

Digital health applications (DiGA)

Market overview and M&A activities
in Germany

2025



Executive Summary

The still relatively young market for digital health applications already offers high consolidation potential today and clear exit routes to strategic investors

1

Digital health applications (DiGA) have become a permanent part of the German healthcare landscape since their introduction in 2020. With over 1 million doctor-prescribed or approved applications by the end of 2024 and statutory health insurance (GKV) expenditures of around EUR 234m, a considerable sub-market for digital therapy forms has been established. Applications in the areas of mental health, metabolic diseases, and musculoskeletal disorders are in particularly high demand; together, they account for more than 70% of total service expenditures.

2

Despite continued growth, it is becoming apparent that the market is entering a phase of consolidation and shakeout. Of a total of 72 approved DiGA, 15 have already been removed, and a growing number of providers are in financial distress. Several prominent insolvencies, including Cara Care, aidhere (zanadio), Mika and Kontina, highlight the structural challenges of a market that until now has been sustained primarily by seed funding and limited reimbursement amounts.

3

At the same time, new opportunities are emerging in this phase: for pharmaceutical companies and healthcare service providers, attractive entry options are opening up to systematically integrate digital therapy offerings into existing value chains. Numerous M&A transactions over the past 18 months, such as those involving Selfapy, Sonormed or Mawendo, demonstrate the growing strategic interest of established players in digital therapy platforms.

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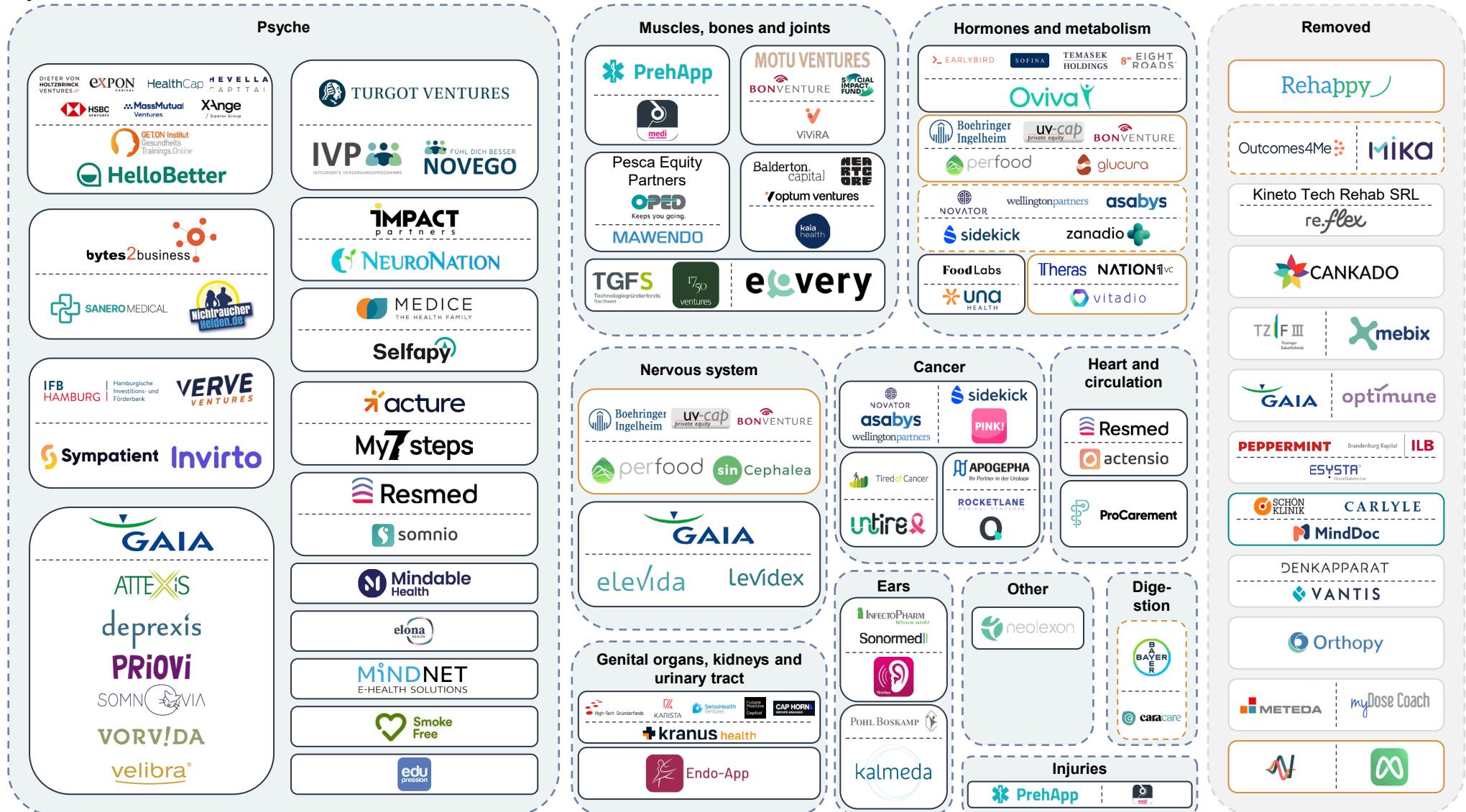
Clear and quickly achievable synergies, for example in sales and development or on the cost side in certification, administration, and support, between individual DiGA providers open up exciting platform-building opportunities for private equity. In addition, the larger market participants already show high margins and strong cash conversion.

5

The market for digital health applications is comparatively young and therefore offers substantially higher growth opportunities than other sectors in healthcare. In addition, many applications are scalable internationally, as other countries have now also created conditions for the reimbursement of digital therapy formats.

Overview of providers and investors in the DiGA sector...

