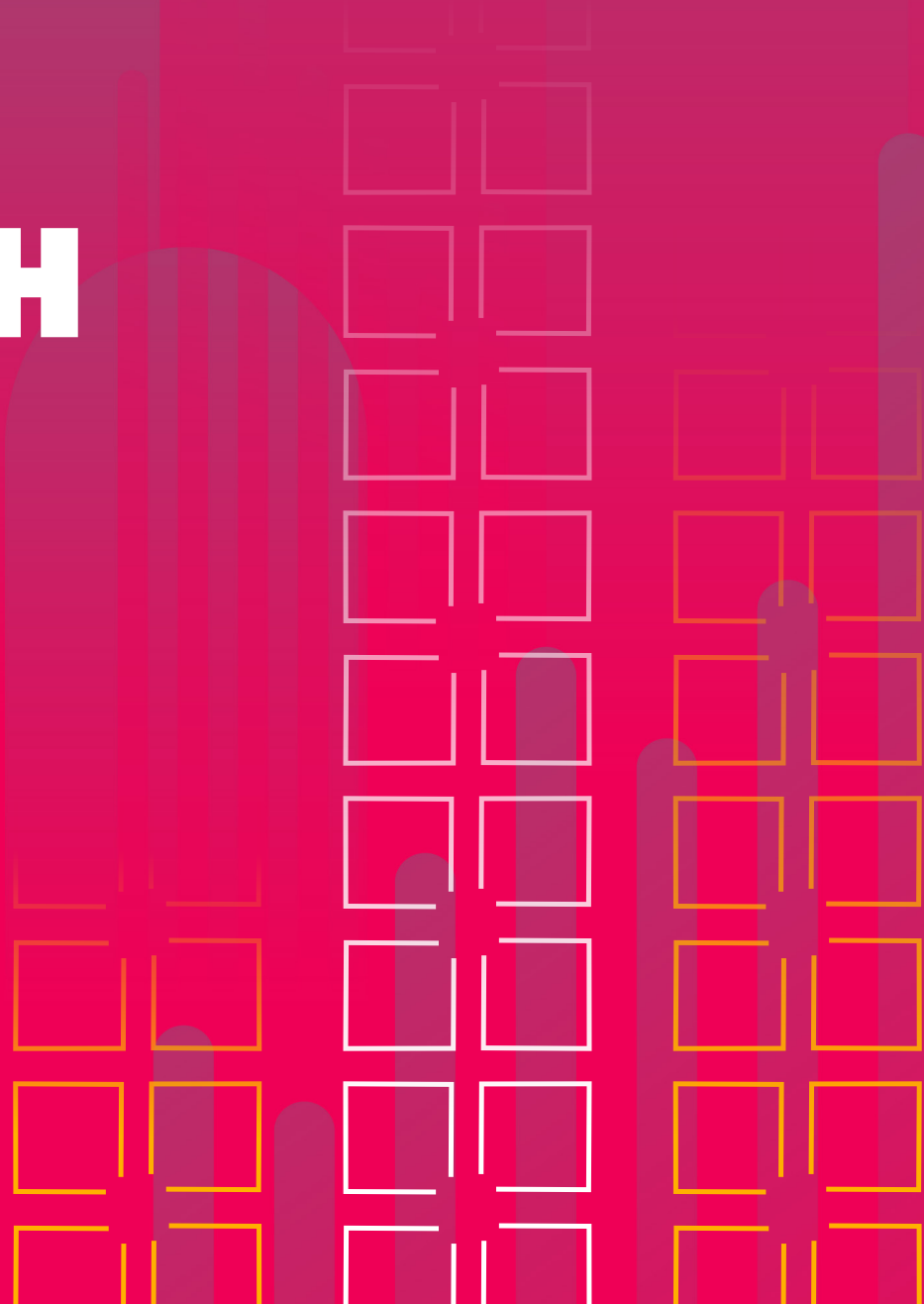


2025 TECH VENTURE REPORT



2025 TECH
VENTURE REPORT

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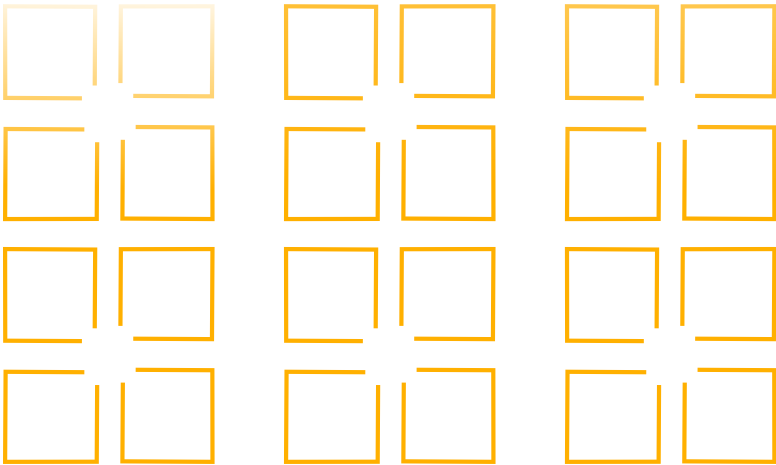
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INTRODUCTION

THIS REPORT OFFERS AN IN-DEPTH LOOK INTO THE EVOLVING DYNAMICS OF VENTURE CAPITAL INVESTMENT ACROSS VARIOUS SECTORS, WITH A SPECIAL FOCUS ON THE TECH SECTOR AND ACTIVITY WITHIN OUR STATE.

