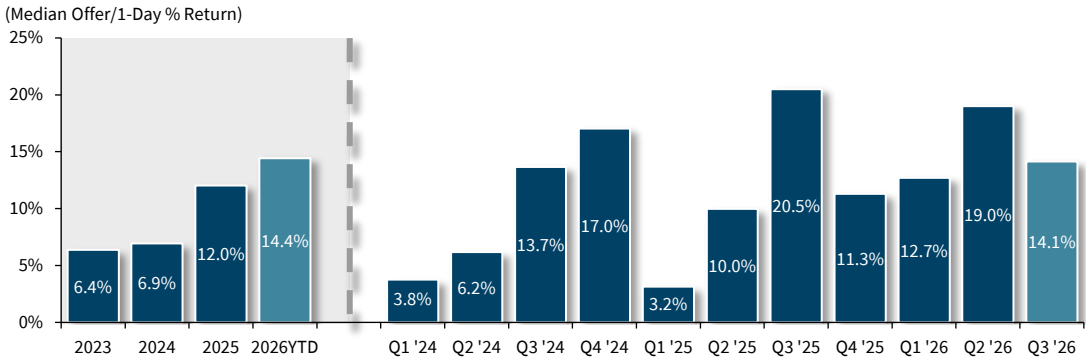
Deal Volume and Proceeds



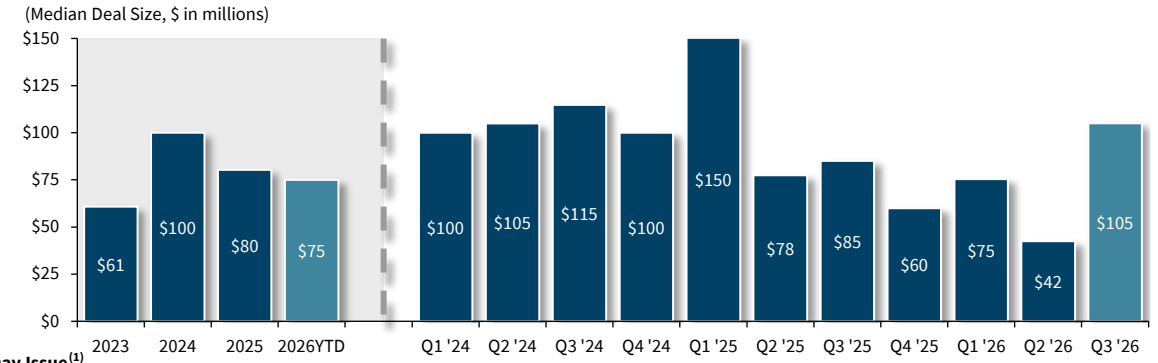
Catalysts Dominate Q3 PIPE Offerings



Strong Aftermarket Performance With Median Offer/1-Day Returns of 14.1%



Median Deal Size More Than Doubles in Q3; No Offerings Broke Issue Price on Day-1



1-Day Issue Price Break[1]	2023	2024	2025	2026YTD	Q1 '24	Q2 '24	Q3 '24	Q4 '24	Q1 '25	Q2 '25	Q3 '25	Q4 '25	Q1 '26	Q2 '26	Q3 '26
	33%	26%	28%	14%	23%	36%	25%	27%	33%	33%	18%	31%	29%	0%	0%

Source: Dealogic as of September 30, 2026.
Note: Excludes reverse-merger PIPE activity and offerings with gross proceeds below $20 million.
(1) % of offerings where intra-day low fell more than 5.0% below offer price.

2026YTD Convertible Debt

Biopharma companies have continued to take advantage of strong convertible market conditions in 2026; led by Moderna's $3.0 billion convertible in Q3, the largest ever biopharma regular way convertible

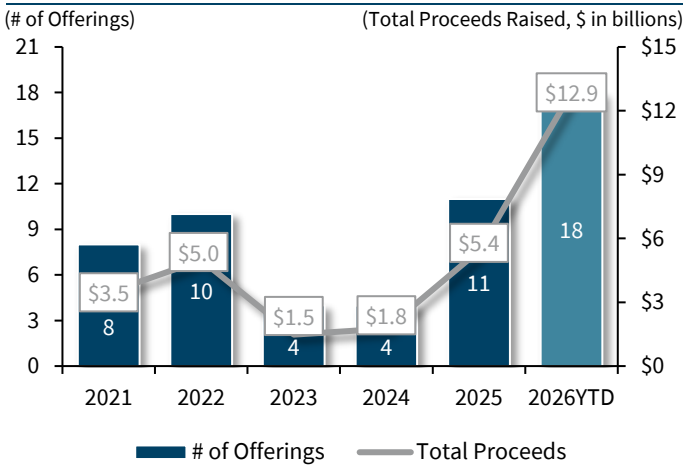
($ in millions)

Date	Company	Deal Size	Concurrent Common Offering	Market Cap	% of Market Cap	Tenor	Coupon	Premium	Call Spread Premium	Stage of Development	Repay Debt	Existing Debt %(1)	Use of Proceeds
9/24/26	VIKING THERAPEUTICS	$259	$316	$4,859	5.3%	6.1	2.000%	45.0%	NA	Phase III	NA	NA	Clinical development and GCP
9/17/26	Halozyme	$1,500	-	$12,449	12.0%	7.0	1.500%	27.5%	90.0%	Commercial	✓	0.25% / 1.00%	Refinance convertible and GCP
8/28/26	moderna	$3,000	-	$56,999	5.3%	5.5	0.000%	47.5%	175.0%	Commercial	✓	9.20%	Repay term loan and GCP
8/26/26	Jazz Pharmaceuticals	$1,250	-	$16,183	7.7%	6.0	1.875%	42.5%	NA	Commercial	NA	NA	Share repurchase and GCP
6/25/26	Nuvation Bio	$288	-	$2,023	14.2%	6.0	0.750%	35.0%	80.0%	Commercial	✓	10.00%	Repay term loan and GCP
6/22/26	LIGAND	$700	-	$5,254	13.3%	5.2	0.000%	27.5%	100.0%	NA	NA	NA	Share repurchase and GCP
6/15/26	PTC THERAPEUTICS	$550	-	$6,368	8.6%	5.0	0.000%	40.0%	NA	Commercial	✓	1.50%	Refinance convertible and GCP
6/3/26	celcuity	$575	-	$4,338	13.3%	6.2	0.250%	40.0%	NA	Phase III	✓	10.60%	Repay loan agreement and GCP
5/12/26	mirum	$690	-	$6,518	10.6%	6.0	0.000%	30.0%	NA	Phase III	✓	4.00%	Refinance convertible and GCP
5/6/26	TRAVERE THERAPEUTICS	$525	-	$4,162	12.6%	6.0	0.500%	45.0%	NA	Commercial	✓	2.25%	Refinance convertible and GCP
5/6/26	VIRIDIAN	$250	$144	$1,807	13.8%	6.0	1.750%	45.0%	NA	Filed	✓	8.95%	Repay term loan and GCP
5/5/26	ocugen	$117	-	$626	18.7%	7.9	6.750%	45.0%	NA	Phase III	✓	12.25%	Repay term loan and GCP
4/14/26	Revolution Medicines	$500	$1,725	$29,133	1.7%	7.0	0.500%	40.0%	NA	Phase III	NA	NA	Working capital and GCP
3/27/26	Zenas BioPharma	$230	$115	$1,207	19.0%	6.0	2.500%	32.5%	NA	Phase III	NA	NA	Working capital and GCP
3/12/26	INDIVIOR	$500	-	$3,860	13.0%	5.0	0.625%	35.0%	NA	Commercial	✓	9.05%	Repay term loan/revolver, share repurchase and GCP
3/11/26	CRISPR THERAPEUTICS	$600	-	$5,068	11.8%	5.0	1.125%	45.0%	NA	Commercial	NA	NA	GCP
1/15/26	bridgebio	$633	-	$14,696	4.3%	7.0	0.750%	45.0%	NA	Commercial	✓	2.50%	Refinance convertible and share repurchase
1/7/26	arrowhead pharmaceuticals	$700	$229	$8,921	7.8%	6.0	0.000%	35.0%	85.0%	Commercial	NA	NA	Working capital and GCP
Mean		**$715**	**$506**	**$10,248**	**10.7%**	**6.1**	**1.160%**	**39.0%**	**106.0%**				
Median		**$563**	**$229**	**$5,161**	**11.9%**	**6.0**	**0.688%**	**40.0%**	**90.0%**				

Key Takeaways

- **Biopharma has accounted for nearly 90% of healthcare convertible debt volume in 2026YTD**
- Q3 2026 ($6.0 billion) saw the largest quarterly $ proceeds raised of all time
- 61% of issuers in 2026YTD used proceeds to repay existing debt facilities or convertibles
- 5 of the 18 offerings included a concurrent common equity issuance

Biopharma Convertible Issuance



(1) Existing debt yield as of disclosures in latest quarterly filings prior to convertible financing.
Source: Dealogic Data as of September 30, 2026. Excludes convertible private placements. GCP= General Corporate Purposes.