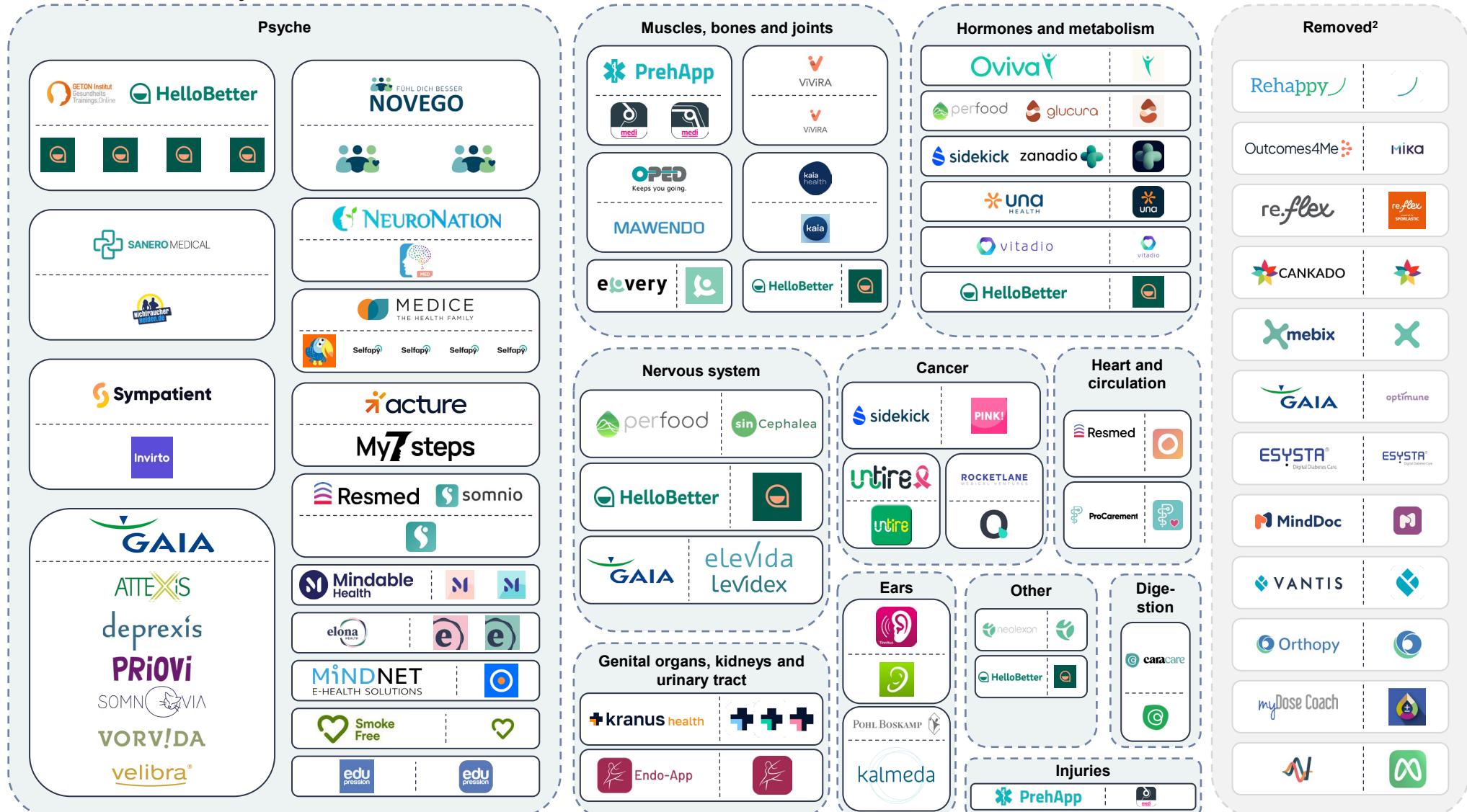
DiGAs are mainly backed by VCs, public investors, and healthcare/pharma players, and are often still held by the founders



Sources: Bundesinstitut für Arzneimittel und Medizinprodukte; Investec Research

... as well as the associated applications

A total of 73 DiGA have been approved, of which 15 were removed again, 46 were permanently and 12 were provisionally included¹



Sources: Bundesinstitut für Arzneimittel und Medizinprodukte; Investec Research

(1) There are duplicate listings of DiGAs; (2) Selfapy has two removed applications; perfood has one removed application; kaia health has one removed application.

M&A transactions in the DiGA sector (1/2)

DiGAs are becoming increasingly interesting as acquisition targets for pharmaceutical companies looking to expand their digital health offerings, with insolvencies and partnerships providing attractive opportunities

Datum	Target	HQ	Target Description	Buyer	HQ	Rationale
06/25			Mika offers symptom management / behavioral interventions as well as support for cancer patients	Outcomes4Me 		Insolvency Expansion of the digital oncology and patient support toolkit
04/25			Mawendo offers movement-based therapy and support for people with musculoskeletal conditions	OPED Keeps you going. 		Exit Investment in digital follow-up treatment concepts and strengthening of outpatient care structures
03/25			Selfapy offers several CE-certified DiGA for mental health (e.g., depression, anxiety disorders)			Exit Diversification of the pharmaceutical business model through digital therapies
01/25			Sonormed developed the Meine Tinnitus App, a DiGA for tinnitus treatment			Exit Integration of a digital tinnitus therapy into the portfolio
01/25			My7Steps offers psychological online counseling and support for mental strain			Exit Supplementing insurance and healthcare services with an exclusive advisory approach
12/24			Cara Care is a DiGA for irritable bowel syndrome (IBS) that combines nutrition, psychology, and other approaches			Exit Expansion of the digital self-care portfolio

Sources: Investec Research, Mergermarket

M&A transactions in the DiGA sector (2/2)