New this year, the TechPoint team also has included the top venture capital deals and top M&A / IPO deals of 2025. These deals represent the finalists for the Deal of the Year Mira Award, which will be announced on stage on April 24, 2026 at Allied Solutions Center for the Performing Arts. **We hope to see all of our community members there to celebrate!**

After several years defined by rapid expansion followed by sharp correction, 2025 marked a year of calibration in venture capital. Investors entered the year with continued caution and exited it with greater clarity on pricing, risk tolerance and where value is being created. The result was a more disciplined and intentional venture environment, though still lagging on exit activity.

In Indiana, this recalibration was highly evident. While total capital deployed remained below the highs of the 2021–2022 cycle, 2025 demonstrated increasing alignment between founders and investors on valuations, capital efficiency, and time horizons. Deal activity reflected a maturing market that is prioritizing product resilience, customer traction and capital stewardship over “growth at all costs.”

At the national level, venture capital activity in 2025 continued to be shaped by

technology, even as non-tech sectors such as life sciences demonstrated strength. Artificial intelligence (AI) remained a dominant force in venture narratives and capital allocation, but investor behavior increasingly differentiated between AI-native platforms and companies using AI as an enabling layer within broader technology solutions. This distinction became critical as investors focused on defensibility and realistic paths to revenue.

In 2025, Indiana’s tech venture ecosystem demonstrated resilience through disciplined capital deployment and growing alignment with national investor expectations. As the market looks toward 2026, the signals point to an environment that is more selective and ultimately more sustainable: one where technology innovation remains central, but where success is defined by execution, efficiency and long-term value creation.



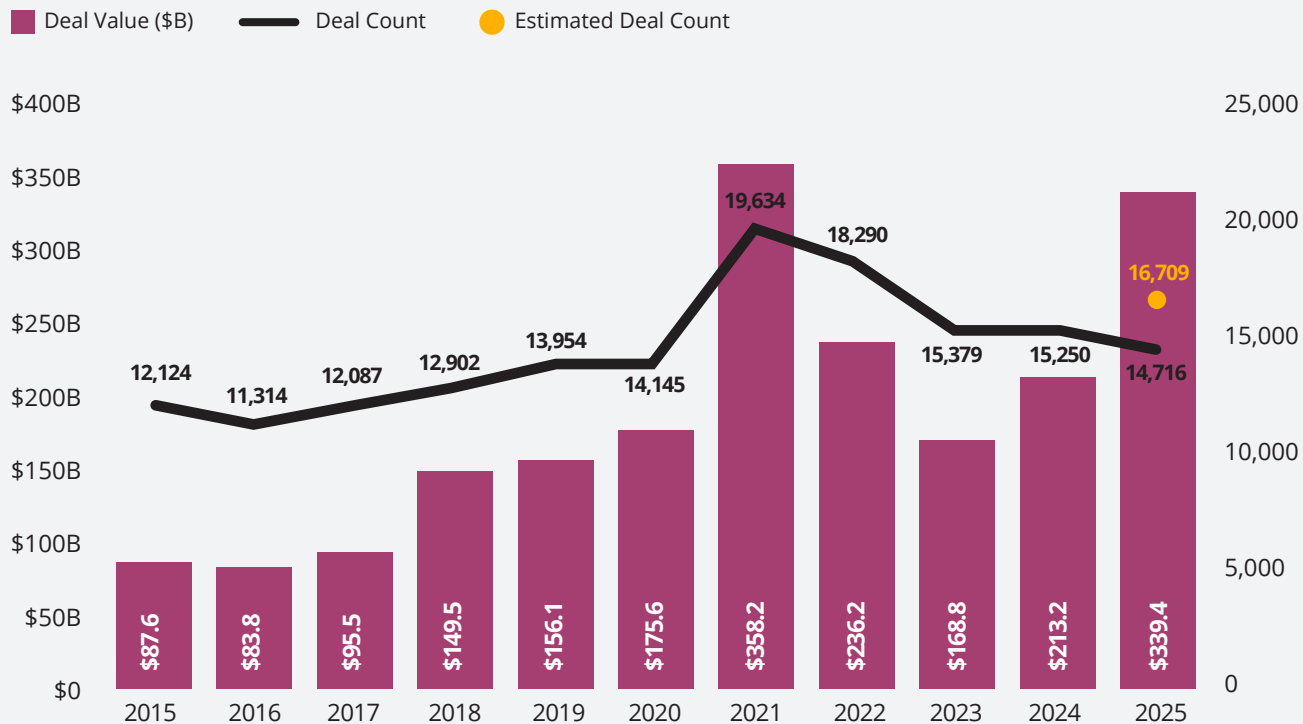
This report examines these trends in detail, placing Indiana’s tech venture activity in national context while highlighting the data, dynamics and signals that will shape the next phase of growth for the state’s innovation ecosystem.

We would like to share deep gratitude with our team at TechPoint, our partners, and all the contributors who have made this report possible. Your unwavering commitment to Indiana continues to drive our collective growth.

NATIONAL VENTURE MARKET OVERVIEW



US VC DEAL ACTIVITY BY YEAR



Source: PitchBook Data as of 12/31/2025

National venture capital activity in 2025 continued to be shaped by the long-term reset that began in late 2022, with technology remaining the primary driver of venture investment across stages.

While total capital deployed remained below peak levels, the year marked a transition from broad-based contraction to a more disciplined equilibrium. Investors were focused on selectivity, pricing clarity and portfolio durability.

