



Worldwide IVD Market Review

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July 2022

Speakers

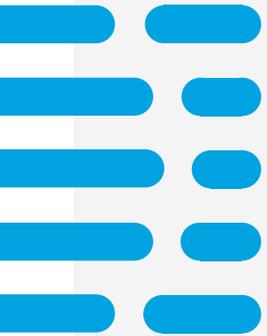
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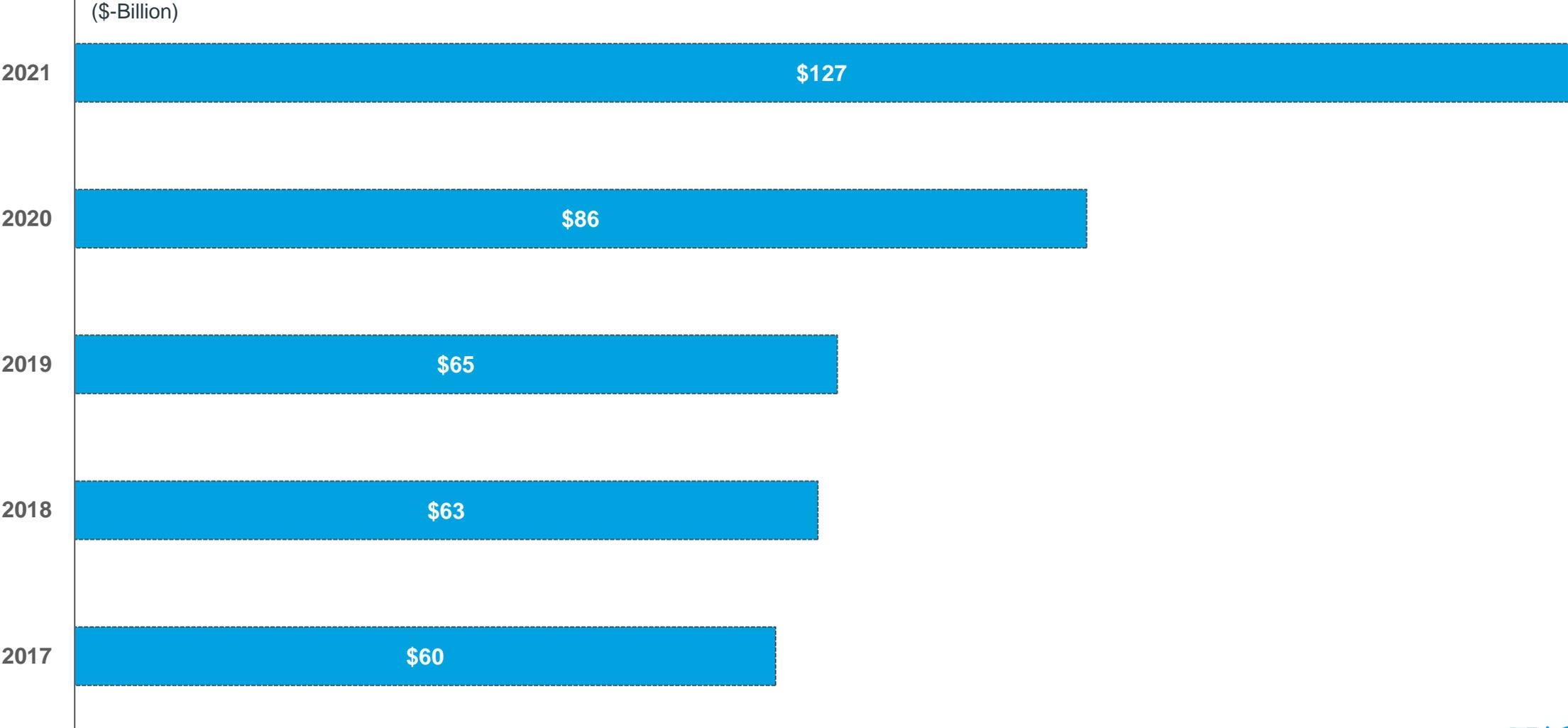