DiGAs are becoming increasingly interesting as acquisition targets for pharmaceutical companies looking to expand their digital health offerings, with insolvencies and partnerships providing attractive opportunities

Datum	Target	HQ	Target Description	Buyer	HQ	Rationale
06/24	 PINK!		PINK! offers digital support programs for breast cancer patients	 sidekick		Exit Expansion of the digital therapy offering in oncology and women's health
03/24	 caracare		Cara Care is a DiGA for irritable bowel syndrome (IBS) that combines nutrition, psychology, and other approaches	 mahana THERAPEUTICS		Insolvency Acceleration of market entry in Europe
10/23	 aidhere zanadio 		aidhere is developing zanadio, a permanently approved DiGA for the treatment of obesity (BMI 30-40)	 sidekick		Insolvency Expansion of the digital therapy offering in the field of metabolism
09/23	 aidhere 		Kontina is a digital therapy app for the treatment of overactive bladder (OAB)	 APOGEPHA Ihr Partner in der Urologie		Insolvency Expansion of the portfolio in the area of digital therapies for urological diseases
05/23	 mynoise® Meine Tinnitus-Therapie 		mynoise is the manufacturer of Kalmeda, a permanently approved DiGA for the treatment of chronic tinnitus with class 1 evidence	 POHL BOSKAMP		Exit Integration of a digital tinnitus therapy into the portfolio
08/22	 mementor health applications 		mementor is the developer of somnio, a permanently approved DiGA for the treatment of insomnia	 Resmed		Exit Strengthening the digital sleep portfolio, closing the gap in insomnia therapy

Sources: Investec Research, Mergermarket

Possible exit opportunities for DiGAs

Why DiGAs are strategically relevant for different buyer groups

	Private Equity / Growth Investors	Strategic Buyers: Pharma	Strategic Buyers: Digital Health
Possible investors	 Afinum   Gimv   NORDIC CAPITAL 	        	        
Investor rationale	<ul style="list-style-type: none"> Growth and scaling potential: DiGAs offer recurring revenues through reimbursement by health insurers and increasing user numbers, ideal for exit-oriented financial investors. Roll-up and consolidation opportunities: The fragmented DiGA market allows building platforms by acquiring multiple providers, which creates value in a way typical for private equity. Attractive exit options: Acquisitions by pharma, medtech, or strategic digital health platforms are likely, so a clear exit path exists. 	<ul style="list-style-type: none"> Portfolio diversification and therapy expansion: DiGAs enable pharmaceutical companies to offer digital companion therapies alongside traditional drugs, increasing patient retention and generating better outcome data. Access to valuable real-world data: Use of patient data for research, clinical trials, and real-time evidence generation provides regulatory and marketing advantages. Strategic market advantage in the growing digital health segment: Early investments in DiGAs secure a strong position versus competitors and strengthen patient care in the digital environment. 	<ul style="list-style-type: none"> Integration into existing platforms or MedTech products: DiGAs can be integrated as a service or software extension into devices, telemedicine solutions, or digital patient portals. Strengthening patient retention and quality of care: Insurers or platforms can use DiGAs to measurably improve adherence, prevention, and outcomes. Market advantage through differentiation and innovation: Early involvement in DiGAs enables the creation of an innovative ecosystem and clear differentiation from competitors.
Summary	<p>DiGAs are the key to securing market share in the digital health market, unlocking new revenue streams, and building long-term patient loyalty, with each investor group able to activate different strategic levers here.</p>		

Source: Investec Research

High synergy potential from bundling DiGAs

Some providers are already bundling multiple applications from different sectors and, as a result, achieving operational and strategic synergies

	Shared sales channel	<p>Rationale: General practitioners are the key gatekeepers for DiGA prescriptions; a doctor will only recommend a limited number of new applications per patient, often due to lack of awareness. If several DiGAs from one portfolio are offered, the likelihood increases that the doctor will prescribe multiple DiGAs for different patients.</p> <p>Example: Instead of presenting a doctor with only one DiGA for “sleep therapy”, a “stress management” and an “exercise app” can be prescribed at the same time. The sales contact only has to be established once, enabling cross-selling effects.</p>
	Compliance synergies	<p>Rationale: DiGA manufacturers generally need several certifications such as C5 (standard of the German Federal Office for Information Security), ISO 27001, BSI compliance, or MDR. Consolidation means that only one internal audit, one quality management system, and one certification process need to be maintained instead of several parallel systems.</p> <p>Example: License or certification costs can be pooled, and the effort for multiple DiGAs can be significantly reduced.</p>
	Shared technology platform	<p>Rationale: A central server and development infrastructure enables scalable maintenance, software updates, data security, and backups. Each additional DiGA on the same platform incurs only marginal additional costs.</p> <p>Example: Several DiGAs share the same user database and server infrastructure, which reduces maintenance effort.</p>
	Shared regulatory know-how	<p>Rationale: The approval process for DiGAs is complex: clinical studies, documentation, data protection, and security requirements. If a company has already successfully gone through an approval process, it can directly transfer this knowledge to new applications, which accelerates market entry.</p> <p>Example: Subsequent DiGAs can be approved significantly faster because regulatory requirements and practical experience are already in place.</p>
	Shared support	<p>Rationale: Support staff must answer technical questions, guide users, and handle inquiries from health insurers. A shared organization reduces redundancy and enables specialized teams for training, FAQs, and hotlines.</p> <p>Example: A central support team can efficiently manage several DiGAs, which improves service quality and optimizes personnel costs.</p>