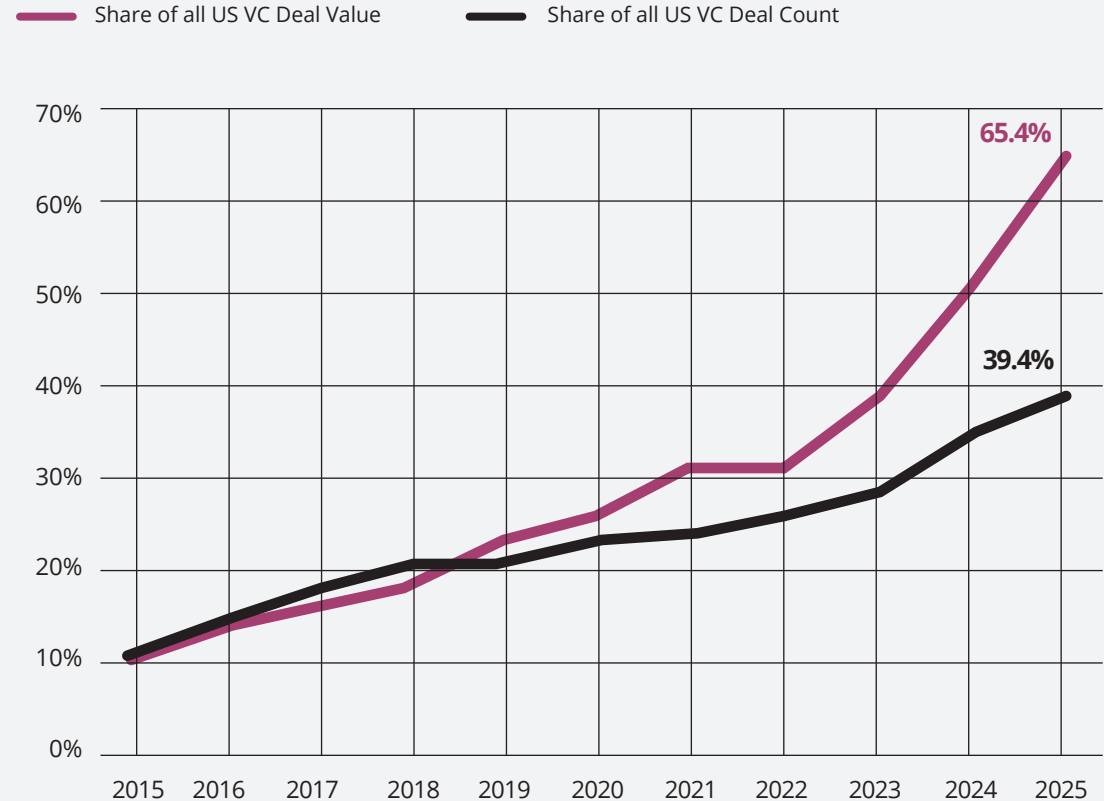
INVESTORS IN 2025 MADE FEWER, MORE SELECTIVE BETS

Compared to the first half of the year, the national venture market in the second half of 2025 demonstrated greater consistency in deal pacing and valuation expectations. Rather than a rebound in volume, investors emphasized conviction, resulting in fewer deals overall but a higher proportion of capital flowing to companies with proven traction, defensible technology and clear paths to revenue. In 2021, the average capital deployed per deal was \$18mm, whereas in 2025, the average was over \$20mm. This dynamic reinforced technology's central role in venture capital, even as enthusiasm became more targeted.

AI DROVE VC ACTIVITY

Artificial intelligence remained the most influential force shaping national venture narratives in 2025, but investor behavior increasingly reflected discernment rather than broad enthusiasm. Capital concentrated around AI-native platforms, infrastructure and data-layer technologies, while companies positioning AI as a feature rather than a core differentiator faced growing scrutiny. This distinction became especially apparent in later-stage deals, where investors evaluated technical defensibility, compute requirements and capital intensity more rigorously than in prior years.