Venture Debt in Biopharma

Venture Debt[1] activity remained strong through the third quarter as borrowers continue to capitalize on its ability to extend runway while preserving equity ownership

Market Overview

- Venture debt has remained an attractive financing option in 2026 for companies looking to extend their runway with minimally dilutive capital, among other benefits
- Private credit lenders have amassed significant dry powder dedicated to venture debt, supporting larger financings and heightened competition
- However, lenders continue to patiently pick their spots when deploying capital, with the most favorable terms and structures being reserved for high-quality borrowers
- Perceived insulation from AI disruption has created favorable positioning for biopharma companies as well as other healthcare verticals
- Within the sector, companies with approved products and / or multiple products in their pipeline are among the key borrower traits that lenders look for
- Additionally, modest funding requirements relative to valuation, along with a strong investor base with material cash equity in the business, are critical borrower traits to lenders' underwriting
- With strong mutual interest from borrowers and lenders, market conditions are supportive of continued deal activity heading into the final quarter of the year

2026YTD Venture Debt[1] Financings for Public Biopharma Companies

($ in millions)

Date	Company	Available at Close	Total Facility[2]	Interest Rate	LTM at Close[3] Revenue	LTM at Close[3] EBITDA	Market Cap at Close	Debt / Mkt Cap	Facility / Mkt Cap	Phase of Development
09/04/26	Intellia Therapeutics	$75	$300	10.06%	$60	($414)	$1,785	4.2%	16.8%	BLA Filed
08/12/26	Coherus Oncology	$55	$100	11.15%	$51	($150)	$181	30.4%	55.3%	Marketed
08/06/26	Verrica Pharmaceuticals	$13	$28	12.50%	$30	($26)	$92	13.6%	29.9%	Marketed
07/30/26	Annexon Biosciences	$50	$150	8.51%	$0	($208)	$863	5.8%	17.4%	Phase III
07/30/26	Autolus	$75	$250	10.91%	$117	($237)	$407	18.4%	61.4%	Marketed
06/29/26	4DMT	$50	$150	9.00%	$88	($171)	$673	7.4%	22.3%	Phase III
06/03/26	Mineralys	$100	$500	9.58%	$0	($171)	$2,067	4.8%	24.2%	NDA Filed
05/26/26	Cartesian Therapeutics	$50	$100	9.20%	$2	($89)	$190	26.4%	52.8%	Phase III
05/13/26	Armata Pharmaceuticals	$25	$25	14.00%	$5	($30)	$324	7.7%	7.7%	Phase III Ready
05/12/26	Aquestive	$55	$100	10.33%	$50	($55)	$517	10.6%	19.3%	Phase III Complete
05/04/26	Lexicon Pharmaceuticals	$55	$75	10.10%	$70	($24)	$711	7.7%	10.6%	Marketed
04/22/26	Tuhura Biosciences	$0	$50	12.00%	$0	($29)	$170	0.0%	29.3%	Phase III
03/24/26	Turn Therapeutics	$7	$15	12.50%	$0	($4)	$101	7.0%	14.9%	Phase II
03/17/26	Zenas BioPharma	$75	$250	9.83%	$10	($211)	$1,347	5.6%	18.6%	Phase III
03/02/26	UroGen Pharma	$200	$250	8.25%	$110	($125)	$926	21.6%	27.0%	Marketed
02/24/26	Beam Therapeutics	$100	$400	10.58%	$140	($361)	$3,207	3.1%	12.5%	Pivotal Phase I / II
02/04/26	m2	$40	$150	7.95%	$0	($132)	$2,316	1.7%	6.5%	Phase II
01/13/26	Pelthos Therapeutics	$30	$50	10.75%	$7	($21)	$78	38.5%	64.2%	Marketed
01/08/26	Spruce Biosciences	$15	$40	12.25%	$0	($29)	$79	19.0%	50.7%	Phase I / II Complete
Mean		**$56**	**$157**	**10.50%**	**$39**	**($131)**	**$844**	**12.3%**	**28.5%**	
Median		**$50**	**$100**	**10.33%**	**$10**	**($125)**	**$517**	**7.7%**	**22.3%**	
Minimum		**$0**	**$15**	**7.95%**	**$0**	**($414)**	**$78**	**0.0%**	**6.5%**	
Maximum		**$200**	**$500**	**14.00%**	**$140**	**($4)**	**$3,207**	**38.5%**	**64.2%**	

Source: CapIQ, PitchBook, a Morningstar company, and SEC filings as of September 30, 2026. The cited data has not been reviewed by PitchBook analysts and may be inconsistent with PitchBook methodology.
(1) "Venture debt" defined here as debt to borrowers who do not yet have positive cash flow.
(2) Includes undrawn revolvers and additional tranches of debt / delayed draw facilities that are fully committed at the time of close.
(3) LTM financials at time of close are as calculated by CapIQ.

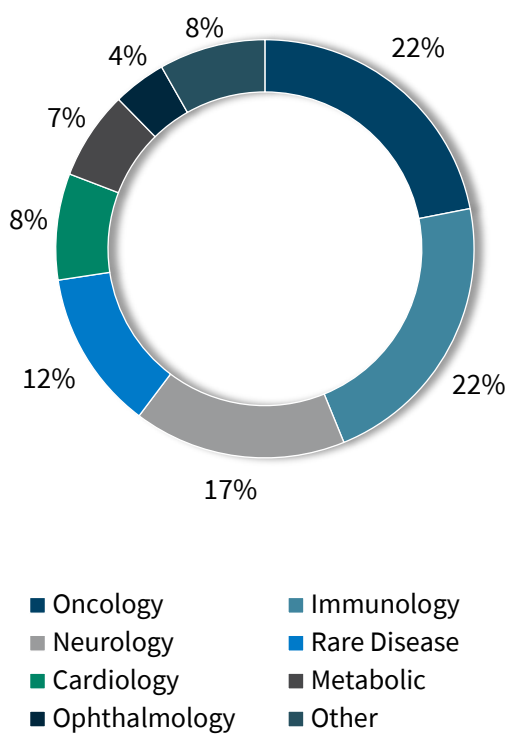
Q3 2026 SMID-cap Clinical Catalysts Analysis

- A quarter of big wins and big losses, with the average positive readout gaining +11.8% and the average miss down 34%
- Moderna, Ionis and Biogen drove ~$50B of the ~$86B in absolute 1-day market cap movement
- Outside the <$30B analysis, back-to-back Phase III misses in Lp(a) and DM1 led to a 14% single-week decline in Novartis shares