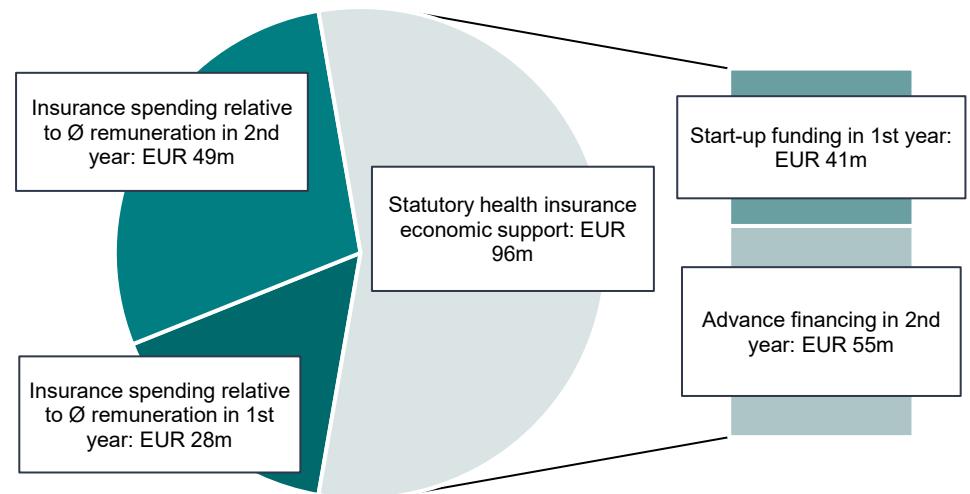
Rapidly rising spending in digital healthcare

Over 1 million DiGAs were prescribed or approved by physicians by December 31, 2024, for which the statutory health insurers (GKV) paid around EUR 234m

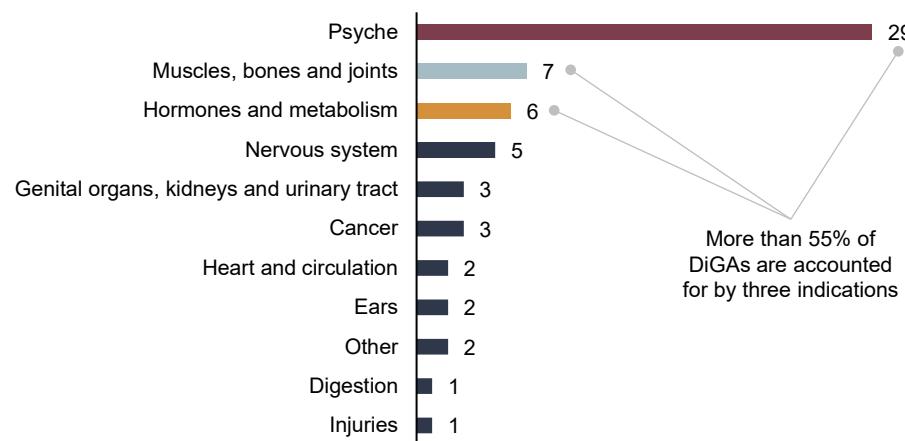
Expenditures per year



Economic promotion by the statutory health insurers (GKV)