AI SHARE OF ALL US VC DEAL COUNT AND DEAL VALUE



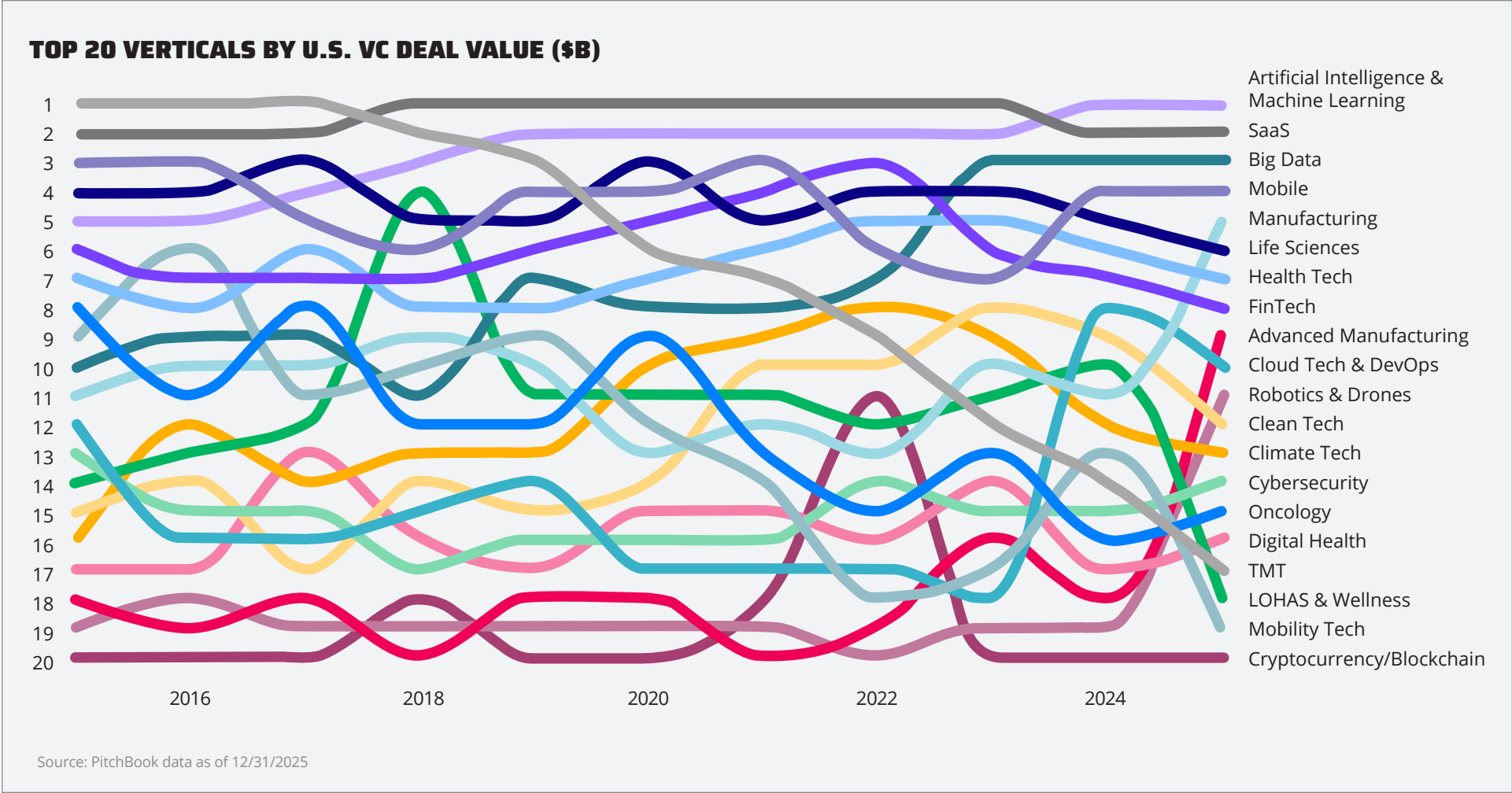
Source: PitchBook data as of 12/31/2025

Capital concentrated around AI-native platforms, infrastructure and data-layer technologies, while companies positioning AI as a feature rather than a core differentiator faced growing scrutiny.

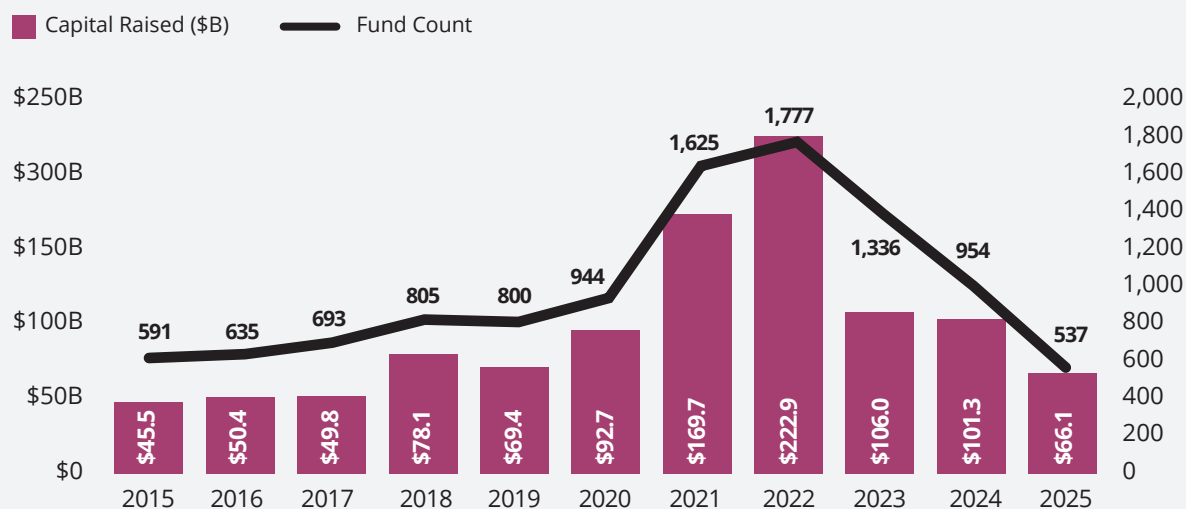
Beyond core technology sectors, life sciences emerged as a notable area of relative strength nationally.

While not traditionally grouped with technology venture capital, life sciences benefitted from continued institutional capital deployment, longer investment horizons, and less sensitivity to short-term public market volatility.

This performance stood in contrast to many consumer-facing and growth-stage technology segments, where fundraising timelines remained extended and round sizes compressed.