Key Takeaways

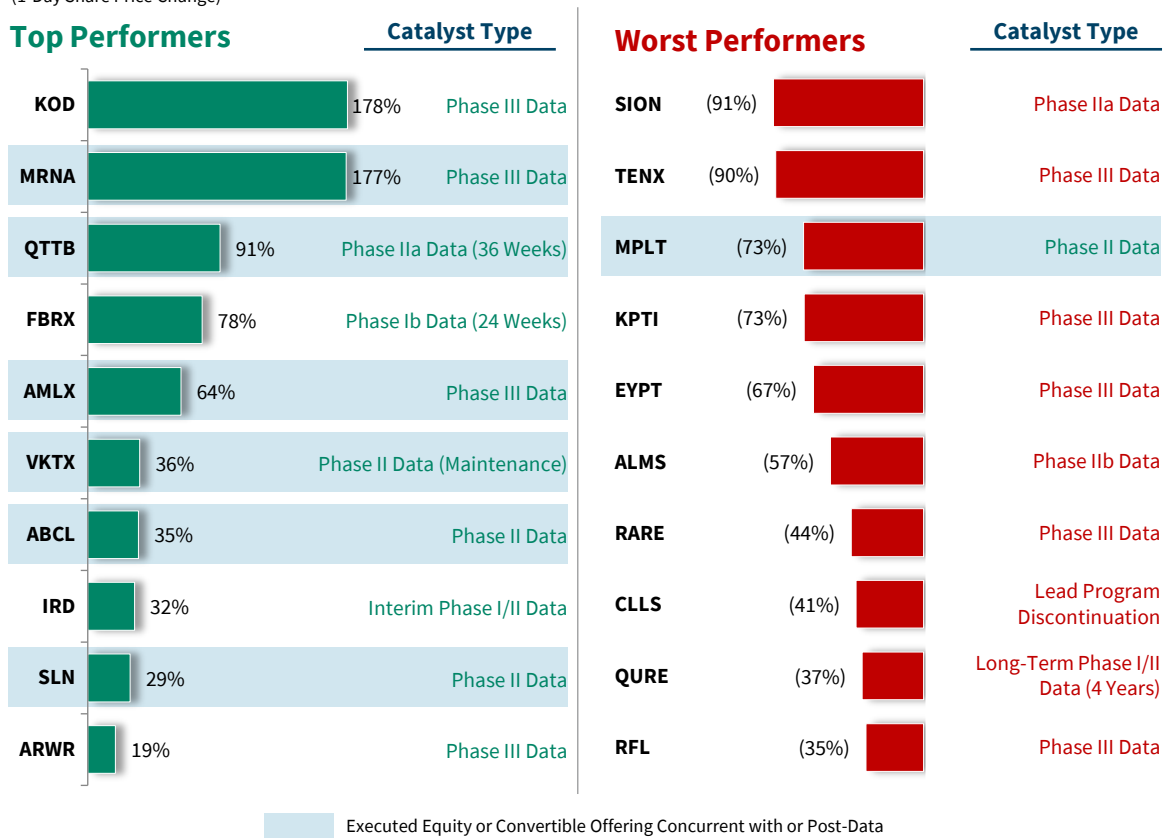
- William Blair analyzed 73 key clinical data readouts in Q3 2026 for U.S.-listed SMID-cap biopharma companies
- Average stock price performance for "positive" clinical data (N=53):
  - 1-day performance: **+11.8%**
  - 1-week performance: **+9.4%**
- Average stock price performance for "negative" clinical data (N=20):
  - 1-day performance: **(33.7%)**
  - 1-week performance: **(34.6%)**
- Ex-Moderna, SMID-cap catalysts **lost ~$1.2B** of net cumulative 1-day market cap; its mRNA-4157 readout **added ~$44.5B**, with co-developer Merck +12% and >$73B combined for the week
- Novartis drove the worst large-cap misses, failing Phase III in Lp(a) (pelacarsen) and DM1 (del-desiran); NVS (14%) with peers AMGN (14%) and DYN (25%)

Breakdown by Therapeutic Area



Top 10 Positive/Negative Movers

(1-Day Share Price Change)



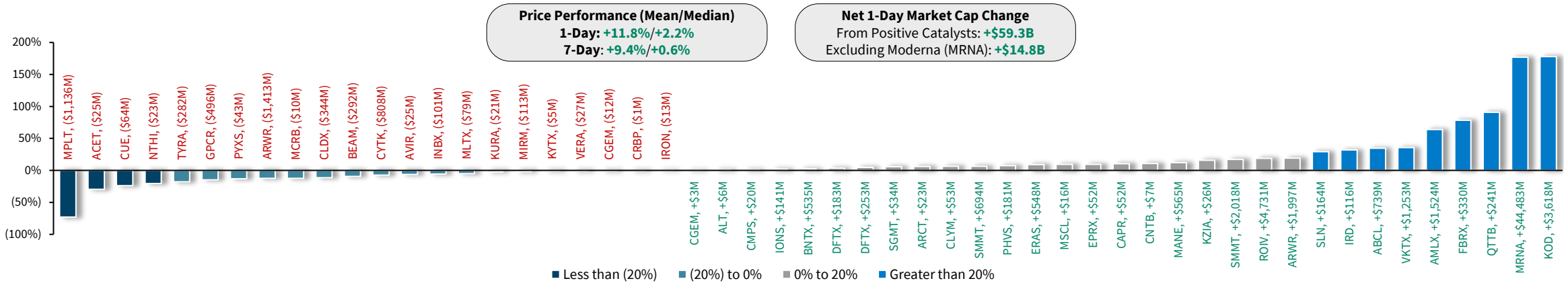
Source: FactSet, Company press releases, SEC Filings and William Blair analysis as of September 30, 2026.
Note: Includes biopharma companies listed on major U.S. exchanges with market capitalization >$25M and <$30B at the time of catalyst. Positive/negative based on Company press releases.

Q3 2026 Positive/Negative Clinical Catalyst Performance Detail

- 17% of positive clinical catalysts had a >20% one-day stock price movement, while 55% of negative clinical catalysts experienced a one-day price decline greater than 20%
- Q3 2026 clinical catalysts generated a net ~$43.3B increase in 1-day market capitalization, a net loss of ~$1.2B excluding MRNA

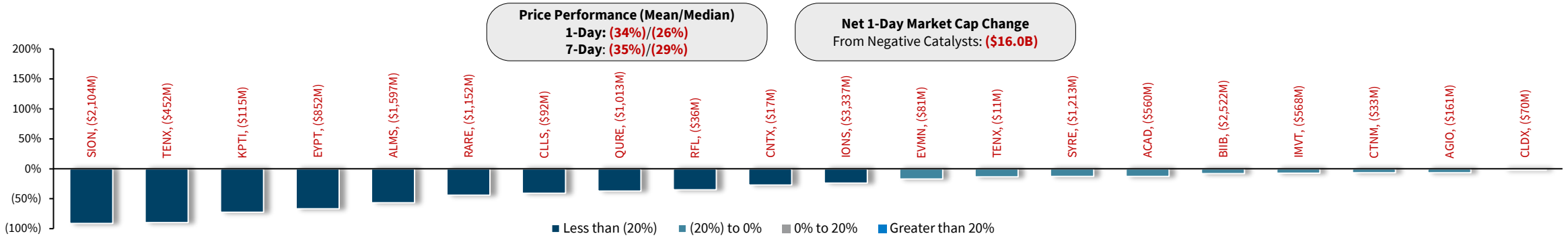
Performance Following a Positive Clinical Catalyst

(1-Day Share Price Change, N = 53; $ values shown after company names indicate 1-Day Market Cap Change)



Performance Following a Negative Clinical Catalyst

(1-Day Share Price Change, N = 20; $ values shown after company names indicate 1-Day Market Cap Change)

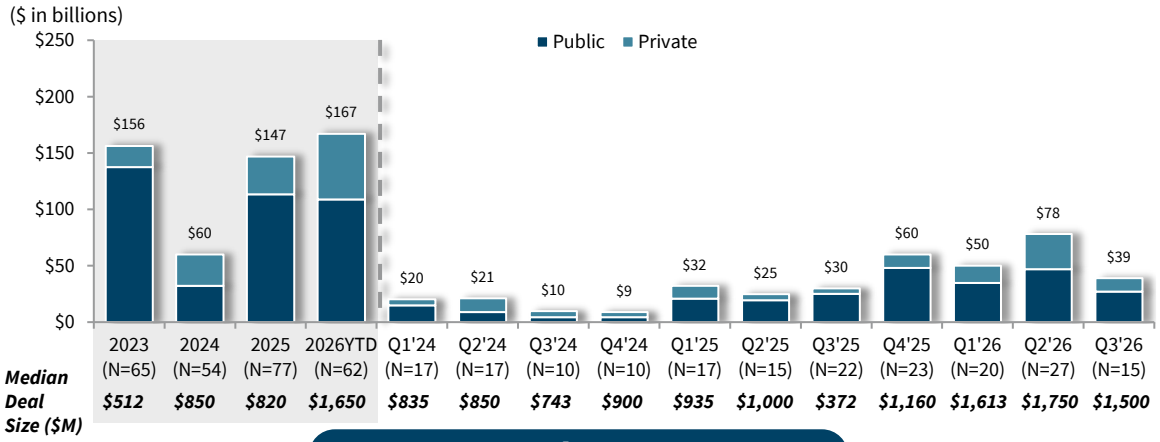


Source: FactSet, Company press releases, SEC Filings and William Blair analysis as of September 30, 2026.
Note: Includes biopharma companies listed on major U.S. exchanges with market capitalization >$25M and <$30B at the time of catalyst. Positive/negative based on Company press releases.