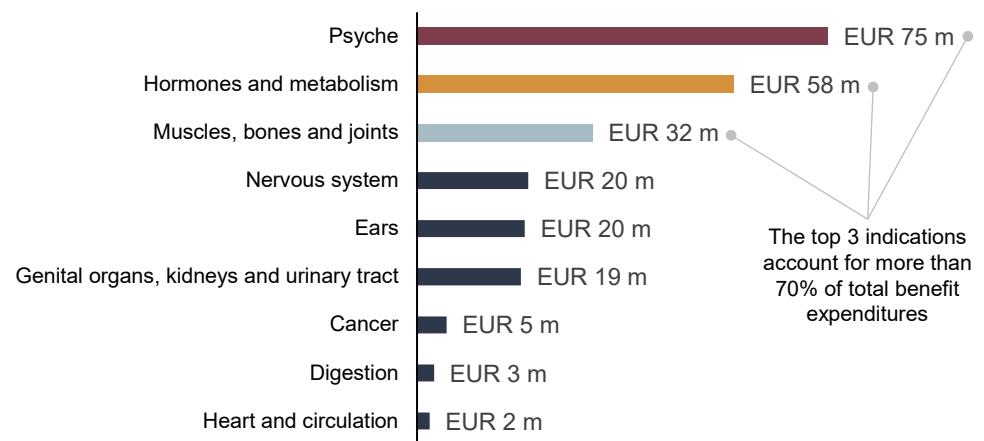


Number of DiGAs by indication



More than 55% of DiGAs are accounted for by three indications

Total benefit expenditures by indication

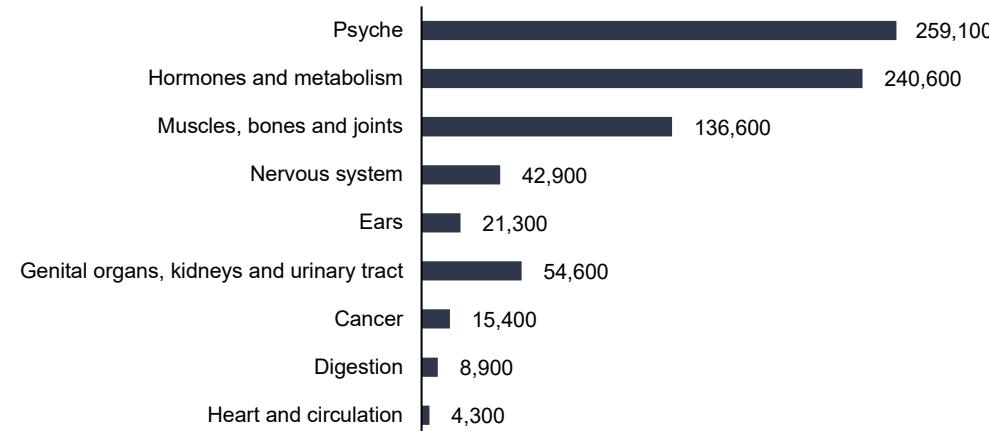


The top 3 indications account for more than 70% of total benefit expenditures

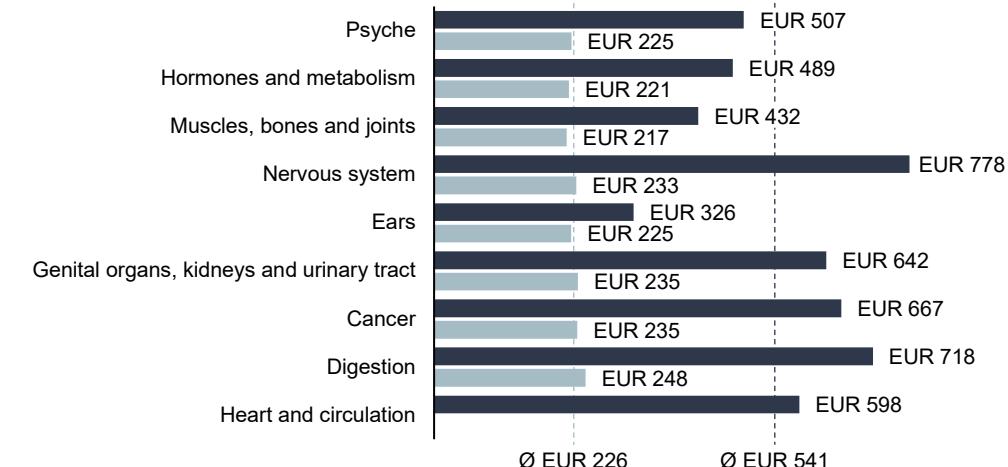
Price and user/patient demographics

87% of DiGAs were prescribed by physicians, primarily for mental health disorders (30%) and metabolic diseases (28%)

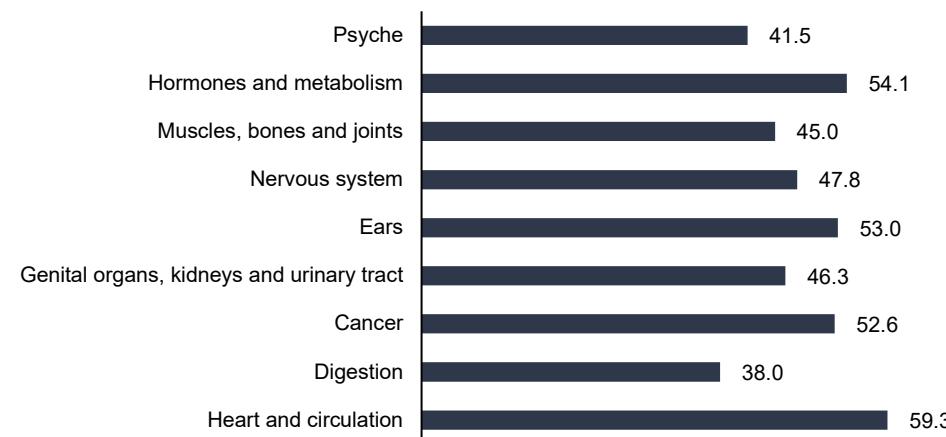
Redeemed codes by indication



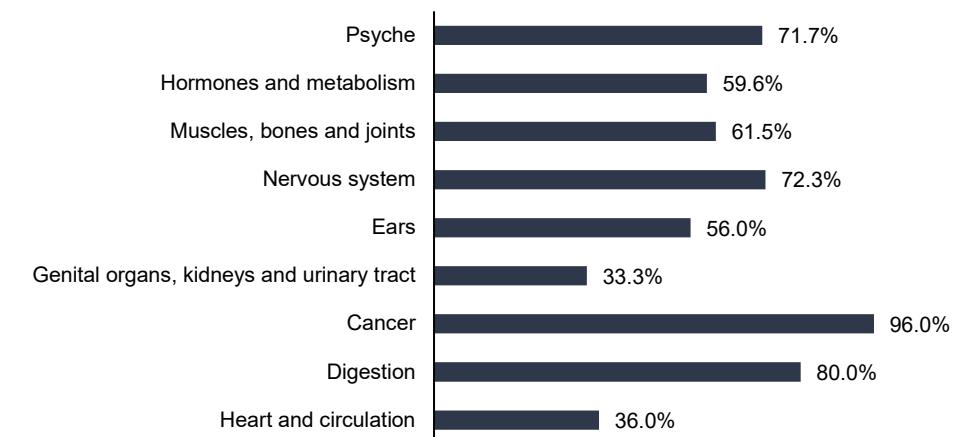
Ø manufacturer price (■) and Ø reimbursement price (□) by indication



Ø age of users/patients



% Number of female users/patients by indication



Sources: DiGA report of the GKV-Spitzenverband (2024), reporting period: 01.09.2020–31.12.2024; Investec Research