US VC FUNDRAISING ACTIVITY 2025

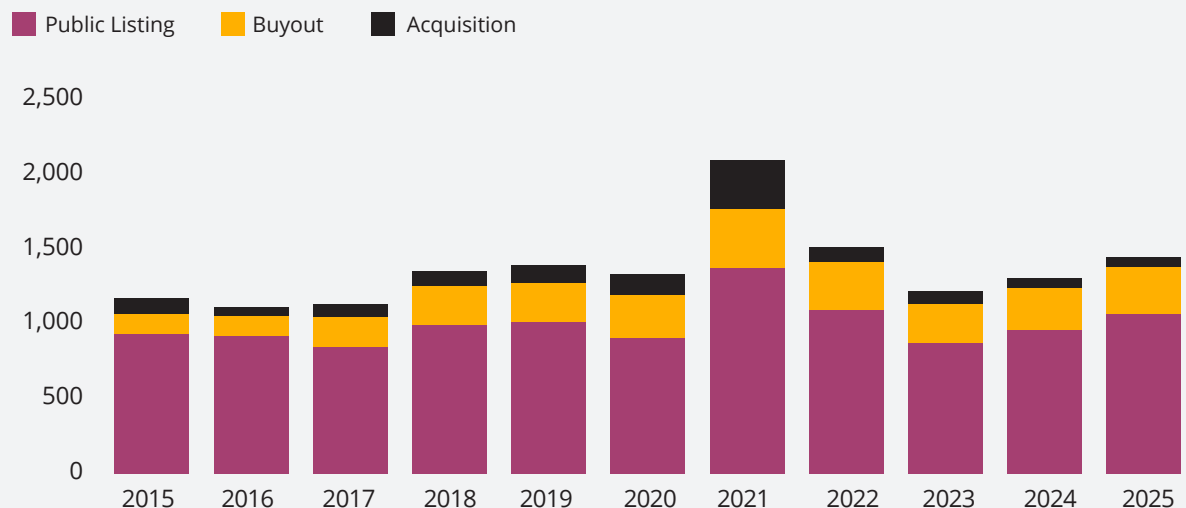


Source: Pitchbook data as of 12/31/2025

FUNDRAISING CONDITIONS REMAINED CHALLENGING

Compared to the first half of the year, the fundraising conditions for venture capital firms remained challenging throughout 2025. Nationally, new fund formation slowed, and many managers faced extended fundraising cycles as limited partners rebalanced portfolios and prioritized existing relationships. However, this environment also favored experienced fund managers with demonstrated track records, particularly those focused on early-stage technology investing and hands-on portfolio support. The result was greater capital concentration among established funds and fewer first-time vehicles reaching close.

US VC EXITS BY TYPE



Source: Pitchbook data as of 12/31/2025

MERGERS & ACQUISITIONS (M&A)

Exit conditions at the national level remained constrained, particularly for venture-backed technology companies. The IPO market showed limited reopening, and public market volatility continued to dampen expectations for near-term liquidity. In response, mergers and acquisitions became a more prominent — and pragmatic — exit pathway. Importantly, M&A activity increasingly reflected strategic alignment rather than distressed outcomes, signaling a shift in how success is defined during this phase of the venture cycle.

NATIONAL VC DYNAMICS PRIORITIZED CAPITAL EFFICIENCY

Based on this data, the national venture capital environment in 2025 underscored a return to fundamentals. Technology remained the engine of venture activity, but capital allocation reflected realism rather than exuberance. Investors prioritized capital efficiency, technical defensibility and execution discipline, while founders adjusted expectations around fundraising speed and exit timing. These national dynamics provide critical context for understanding how Indiana’s tech venture ecosystem performed in 2025 and where it aligned with broader market trends. Against this national backdrop of disciplined, technology-led venture investing, Indiana’s tech venture activity reflected broader market dynamics and several distinct strengths.

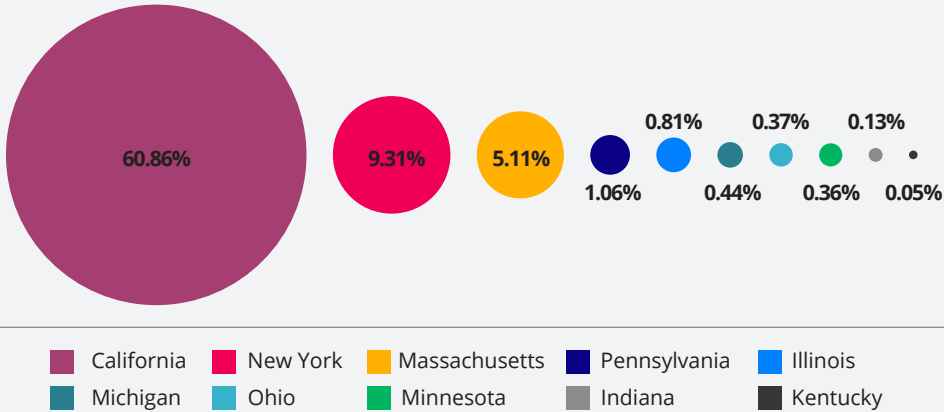
SCALE, CONCENTRATION AND REGIONAL POSITIONING

Venture capital investment in the United States remains highly concentrated, with a small number of states capturing a disproportionate share of total capital deployed. In 2025, California alone accounted for more than 60 percent of total U.S. venture capital by dollars invested, despite representing less than one-third of total deal count. New York and Massachusetts followed at a distant second and third, reinforcing the continued dominance of a handful of coastal ecosystems in large, late-stage venture financings.

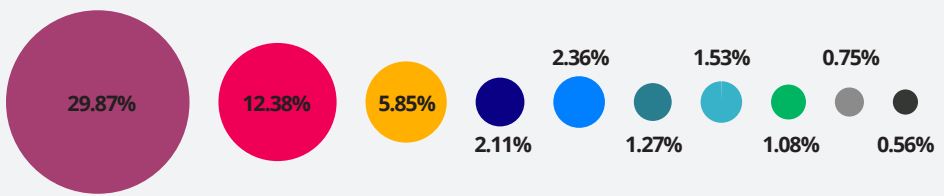
In 2024, Indiana achieved 1.21% share of deal count, and 0.5% share of deal value. Both metrics declined year over year due to the investments in AI increasing on the coasts. For emerging and mid-sized markets like Indiana, this dynamic reinforces the importance of early-stage capital access, strong syndication pathways and continued engagement with out-of-state investors as companies scale.

