

## IVD and LSR PC Analytica

- 1) The response of LSR and IVD companies was immediate: The virus was identified and continuously monitored by NGS, and the establishment of protocols and production of reagents for nucleic acid extraction and qPCR tests were available within a very short time for the fast and reliable detection of SARS-CoV-2. Beyond that, LSR companies are supporting Vaccine and Drug research with whatever it takes!
- 2) Looking at the value chain one finds that many components and modules within IVD solutions are sourced from LSR companies, i.e. there is a meaningful OEM relationship between both industries, and especially when end products come in an Assay resp. Test kit format. Such OEM revenues though are excluded from the following German market data.
- 3) Looking at both industries in parallel and just for the inner German market we see that both industries combined represent a size of about 4,5 billion €. 2019 was a challenging year for both, IVD continued its stagnant path, -0,4%, and even the usually very dynamic LSR market within Germany reversed to just 1,6% growth (incl. exports out of Germany though LSR growth was up + 6%, and total production increased by 7%).
- 4) – 5) During 1<sup>st</sup> half of 2020 almost half of the IVD companies reported a decline, more than a third reported increasing sales. Clinical chemistry, Immunochemistry, Hematology, and Microbiology routine tests were negatively impacted by the lock-down effects, whereas Infectious disease testing started rapid growth, of course.

Within LSR and CY 2019, Cell Biology had the strongest dynamic with +3%, and in respect to the end customer segments, Pharma and Biotech led the growth in 2019, with about +15%.

LSR developed high dynamics though in Q1 2020 already, and the YTD numbers for the 1<sup>st</sup> half of this year were already up by 12,5%.

6) Benchmarking the LSR dynamics between Germany and what happened globally, its fascinating to see how fast the trend reversal occurred in Germany!

7) Germany is the key LSR market in Europe, and it represents 8,7% of the global market.

8) Looking at both industries and their efforts in ramping up production units for Corona related tests between February – June – isn't that impressive?

9) To conclude with another positive aspect: Analytica is supporting the established, successful Spotlight Forum into its first virtual format, to happen October 20<sup>th</sup>. THANK YOU!