Q3 2026 M&A Recap

- M&A activity moderated in Q3 2026 with ~$39B in total deal value across 15 deals; Lilly and Tarsus led the pack with 2 deals each
- With 40 $1B+ deals already, 2026YTD has surpassed the 20+ year record of 34 $1B+ deals set in 2025

Total Deal Value & Volume



Key Takeaways

- Median deal terms for Q3 2026 M&A activity:
  - **Total Deal Value:** $1,500M in Q3 2026 (vs. $1,750M in Q2 2026)
  - **Upfront (Cash + Equity):** $1,100M in Q3 2026 (vs. $1,400M in Q2 2026)
  - **Milestones:** $495M in Q3 2026 (vs. $925M in Q2 2026)
- M&A moderated from a record Q2, headlined by Vertex's $10.0B takeout of Crinetics (102% premium) and Curium's $8B acquisition of Lantheus
- Private M&A remained a steady driver, with 10 private targets and $11.7B in TDV (30% of total) vs. the 2021–2025 quarterly average of ~7 deals and $6.0B
- Therapeutic area interest skewed toward rare disease and oncology (N=4 each), followed by neurology and I&I (N=3 each)
- Deals were concentrated within small molecule companies comprising ~50% of deals with an additional focus in radiopharmaceuticals (N=2)
- argenx emerged as an acquiror this quarter, marking its first major acquisition
- Early-stage appetite continues with 5 out of 15 deals targeting Phase I or earlier companies, 15% of TDV in Q3 2026

Q3 2026 M&A Activity Detail

($ in millions)

Public Company Transactions(1)

Date	Target	Acquiror	Total Deal Value	Total Upfront	Total Earnouts	Premium to Last Unaffected(2)	Phase	Therapeutic Area	Modality
8/3/26	Lantheus	Curium	$7,992	$7,155	$838	9%	Marketed	Oncology	Radiopharmaceutical
8/3/26	Supernus	Indivior	$3,128	$3,128	-	-	Marketed	Neurology	Small Molecule
7/27/26	Forte Biosciences	argenx	$2,200	$2,200	-	41%	Phase II	I&I	Antibody
7/16/26	AtaiBeckley	Lilly	$3,800	$2,800	$1,000	26%	Phase III	Neurology	Small Molecule
7/6/26	Crinetics	Vertex	$10,000	$10,000	-	102%	Marketed	Endocrine, Rare Disease	Small Molecule

Private Company Transactions

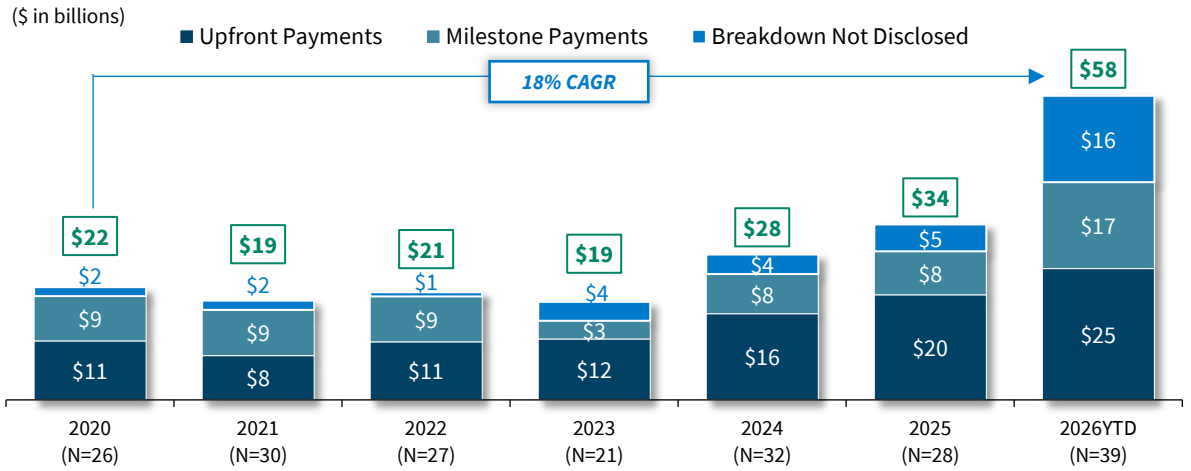
Date	Target	Acquiror	Total Deal Value	Total Upfront	Total Earnouts	Phase	Therapeutic Area	Modality
9/20/26	itm	Telix	$2,350	$1,650	$700	Filed	Oncology	Radiopharmaceutical
9/15/26	Chimagen Biosciences (TCE Asset)	GSK	$750	ND	ND	Preclinical	Oncology	Trispecific Antibody
8/31/26	merida Biosciences	Lilly	$2,875	ND	ND	Phase I	I&I	Fusion Protein
8/18/26	Alesta Therapeutics	BioMarin	$490	$275	$215	Phase I/IIa	Musculoskeletal, Rare Disease	Small Molecule
8/10/26	actio Biosciences	Jazz Pharmaceuticals	$1,320	$820	$500	Phase Ib/IIa	Neurology	Small Molecule
8/6/26	Alkeus Pharmaceuticals	Tarsus	$800	$450	$350	Phase III	Ophthalmology	Small Molecule
7/8/26	iRenix	Tarsus	$565	$75	$490	Phase IIb/III	Ophthalmology	Small Molecule
7/6/26	MyricxBio	Novartis	$1,500	$1,100	$400	Preclinical	Oncology	ADC
7/2/26	Thymmune Therapeutics	United Therapeutics Corporation	$300	$140	$160	Preclinical	I&I, Rare Disease	iPSC-derived Cell Therapy
7/1/26	Memo Therapeutics AG	Ipsen	$797	$228	$569	Phase II	Nephrology, Rare Disease	Antibody

Source: Company press releases and websites as of September 30, 2026.
Note: M&A activity includes biopharma deals with disclosed total deal value of $20M+. Premiums based on upfront offer price, excluding CVRs and milestones, to last close before deal announcement. NA = Not Applicable. ND = Not Disclosed.
(1) Includes M&A with disclosed total deal value of $1B+.
(2) Excludes CVRs or milestones.