US STATE	DEAL VALUE (\$M)	DEAL COUNT
California	\$ 205,631.80	6,748
New York	\$ 31,444.70	2,797
Massachusetts	\$ 17,249.80	1,322
Pennsylvania	\$ 3,584.70	476
Illinois	\$ 2,735.50	534
Michigan	\$ 1,483.10	286
Ohio	\$ 1,251.90	346
Minnesota	\$ 1,210.90	243
Indiana	\$ 434.10	170
Kentucky	\$ 162.00	127

SHARE OF VC DEAL VALUE IN SELECT US STATES



SHARE OF VC DEAL COUNT IN SELECT US STATES



Source: Pitchbook data as of 12/31/2025

INDIANA TECH VENTURE MARKET



A YEAR OF CALIBRATION

Midway through the year, the 1H 2025 Indiana Tech Venture Report highlighted three defining dynamics:

- 1 Constrained capital deployment
- 2 Fewer but higher-conviction deals
- 3 Prolonged exit timelines

INDIANA-BASED TECH COMPANIES VENTURE DEALS IN 2025					
	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Totals
Deal Count	30	22	28	18	98
Deal Value (\$M)	59.6	102.12	52	76.85	290.57
Source: TechPoint analysis of PitchBook data as of 12/31/25					

In 2025, Indiana-based tech companies raised approximately \$290 million across 98 venture deals.

At year-end, those dynamics held, but with important evolution. Rather than continued contraction, the second half of the year showed signs of stabilization, with greater predictability in deal pacing and a clearer bifurcation between companies able to raise capital and those forced to pause or pivot.

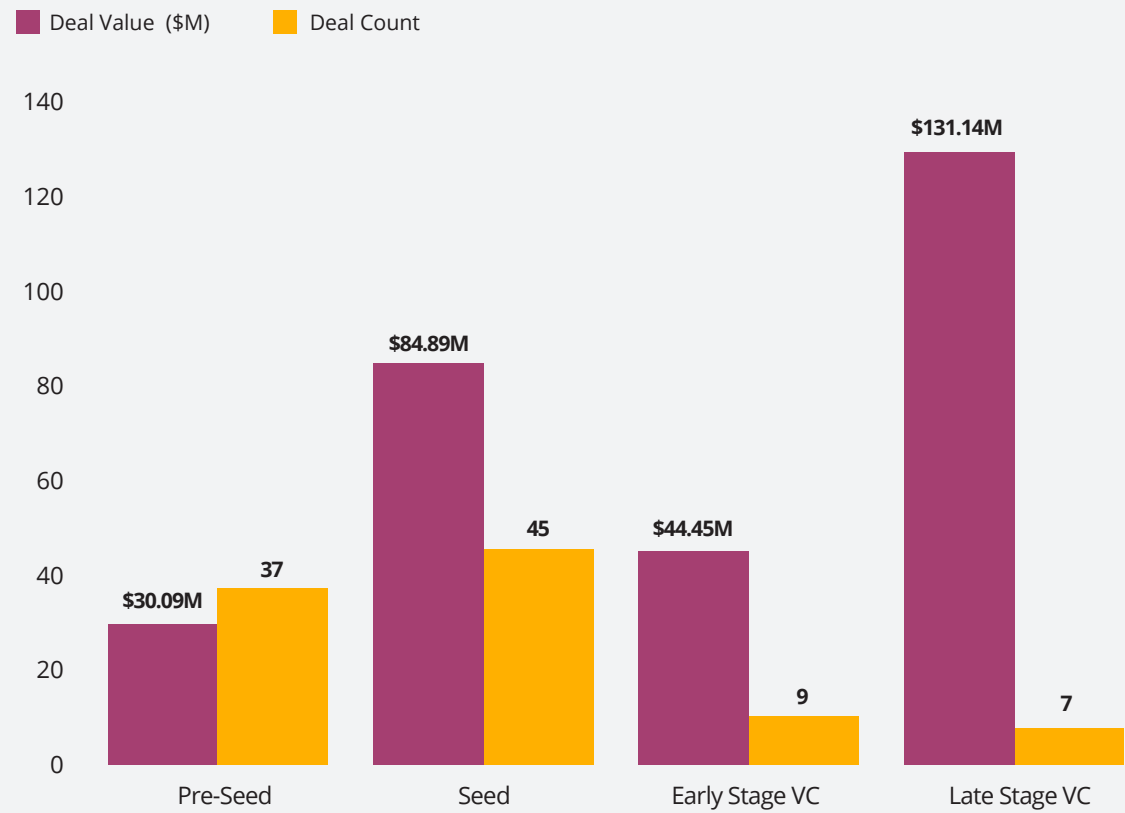
In 2025, Indiana-based tech companies raised approximately \$290 million across 98 venture deals, reflecting a decrease in total capital deployed and deal count compared to 2024. Overall, tech focused investments made up 77% of all venture capital investments in Indiana in 2025. While activity remained below peak-cycle levels, the distribution of capital and deal activity suggests a market that is stabilizing rather than contracting.