Case Study: Oviva Metabolism



EUR 33.8m
Benefit expenditures
since inclusion

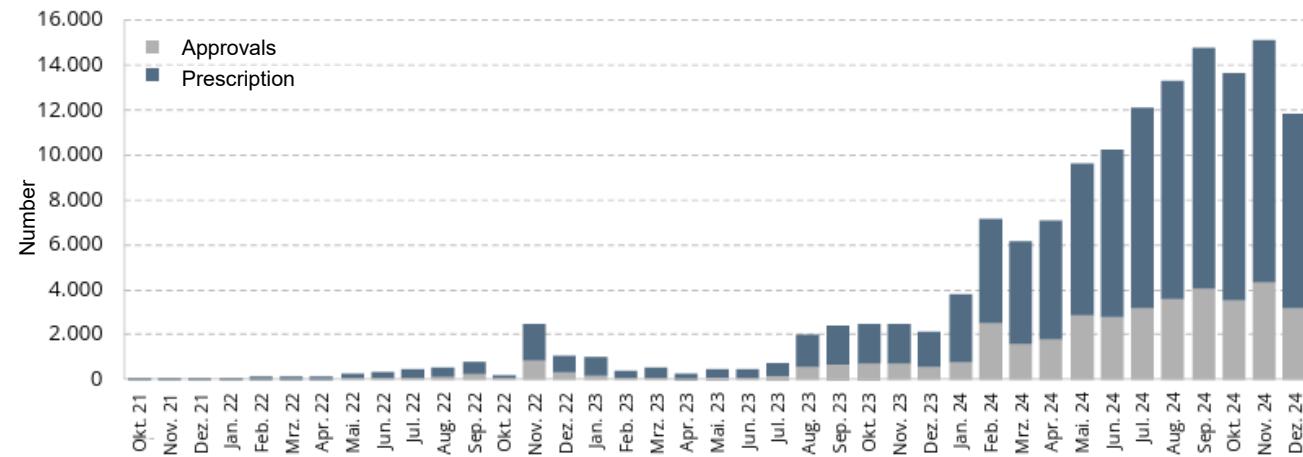


EARLYBIRD

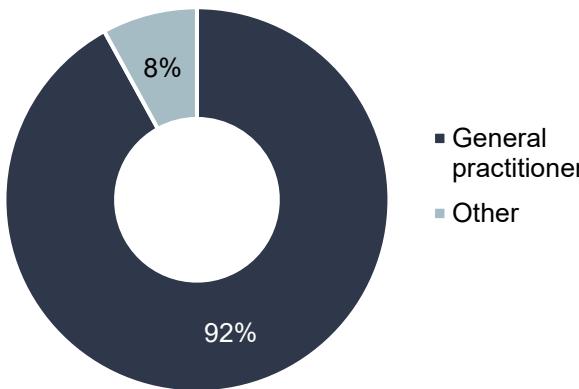
TEMASEK
HOLDINGS
SOFINA
8th EIGHT
ROADS

Date of inclusion	03.10.2021
Status at inclusion	Trial
Current status (31.12.2024)	Permanent (after trial)
Dispensed quantity	147k
Current price (31.12.2024)	220,90 €
Price at inclusion	345,00 €
Manufacturer price adjustment	445,00 €

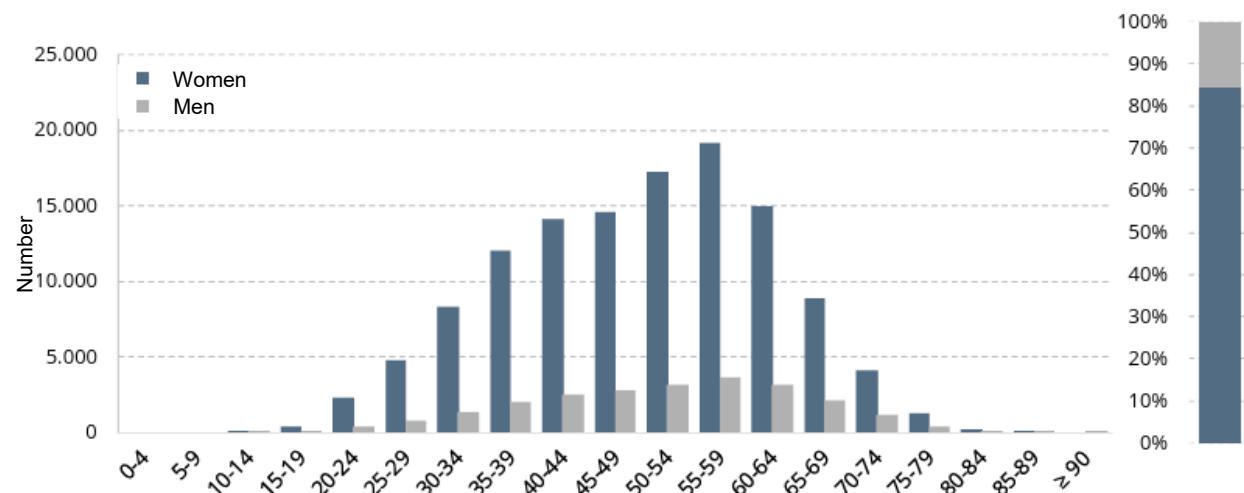
Utilization over time



Prescriptions by physician group



Age and gender distribution



Sources: DiGA report of the GKV-Spitzenverband (2024), reporting period: 01.09.2020–31.12.2024; Investec Research