Private M&A Spotlight

- With reopening public markets providing private sellers a credible alternative to M&A, better dual-track optionality has supported higher transaction values, with median upfront consideration for $250M+ deals rising from $338M in 2020 to $700M in 2026YTD
- Repeat backers of 2026YTD private M&A targets range from crossover funds to venture firms, led by OrbiMed on deal count

Private M&A – Total Deal Value & Volume Trended Annually



All Deals - Public and Private ($M)[4]

	Median Deal Size	Median Upfront	5-Yr Historical Rolling Avg Upfront
2020	$1,040 (n=35)	$670 (n=34)	$674
2021	$1,228 (n=34)	$872 (n=32)	$726
2022	$960 (n=35)	$532 (n=34)	$711
2023	$1,300 (n=40)	$1,250 (n=37)	$839
2024	$1,118 (n=40)	$850 (n=37)	$835
2025	$1,200 (n=61)	$935 (n=57)	$888
2026YTD	**$1,950 (n=58)**	**$1,550 (n=47)**	**$1,023**

Private ($M)[4]

	Median Deal Size	Median Upfront	5-Yr Historical Rolling Avg Upfront
2020	$875 (n=17)	$338 (n=16)	$237
2021	$845 (n=19)	$199 (n=17)	$238
2022	$465 (n=16)	$255 (n=15)	$241
2023	$683 (n=11)	$340 (n=8)	$276
2024	$1,050 (n=25)	$800 (n=22)	$386
2025	$1,180 (n=26)	$938 (n=22)	$506
2026YTD	**$1,150 (n=37)**	**$700 (n=26)**	**$607**

17% CAGR

2026YTD Private M&A Targets – Investor League Table

Investor	Deal Count 2026YTD[1]	Upfront ($M)[2]	Acquired Private M&A Targets[3]
orbimed	5	$3,550	Perfuse Therapeutics; CandID; Vega; curevo Vaccine; RayThera
Fidelity Investments	4	$6,500	Tubulis; CandID; Neurona Therapeutics; Emalex biosciences
venrock	3	$8,400	kelonia; Tubulis; CandID
Frazier Life Sciences	3	$4,375	Tubulis; 35 Pharma; Alesta Therapeutics
Janus Henderson Investors	3	$4,100	Tubulis; curevo Vaccine; 35 Pharma
Third Rock Ventures	3	$4,000	Synnovation Therapeutics; merida Biosciences; CandID
Cormorant Asset Management	3	$3,900	Synnovation Therapeutics; Vega; Neurona Therapeutics
RA Capital	3	$1,250	Ajax Therapeutics; Vega; curevo Vaccine
BainCapital Life Sciences	3	$1,150	merida Biosciences; Emalex biosciences; Alkeus Pharmaceuticals
Adjuvant Capital	3	$228	curevo Vaccine; Memo Therapeutics; Limmatech Biologics
nextech	2	$4,800	Tubulis; itm
venBio	2	$2,950	CandID; 35 Pharma
Soleus Capital	2	$2,650	CandID; Neurona Therapeutics
TCG X	2	$2,450	CandID; Alkeus Pharmaceuticals
Foresite Capital	2	$2,000	CandID; RayThera
Samsara BioCapital	2	$2,000	CandID; Excellergy
novo holdings	2	$1,100	MyricxBio; Limmatech Biologics
Droia Ventures	2	$1,095	actio Biosciences; Alesta Therapeutics
Decheng Capital	2	$1,000	Excellergy; FireflyBio
MPM BioImpact	2	$1,000	ORNA; FireflyBio
EcoR1 Capital	2	$820	Ajax Therapeutics; actio Biosciences

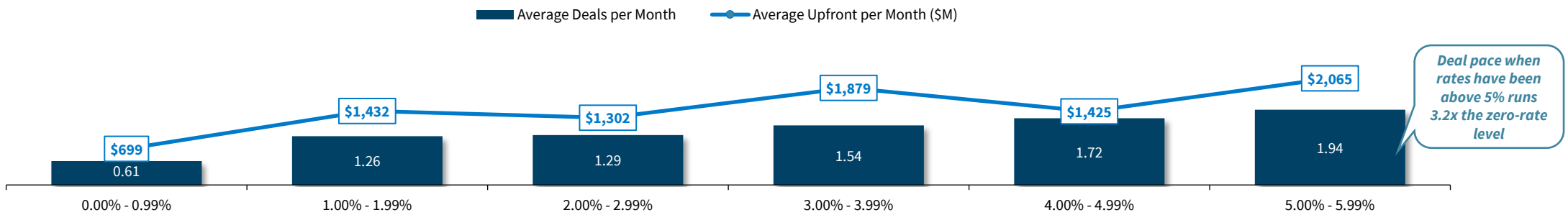
Box denotes investor led at least one financing round for that company

Source: Company press releases and websites as of September 30, 2026.
Note: M&A activity includes biopharma deals with disclosed total deal value of $20M+. Premiums based on upfront offer price, excluding CVRs and milestones, to last close before deal announcement.
(1) Number of private acquired companies in 2026YTD in which the investor participated in at least one financing round, counted once per company.
(2) Sum of disclosed upfront M&A consideration for those companies.
(3) Ordered by total deal value. Investors with 3 or more deals in 2026YTD and investors with 2 deals that led at least one financing round shown.
(4) Excludes deals with TDV under $250M.

Higher Rates Have Supported Small-cap Biopharma M&A

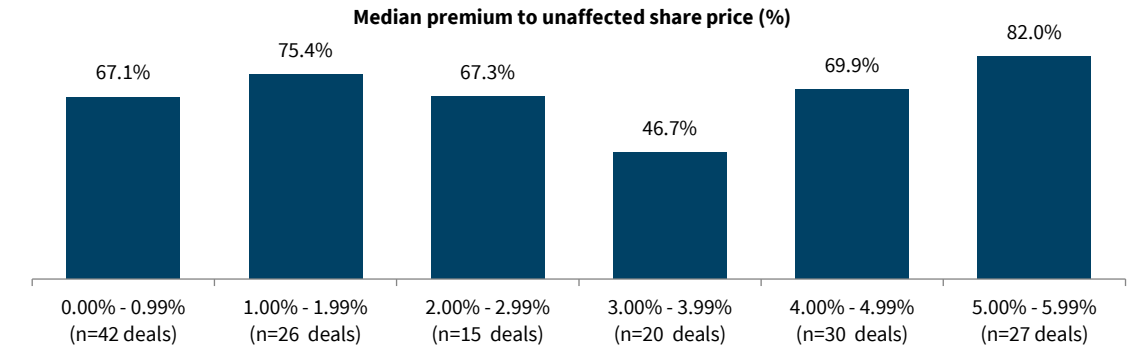
William Blair analyzed rates since 2013 and found that strategic small-cap biopharma M&A has been more active at higher rates, not less; that backdrop should persist into 2027 as looming LOEs keep large pharma acquisitive regardless of the rate environment

Small-cap M&A Activity Rises with Every Step Up in Rates



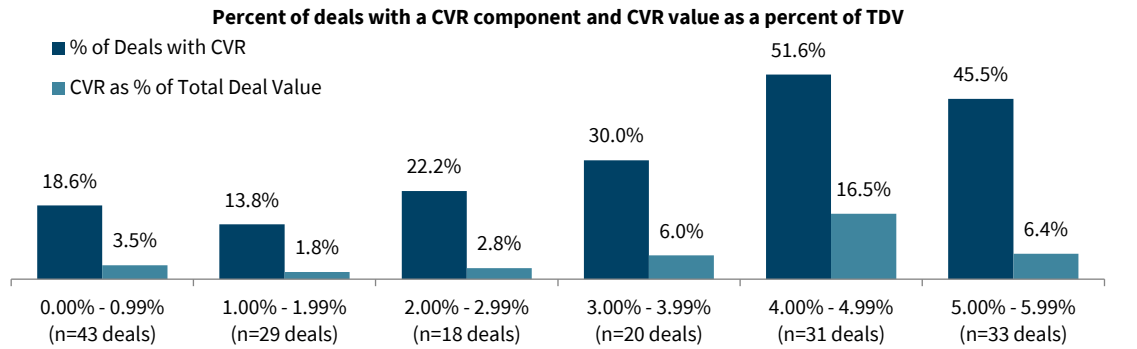
	0.00% - 0.99%	1.00% - 1.99%	2.00% - 2.99%	3.00% - 3.99%	4.00% - 4.99%	5.00% - 5.99%
Months in Bucket	**70**	**23**	**14**	**13**	**18**	**17**
Deals in Bucket	**43**	**29**	**18**	**20**	**31**	**33**

Buyers Paid Full Premiums Throughout(1)



No seller discount: the highest-rate bucket carries the highest median premium, at 82%

Structure, not Price, Absorbed the Risk



At 4-5%, CVRs feature in 52% of deals and carry 16.5% of deal value, ~5x the zero-rate weight

Source: Company press releases, Federal Reserve Bank of New York as of September 30, 2026.
Note: Small-cap defined as target market cap of $2.0B or less at the last unaffected trade date. Strategic buyers are operating pharmaceutical and biotechnology acquirers; financial sponsors, investment companies, cash-shell vehicles and business unit or asset deals are excluded. Months grouped by average daily effective federal funds rate; deals tagged to the bucket of their announcement month. X-axis shows rate buckets based on the monthly average of daily effective federal funds rate (EFFR) prints. Includes EFFR and M&A data since November 2013.
(1) Excludes stock-for-stock transactions and non-US listed targets without a disclosed per-share price.