Indiana's tech venture ecosystem reflected these broader trends while maintaining several distinctive characteristics. Deal counts and capital deployment remained concentrated in early and mid-stage technology companies, particularly in software, data, automation and tech-enabled healthcare. While fewer large rounds closed compared to prior years, the deals that did close showed stronger syndication quality and increased participation from experienced out-of-state investors alongside Indiana-based capital.

SEED AND EARLY-STAGE DEALS DROVE DEAL ACTIVITY

The stage mix of tech venture deals in Indiana continued to evolve in 2025. Seed and early-stage activity remained active, supported by regional funds, angel networks and public-private capital sources. However, the transition from Seed to Series A remained a critical inflection point, with investors applying heightened scrutiny to go-to-market execution, unit economics and capital efficiency. Companies able to demonstrate clear customer demand and disciplined growth were rewarded, while others experienced longer fundraising timelines or reduced round sizes.

2025 INDIANA TECH VC ACITIVITY BY STAGE



Source: TechPoint analysis of PitchBook data as of 12/31/25

LIFE SCIENCES ENABLED TECH VC ACTIVITY IN INDIANA

Sector-level data from 2025 highlights continued concentration in core technology segments, alongside notable strength in agriculture and life sciences. Manufacturing and hardtech remained central to Indiana’s venture activity as well. This reflects the state’s growing base of technology-enabled companies serving industrial, healthcare and B2B markets.

VERTICAL	DEAL COUNT	DEAL VALUE (\$M)
Agbioscience	11	\$54.14M
Cybersecurity	6	\$12.34M
Life Sciences	16	\$43.88M
Tech Services	32	\$56.55M
Martech	7	\$16.94M
Fintech	6	\$15.08M
Manufacturing/ HardTech	10	\$68.74M
Other	10	\$22.9M

Source: TechPoint analysis of PitchBook data as of 12/31/25

INDIANA BENEFITTED FROM OUT-OF-STATE DOLLARS

While overall venture activity remained disciplined, Indiana tech deals in 2025 benefited from improved syndication quality. A greater share of capital came from experienced out-of-state investors co-investing alongside Indiana-based funds, reflecting increased confidence in select companies and more realistic valuation alignment. Indiana companies that raised capital in 2025 attracted participation from a distinguished group of out-of-state investors, including nationally recognized venture firms, global corporate venture arms and leading life sciences and deep-tech specialists. Notable participants included:

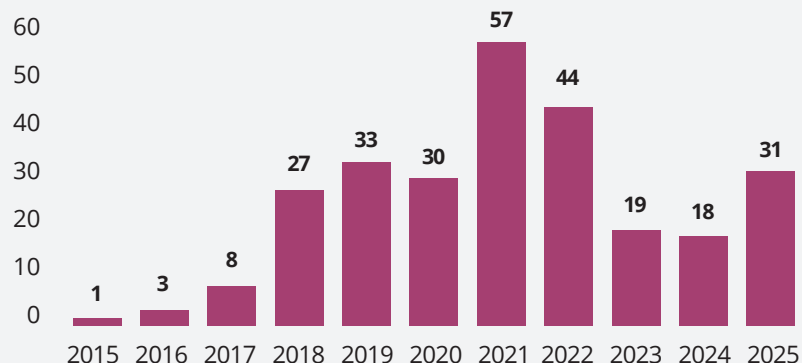
- Breakthrough Energy
- RA Capital Management
- Google for Startups
- ServiceNow Ventures
- Anterra Capital
- Kapor Capital
- Northwestern Mutual Future Ventures
- Gates Foundation

This level of external engagement signals growing confidence from sophisticated, long-term investors in select Indiana-based technology companies, suggesting that while fewer companies raised capital, those that did were more likely to attract institutional-grade syndicates with the capacity to support future rounds.

INDIANA'S EXIT ACTIVITY REMAINED MUTED

Sector-level data from 2025 highlights that continued concentration in core Exit activity remained muted in 2025, particularly for venture-backed technology companies in Indiana. Public market volatility and limited IPO windows constrained traditional liquidity paths, while mergers and acquisitions emerged as a more pragmatic, and increasingly strategic, option. For founders and investors alike, exits were less about timing market peaks and more about finding durable, mission-aligned outcomes. This shift has important implications for employee liquidity, capital recycling, and long-term ecosystem health.

INDIANA TECH EXIT DEAL COUNT YEAR-OVER-YEAR



Source: TechPoint analysis of PitchBook data as of 12/31/25

KEY TAKEAWAYS IN INDIANA IN 2025:

- Capital deployment remained disciplined
- Deal activity concentrated around early and mid-stage technology companies
- Exit conditions stayed constrained

In the face of these headwinds, the ecosystem continued to support high-quality innovation across software, data, automation, tech-enabled healthcare and life sciences.

While fewer companies raised capital, those that did were more likely to secure aligned syndicates, demonstrate capital efficiency, and attract investors with long-term conviction. As the market enters 2026, Indiana's tech venture ecosystem is positioned to convert disciplined investment and sector depth into durable growth.

2025 DEAL HIGHLIGHTS & DEAL OF THE YEAR FINALISTS



In a year defined by selectivity and disciplined capital deployment, the deals that stood out in 2025 did so not by sheer size alone, but by strategic significance, execution quality, and long-term impact.

The following venture capital financings and exit events represent the most notable technology-driven transactions involving Indiana companies this year, reflecting investor conviction, sector strength, and durable value creation amid a constrained market environment.

Together, these top venture rounds and M&A and IPO outcomes serve as TechPoint's 2025 Deal of the Year Mira Award finalists, recognizing companies whose transactions exemplify excellence in innovation, capital strategy and market impact during a challenging venture year.