Case Study: Vivira

Musculoskeletal



EUR 18.4m
Benefit expenditures
since inclusion

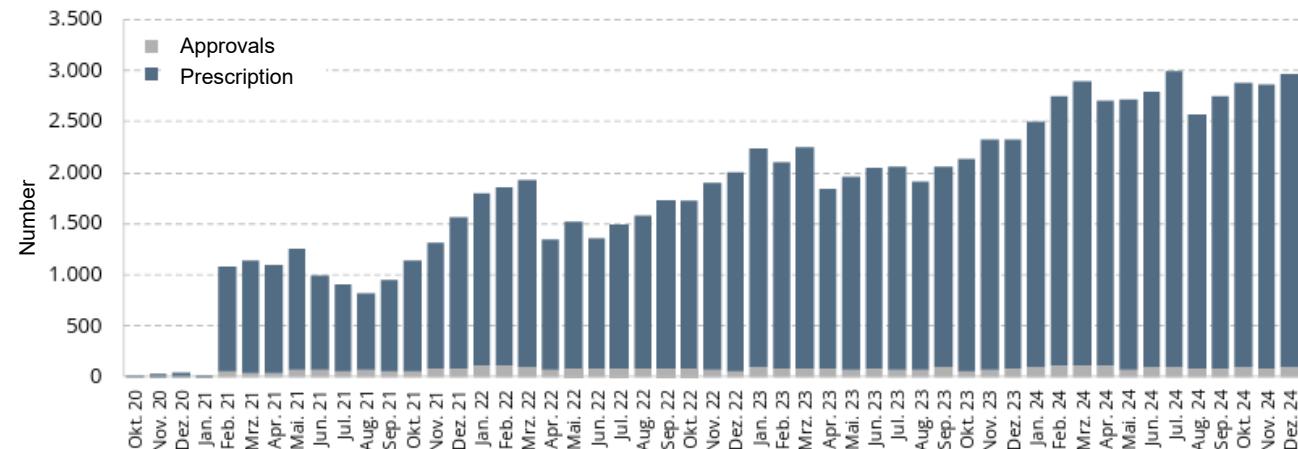


MOTU VENTURES
BONVENTURE

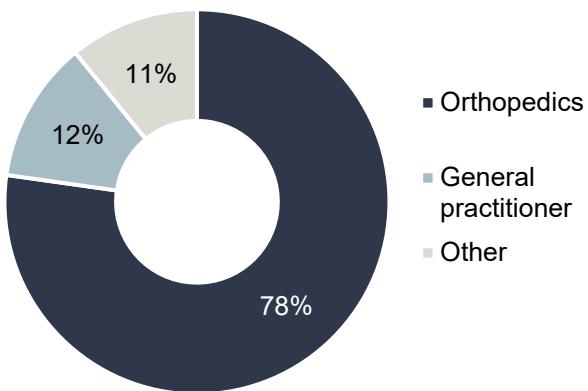


Date of inclusion	22.10.2020
Status at inclusion	Trial
Current status (31.12.2024)	Permanent (after trial)
Dispensed quantity	91k
Current price (31.12.2024)	206,79 €
Price at inclusion	239,96 €

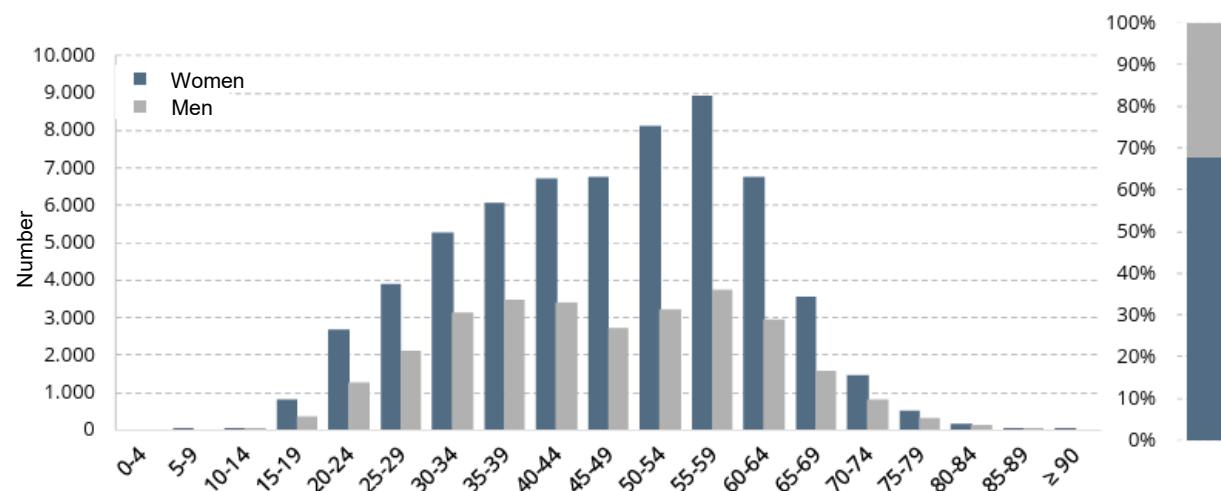
Utilization over time



Prescriptions by physician group



Age and gender distribution



Sources: DiGA report of the GKV-Spitzenverband (2024), reporting period: 01.09.2020–31.12.2024; Investec Research