Summary of Investor Capital Returned from Q3 2026 Public Acquisitions

Q3 2026 public biopharma acquisitions returned an estimated $17 billion of institutional capital to the market, creating a large pool of redeployable demand for new biopharma issuance

($ in millions)

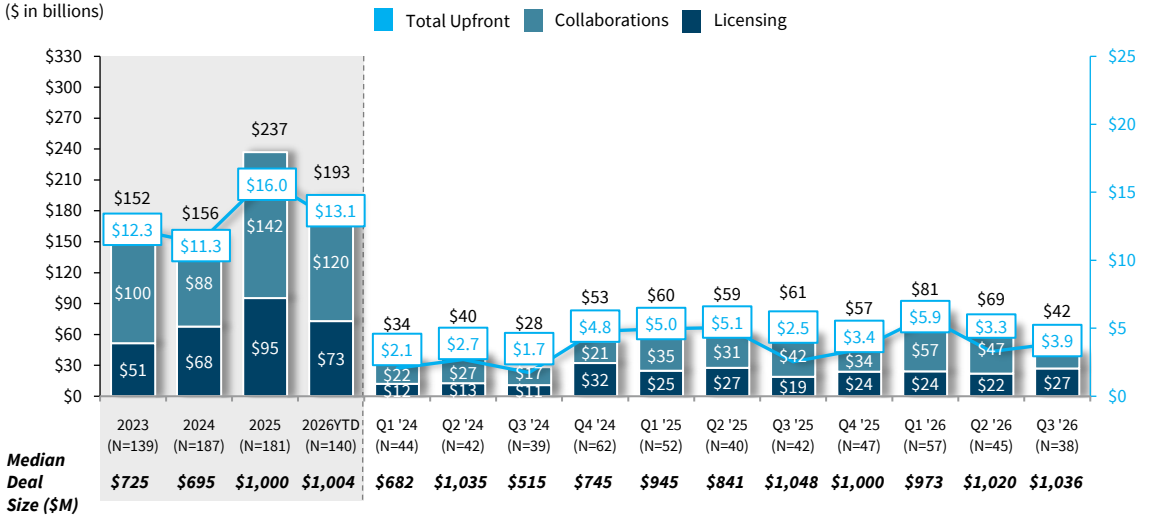
#	Institution	Total Estimated Capital Returned to Fund[1]	AtaiBeckley	Crinetics	Forte Biosciences	Lantheus	Supernus
1	Fidelity Management & Research Co. LLC	$1,602.4	✓	✓	✓	✓	✓
2	Farallon Capital Management LLC	$1,403.4		✓	✓	✓	
3	Janus Henderson Investors US LLC	$1,005.0	✓	✓	✓	✓	✓
4	T. Rowe Price Associates, Inc. (IM)	$731.4	✓	✓		✓	✓
5	Wellington Management Co. LLP	$692.6		✓	✓	✓	✓
6	Driehaus Capital Management LLC	$549.4		✓		✓	
7	American Century Investment Management, Inc.	$446.9	✓	✓	✓	✓	✓
8	Millennium Management LLC	$347.4	✓	✓	✓	✓	✓
9	Citadel Advisors LLC	$285.5	✓	✓	✓	✓	✓
10	FIAM LLC	$227.5		✓		✓	✓
11	Bellevue Asset Management AG	$222.7		✓			
12	Baker Bros. Advisors LP	$199.9		✓			
13	Polar Capital LLP	$193.3		✓		✓	
14	Reinhart Partners LLC	$183.1				✓	
15	Pictet Asset Management SA	$179.5	✓	✓		✓	✓
16	Canada Pension Plan Investment Board	$179.0	✓	✓		✓	✓
17	Columbia Management Investment Advisers LLC	$173.3	✓	✓	✓	✓	✓
18	T. Rowe Price Investment Management, Inc.	$170.9	✓	✓		✓	
19	Federated Global Investment Management Corp.	$162.6		✓	✓	✓	
20	Carmignac Gestion SA	$153.4				✓	
21	GW&K Investment Management LLC	$147.2		✓		✓	✓
22	Swedbank Robur Fonder AB	$142.6		✓		✓	
23	Adage Capital Management LP	$134.3	✓	✓	✓	✓	✓
24	Deep Track Capital LP	$133.4	✓				
25	Candriam Belgium SA	$121.1	✓	✓	✓	✓	
26	First Light Asset Management LLC	$115.7		✓		✓	✓
27	Fred Alger Management LLC	$114.0	✓	✓	✓	✓	✓
28	BNP Paribas Asset Management USA, Inc.	$113.8		✓			
29	Adar1 Capital Management LLC	$112.7	✓	✓	✓	✓	✓
30	Brown Advisory LLC	$105.3	✓			✓	✓

Source: FactSet and William Blair Analysis as of September 30, 2026.
Note: Excludes index funds, quant/systematic funds, private brokerages, retail, strategic investors, and non-filers. $ value position calculated based on Q2 2026 publicly disclosed institutional ownership of target company multiplied by announced per share acquisition price, excluding contingencies. Includes deals >$1B in upfront cash and excludes carve-outs.
(1) Total estimated capital in millions returned to fund based on the cumulative $ value position of all target companies for shareholders.

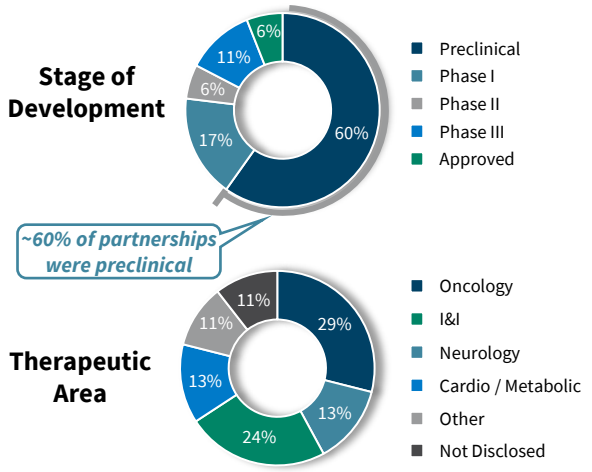
Q3 2026 Partnership Trends

Despite an easing of partnership activity in Q3 2026, the top deals still commanded $12.8B in combined value anchored by InnoCare/Eli Lilly ($3.4B) and Hengrui/Novo Nordisk ($2.6B)

Total Deal Value and Volume



Breakdown of Deals in Q3 2026



Most Active Partners in Q3 2026

($ in millions)

		Median TDV	Median Upfront
Roche	7	$1,500	$55
AstraZeneca	3	$1,770	$200
Lilly	3	$370	$100
novo	2	$2,000	$300
Boehringer Ingelheim	1	$250	ND
GSK	1	$1,295	$110
Johnson&Johnson	1	$925	$785
MERCK	1	$2,130	$400
Takeda	1	$600	$60

Key Takeaways

Licensing (N=24)

- Median deal terms for licensing agreements in Q3 2026:
  - **Total Deal Value:** $1,100M (vs. $800M in Q2 '26)
  - **Upfront (Cash+Equity):** $76M (vs. $20M in Q2 '26)
  - **Milestones:** $1,100M (vs. $715M in Q2 '26)
- The top 3 Asian licensing deals alone accounted for ~48% of total licensing upfront in Q3 2026, at $1.3B of the $2.7B quarter total
- 54% of licensing deals targeted clinical-stage assets (Phase I–III), up from 48% in Q2'26, with 30% preclinical

Collaborations (N=14)