TECHPOINT

MIRA
AWARDS

TOP VENTURE CAPITAL DEALS



SORTERA

SORTERA TECHNOLOGIES

LATER STAGE VC | \$45M

Sortera Technologies of Markle, Indiana, announced a \$45M raise in November. Sortera is an aluminum sorting company with an upcycling platform powered by artificial intelligence, data analytics and advanced sensors. The funding was advised by T. Rowe Price Associates and VXi Capital, with participation from Yamaha Motor Ventures and Overlay Capital; with an additional equipment funding from Trinity Capital. This funding fuels Sortera's next phase of growth as a major domestic supplier of metals upcycled from waste. In addition to the funding, Sortera is announcing plans for its second state-of-the-art processing facility in Lebanon, Tennessee. This expansion will bring Sortera's innovative recycling solutions closer to its growing customer base.



FIBER GLOBAL

FIBER GLOBAL

EARLY STAGE VC | \$20M

Fiber Global, a Brownsburg-based pioneer in sustainable building materials, announced a \$20 million Series A raise. The round was led by DBL Partners, with Founder and Managing Partner Ira Ehrenpreis joining the Board of Directors. The capital will support Fiber Global's mission to transform abundant global waste streams into scalable, sustainable building materials, starting with expansion of its U.S. manufacturing footprint.








BIOMEDIT

SERIES B | \$18.6M

Greenfield-based BiomEdit announced an \$18.4M Series B raise, led by Anterra Capital, with follow-on investment from Nutreco and new participation from AgriZeroNZ, Indiana's Elevate Ventures, and Betagro Ventures, among others. BiomEdit is an animal health microbial biotechnology company leveraging the power of the microbiome and synthetic biology to develop next-generation solutions for livestock and pet health.

TOP M&A / IPO DEALS

				
<p>METRONET ACQUIRED BY T-MOBILE US</p> <p>T-Mobile invested \$4.9B to acquire Metronet's broadband business. This includes a 50% stake in the new joint venture where T-Mobile is responsible for acquiring and servicing residential business while Metronet is tasked with network deployment and engineering.</p>	<p>SEI FAMILY OFFICE SERVICES ACQUIRED BY AQUILINE CAPITAL</p> <p>Philadelphia's SEI (NASDAQ:SEIC) in 2017. Archway's primary objective is helping private wealth management firms better serve their ultra-high-net-worth clients through a single, integrated technology offering. In February of 2025, SEI sold its family office services business (which included Archway) to Aquiline of New York City for \$120M. This new business will move forward with the Archway name.</p>	<p>GEOH ACQUIRED BY COUNCIL CAPITAL & BOOMERANG VENTURES</p> <p>Council Capital of Nashville, Tennessee, made a majority investment in Indianapolis-based GeoH. Council Capital led the growth equity investment of over \$30M with additional participation from Boomerang Ventures and VisionTech Partners of Indianapolis, and First Leaf Capital of Champaign, Illinois. GeoH is a provider of practice management software and services for home care agencies.</p>	<p>SPRINGBUK ACQUIRED BY TRUVEN HEALTH ANALYTICS</p> <p>Springbuk, a data and analytics partner for health benefits and point solutions founded in Indianapolis in 2015, was acquired by Truven for an undisclosed amount. Truven by Merative is a portfolio of healthcare analytics and real-world data solutions. Financial details of the acquisition were not disclosed publicly.</p>	<p>TRS GROUP ACQUIRED BY PARSONS</p> <p>Parsons Corporation (NYSE: PSN) of Chantilly, Virginia announced their acquisition of TRS Group, Inc. of Indianapolis. TRS Group provides thermal remediation technologies for the volatilization of organic contaminants from soil, bedrock, and groundwater in North America, South America, and Europe. The acquisition was an all-cash transaction valued at \$36 million.</p>

INDIANA VENTURE DATA REPORTING

Our data tracking relies on multiple sources, including primary data through deal monitoring activities as well as secondary sources like PitchBook and Carta. We aggregate and cross reference such data to ensure high-quality reporting.

To help ensure quality data, we invite you to share your investment or exit transactional information with us by emailing Chelsea@techpoint.org.

METHODOLOGIES

Because private market transactional activity is usually kept confidential and is challenging to track, we rely on PitchBook data and charts to show historical trends. The PitchBook data sets have gone through a high-level validation process by TechPoint to ensure we are accurately including tech and tech-centric companies, as opposed to traditional industries that are using technology products. For data labeling consistency, we did not change PitchBook’s labeling between PE and VC for instance, even though cross-over investors have been investing across stages. Instead, we include tech PE, VC, M&A and IPOs in Indiana for the last decade.



DEFINITIONS	
PRE-SEED	Less than \$500,000, without identifiable investment by professionally-managed pool of capital primarily for financial returns. Funds with dual-mandates will account for professionally-managed pool of capital only when it's co-investing with other venture capital firms.
SEED	\$500,000 to \$5 million without identifiable investment by professionally-managed pool of capital primarily for financial returns.
EARLY STAGE VC	\$1 million - \$10 million with identifiable investment by professionally-managed pool of capital primarily for financial returns.
LATE STAGE VC	\$10 million+ with identifiable investment by professionally-managed pool of capital primarily for financial returns.
VERTICAL	Rely primarily on PitchBook vertical definitions

The background is a solid dark pink color. It is decorated with several lighter pink and red rounded rectangular shapes of varying sizes, some of which are stacked. Additionally, there are numerous vertical bars of different heights and widths in shades of pink and red, creating a stylized, modern architectural or data-like pattern.

TECHPOINT