Case Study: zanadio Metabolism

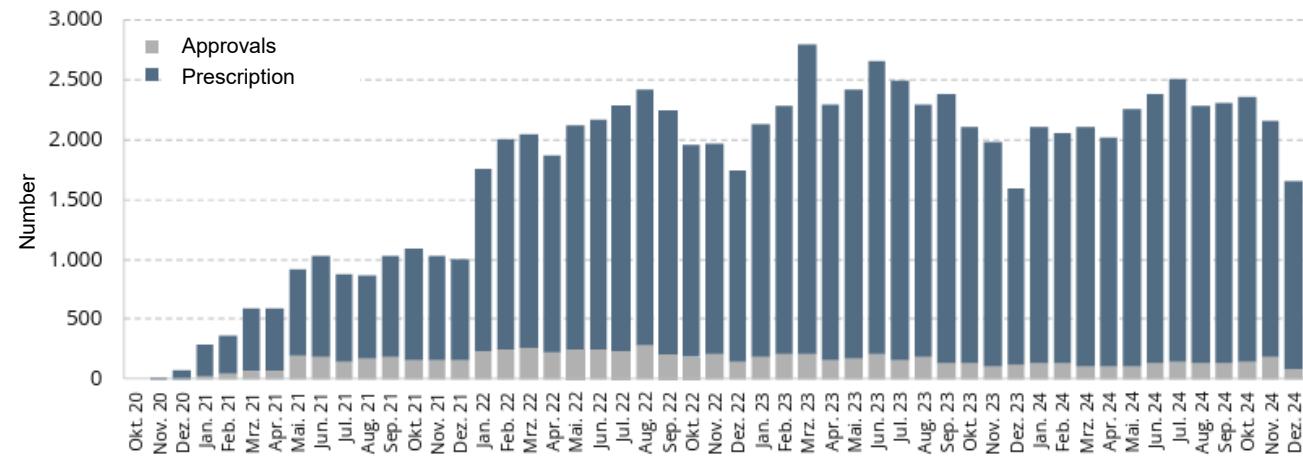


EUR 20.7m
Benefit expenditures
since inclusion

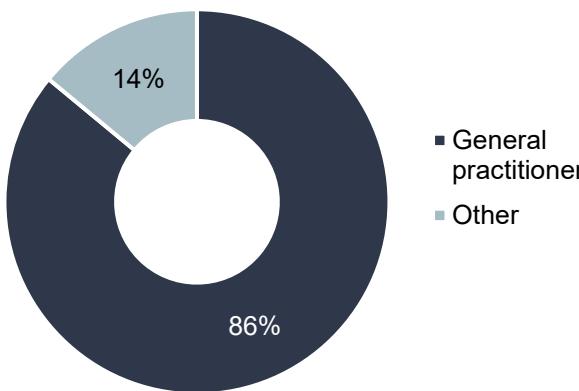


Date of inclusion	22.10.2020
Status at inclusion	Trial
Current status (31.12.2024)	Permanent (after trial)
Dispensed quantity	88k
Current price (31.12.2024)	218,00 €
Price at inclusion	499,80 €

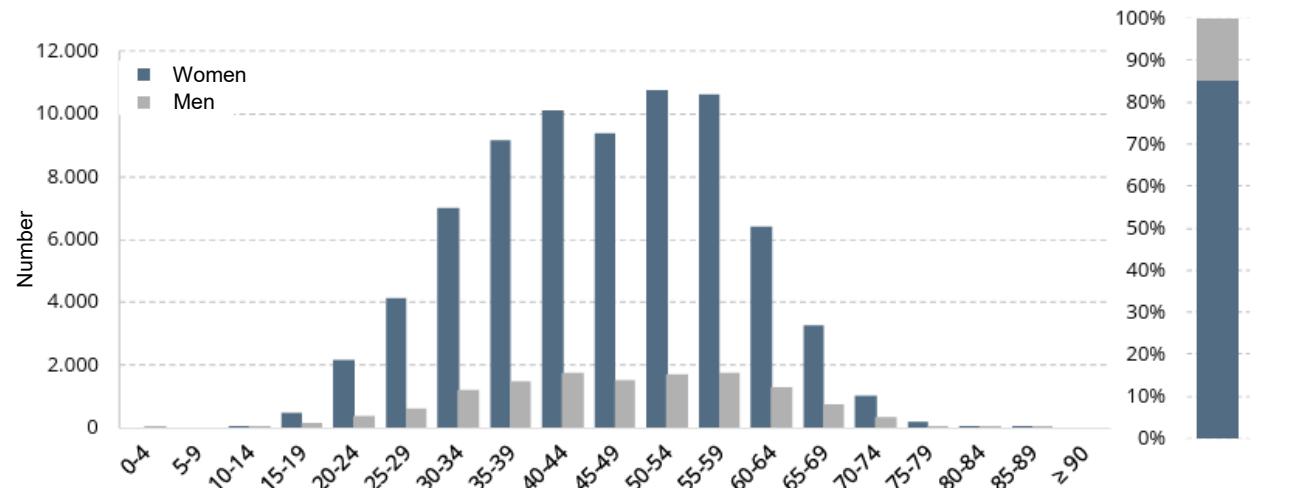
Utilization over time



Prescriptions by physician group



Age and gender distribution



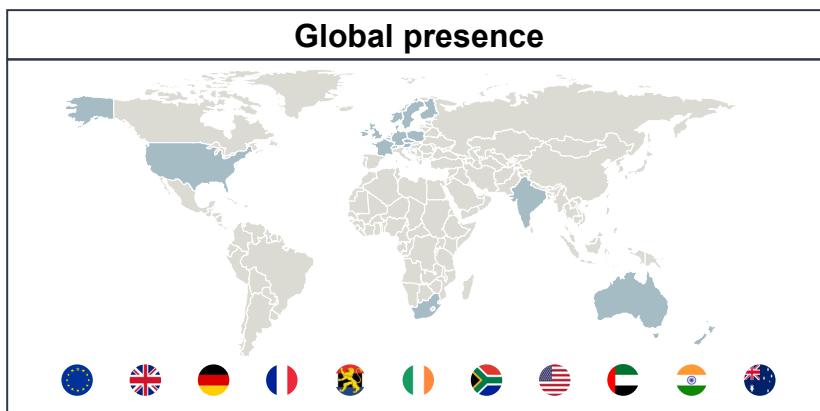
Sources: DiGA report of the GKV-Spitzenverband (2024), reporting period: 01.09.2020–31.12.2024; Investec Research



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€73b Assets under management	10th largest bank in the UK	5th largest bank in South Africa



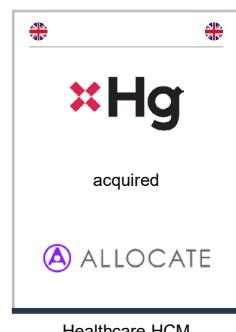
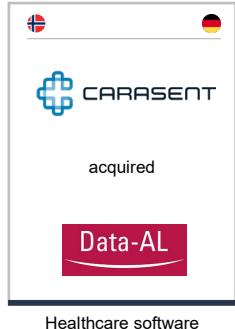
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Value creation through global sector teams							
							

Client-centric approach			
			

Credentials

A selection of our deals in the digital health sector



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