- Median deal terms for collaborations in Q3 2026:
  - **Total Deal Value:** $1,000M (vs. $2,109M in Q2' 26)
  - **Upfront (Cash+Equity):** $55M (vs. $58M in Q2' 26)
  - **Milestones**: $964M (vs. $1,935M in Q2' 26)
- 100% of collaborations targeted discovery/preclinical programs, up from 83% in Q2'26, with 13 of 14 partnered with large pharma
- All 14 collaborations involved a platform technology, with 4 bispecific or T-cell engager formats

Top 5 Partnerships by Total Upfront in Q3 2026

($ in millions)

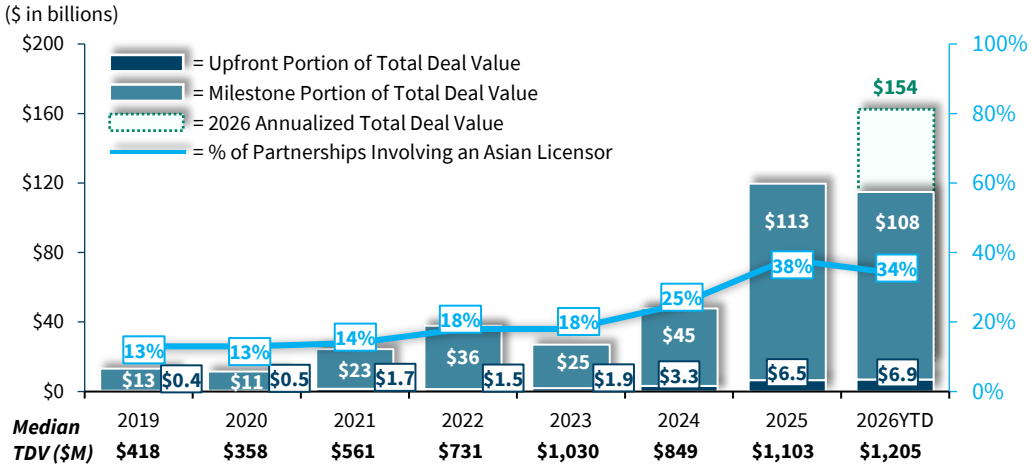
Date	Licensor	Licensee	Total Deal Value	Total Upfront	Milestones	Phase	Therapeutic Area	Modality	Target(s)
7/29/2026	SAIL	Johnson&Johnson	$925	$785	$140	Preclinical	I&I	CAR-T Cell Therapy (in vivo)	CD4 x CD8
7/14/2026	Dizal 迪哲	AstraZeneca	$1,500	$600	$900	Marketed	Oncology	Small Molecule	EGFR
9/28/2026	SciBrunch	MERCK	$2,130	$400	$1,730	Preclinical	Oncology	Small Molecule	KRAS G12D
8/26/2026	biohaven	SK biopharmaceuticals	$550	$350	$200	Phase II/III	Neurology	Small Molecule	Kv7.2/7.3
9/29/2026	HENGRUI	novo	$2,600	$300	$2,300	Phase I Ready	Metabolic	ND	GLP-1/GIP Receptors

Source: Company press releases and SEC filings as of September 30, 2026.
Note: Excludes regional partnerships, partnerships with undisclosed deal terms, and partnerships with deal terms less than $20M. Upfront includes near-term milestones. TDV = Total Deal Value.

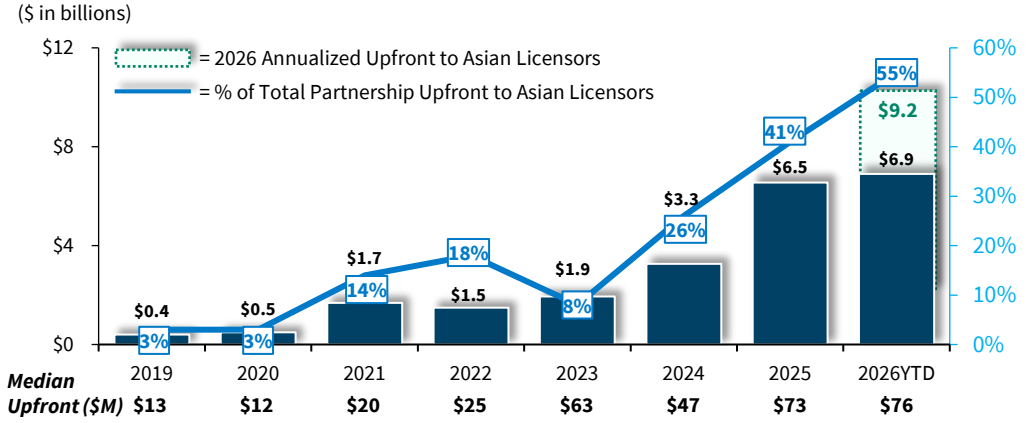
Asia is a Key Source of Innovation for Pharma and Biotech Alike

Asia asset sourcing remains at record levels, with ~$115B of licensor deal value in 2026YTD and 55% of partnership upfronts, even as BINSA/COINS injects new policy uncertainty into China-linked transactions

34% of Pharma and SMID-Cap Partnering with Asia[1]



Meaningful Growth in Upfront to Asian Licensors



Q3 2026 Activity with Asian Licensors[2]

Asset-Focused Partnerships

7/14/26 — $1,500M ($600M Upfront) | Small Molecule | Marketed | Target: EGFR
Dizal 迪哲 / AstraZeneca

9/28/26 — $2,130M ($400M Upfront) | Small Molecule | Preclinical | Target: KRAS G12D
SciBrunch Therapeutics / MERCK

9/29/26 — $2,600M ($300M Upfront) | ND | Phase I Ready | Target: GLP-1/GIP
HENGRUI / novo

7/8/26 — $1,900M ($200M Upfront) | Small Molecule | Phase III | Target: PDE3/4
中國生物制藥有限公司 SINOBIOPHARMACEUTICAL LIMITED / AstraZeneca

8/24/26 — $2,300M ($190M Upfront) | Peptide | Phase I | Target: CRFR2
Hanmi / Roche

8/3/26 — $2,093M ($125M Upfront) | ADC | Phase III | Target: TROP2/HER3
康宁杰瑞 ALPHAMAB / PATHOS

9/3/26 — $1,295M ($110M Upfront) | ATTC | Preclinical | Target: KRAS-EGFR
HUTCHMED / GSK

9/1/26 — $1,530M ($75M Upfront) | Trispecific TCE | Preclinical | Multi-Target
ZAIMING Simcere / Roche

8/5/26 — $37M ($3M Upfront) | Small Molecule | Phase III | Target: β-AR
AUSON PHARMACEUTICALS / eton PHARMACEUTICALS

7/14/26 — $1,100M (Upfront ND) | Antibody | Phase I | Target: CD40L
Innovent / SPERO THERAPEUTICS

9/28/26 — $560M (Upfront ND) | Antibody | Phase II | Target: IL-33
Tanabe Pharma / TOLERANCEBIO

7/21/26 — $31M (Upfront ND) | Protein | ND | Target: IFNAR1/2
LEE'S PHARM. 李氏大藥廠 / Ashlins

Discovery- and Preclinical-Stage Collaborations

9/24/26 — $3,350M ($100M Upfront) | ND | Preclinical | 5 Targets
INNOCARE 诺诚健华 / Lilly

7/2/26 — $1,770M ($30M Upfront) | siRNA | Discovery | Multi-Target
CSPC / AstraZeneca

8/28/26 — $1,045M ($45M Upfront) | ADC | Preclinical | Multi-Target
DualityBio / Roche

Asia Asset NewCo Formations[3]

7/14/26 — $320M (Private Placement) | Phase I | Target: IL-23R
HANSOH PHARMA / AVERE Therapeutics
License: $2,300M / $120M upfront

9/9/26 — $225M (Series A) | Phase II | Target: CTLA-4
HARBOUR BIOMED / SOLSTICE Oncology
License: $1,205M / $100M upfront

8/25/26 — $83M (Series A) | Preclinical | Targets: ND
HAISCO / Sentivera
License: $1,536M / $76M upfront

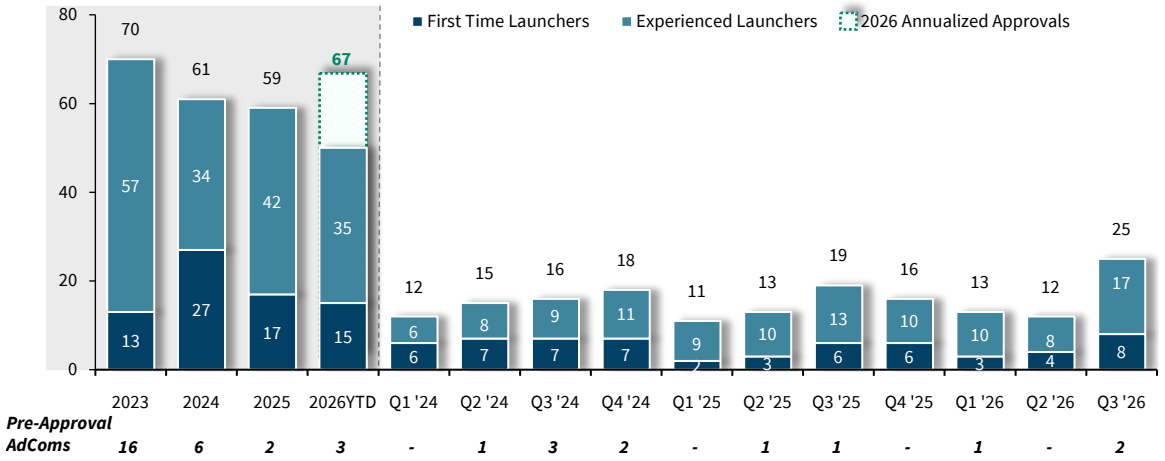
Source: Company press releases and SEC filings as of September 30, 2026.
Note: Excludes partnerships in which Astellas, Daiichi-Sankyo, Otsuka, and Takeda are licensors, partnerships with undisclosed financials or total financials below $20M, and partnerships in which both licensor and licensee are Asia-headquartered. ND = Not Disclosed.
(1) Includes partnerships for assets and development programs involving an Asia-headquartered licensor and ex-Asia licensee covering regions WW or US ex-Asia.
(2) Asset-focused partnerships ordered by upfront size; collaborations by total deal value; NewCo formations by financing size.
(3) NewCo formations are also licensing partnerships, counted once here; license terms shown on tombstone.

FDA Approval and First-Time Launcher (FTL) Trends

Against a shifting FDA backdrop of leadership change and the renewed use of AdComs, Q3 nonetheless delivered a run of early approvals, with several companies converting prior setbacks into clearances (Replimune, Outlook, Ultragenyx)

Delayed PDUFA Date
Resubmission following CRL

FDA Approvals by Quarter



Select Upcoming Q4 2026 SMID-cap PDUFA Dates

Company	Product	Indication	Modality	PDUFA Date
INOVIO	INO-3107	Recurrent respiratory papillomatosis	DNA immunotherapy	10/30/2026
Summit	Ivonescimab	EGFRm NSCLC (post-TKI)	Bispecific Antibody	11/14/2026
Savara	MOLBREEVI	Autoimmune pulmonary alveolar proteinosis	Recombinant Protein	11/22/2026
Capricor	Deramiocel	DMD cardiomyopathy	Cell Therapy	11/22/2026[2]
BridgeBio	BBP-418 (ribitol)	LGMD2i / R9	Small Molecule	11/27/2026
Nuvalent / GSK	Neladalkib	TKI pre-treated advanced ALK-positive NSCLC	Small Molecule	11/27/2026
PolyPid	D-PLEX$_{100}$	SSIs in abdominal colorectal surgeries	Small Molecule	11/28/2026
Cogent	Bezuclastinib (+ sunitinib)	Gastrointestinal stromal tumors	Small Molecule	11/30/2026
Exelixis	Zanzalintinib (+ atezolizumab)	Metastatic colorectal cancer	Small Molecule	12/3/2026
Vanda	Imsidolimab	Generalized pustular psoriasis	Antibody	12/12/2026
Mineralys	Lorundrostat	Hypertension	Small Molecule	12/22/2026
Praxis	Relutrigine	SCN2A and SCN8A DEE	Small Molecule	12/27/2026
Cogent	Bezuclastinib	Non-advanced systemic mastocytosis	Small Molecule	12/30/2026
Arcellx / Gilead	Anito-cel	Multiple myeloma	CAR-T Cell Therapy	Dec 2026

Q3 2026 SMID-cap PDUFA Outcomes

CNPV ★
AdCom ☆

Company	Product	Indication	Modality	Outcome	Date	Evaluator	
Vera	Atacicept	IgA nephropathy	Fusion Protein	Approved	7/7/2026	CDER	
Celcuity	Gedatolisib	HR+/HER2−/PIK3CA-WT advanced breast cancer	Small Molecule	Approved	7/14/2026	CDER	
Nuvalent/GSK[1]	Zidesamtinib	ROS1+ NSCLC	Small Molecule	Approved	7/22/2026	CDER	
Outlook	ONS-5010	Neovascular age-related macular degeneration	Antibody	Approved	7/24/2026	CDER	
Moderna	mRNA-1010	Influenza	Vaccine	Approved	8/5/2026	CBER	☆
Replimune	RP1	Advanced melanoma	Oncolytic Virus	Approved	8/6/2026	CBER	☆
Ultragenyx	DTX-401	Glycogen storage disease type 1a	Gene Therapy	Approved	8/19/2026	CBER	
Revolution Med.	Rasonque	Metastatic pancreatic cancer	Small Molecule	Approved	8/26/2026	CDER	★
Ionis	Zanvastro	Alexander disease	Antisense Oligo	Approved	9/3/2026	CDER	
Scholar Rock	Isembyld	Spinal muscular atrophy	Antibody	Approved	9/11/2026	CDER	
Ultragenyx	Fayuvi	Sanfilippo syndrome Type A	Gene Therapy	Approved	9/17/2026	CBER	
Mirum / Incyte	Zilurgisertib	Fibrodysplasia ossificans progressiva	Small Molecule	Approved	9/25/2026	CDER	

FDA Leadership Update

Dr. Heidi Overton



Commissioner Nominee

Education: MD (New Mexico); PhD and Residency (Johns Hopkins)

Professional: White House Domestic Policy Council deputy director; chief policy officer at the America First Policy Institute

Dr. Michael Davis



CDER Director

Education: MD, PhD (Case Western); Residency (UCLA)

Professional: FDA Office of New Drugs 2016–22; CMO, psychedelics nonprofit; CDER deputy then acting director since May

Karim Mikhail



CBER Director

Education: B. Pharmacy (Cairo); MSc Biopharma Management (ESCP Paris)

Professional: 20+ years at Merck in various commercial roles; CEO, Amarin; FDA senior advisor then acting director since May

Source: FDA.gov, Company press releases, SEC Filings, FactSet, and William Blair analysis as of September 30, 2026.
Note: PDUFA dates exclude label extensions, supplemental applications, and only include PDUFAs of NCEs/NMEs that are submitted via BLA/NDA (excluding diagnostics, biosimilars, generics, source plasma and 505b2s without clinical trial data).
(1) On July 25, 2026, GSK completed its $10.6 billion acquisition of Nuvalent.
(2) On August 24, 2026, Capricor announced the FDA extended its PDUFA target action date for deramiocel to November 22, 2026, following its July 2026 Advisory Committee meeting.

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Healthcare Leveraged Finance



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Select Q3 2026 Bookrun Biopharma Transactions

$574,999,990	$400,001,285	$390,000,000	$201,249,995	$125,000,000	$100,000,025	$143,749,950
VIKING THERAPEUTICS	TYRA	BRIDGEBIO	SILENCE THERAPEUTICS	tarsus	ALTO NEUROSCIENCE	NEUROGENE
Follow-on Offering & Convertible Senior Notes	Follow-on Offering	Follow-on Offering	Follow-on Offering	PIPE	Registered Direct	Follow-on Offering
September 2026	September 2026	August 2026	August 2026	August 2026	July 2026	July 2026

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