Agenda

- + IVD Market Review
- + Impact of COVID-19 on the IVD Market

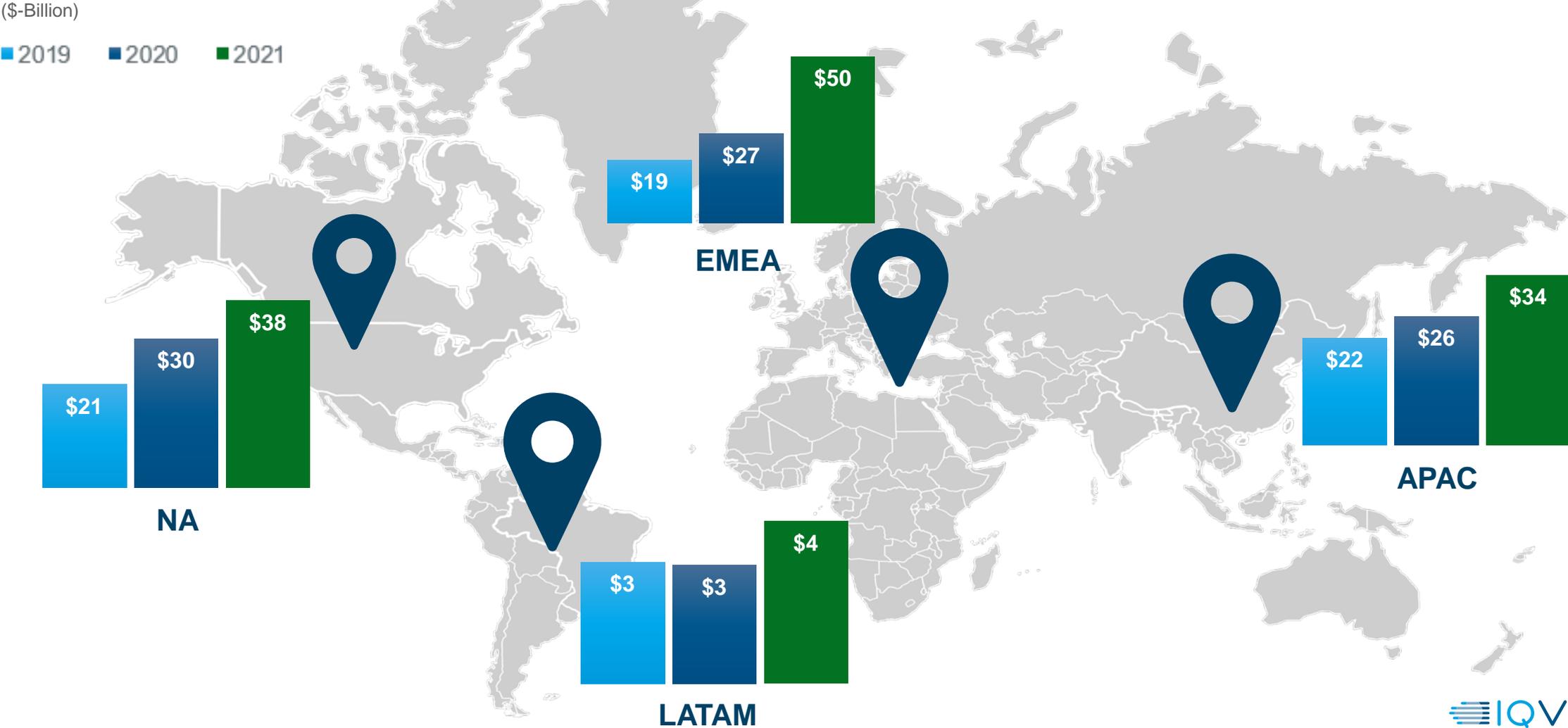
Total Annual IVD Market Revenue 2017-2021

After years of modest growth, the IVD market realized robust double-digit gains over these last two years, resulting in a total market size of \$86 billion and \$127 billion in 2020 and 2021 respectively.



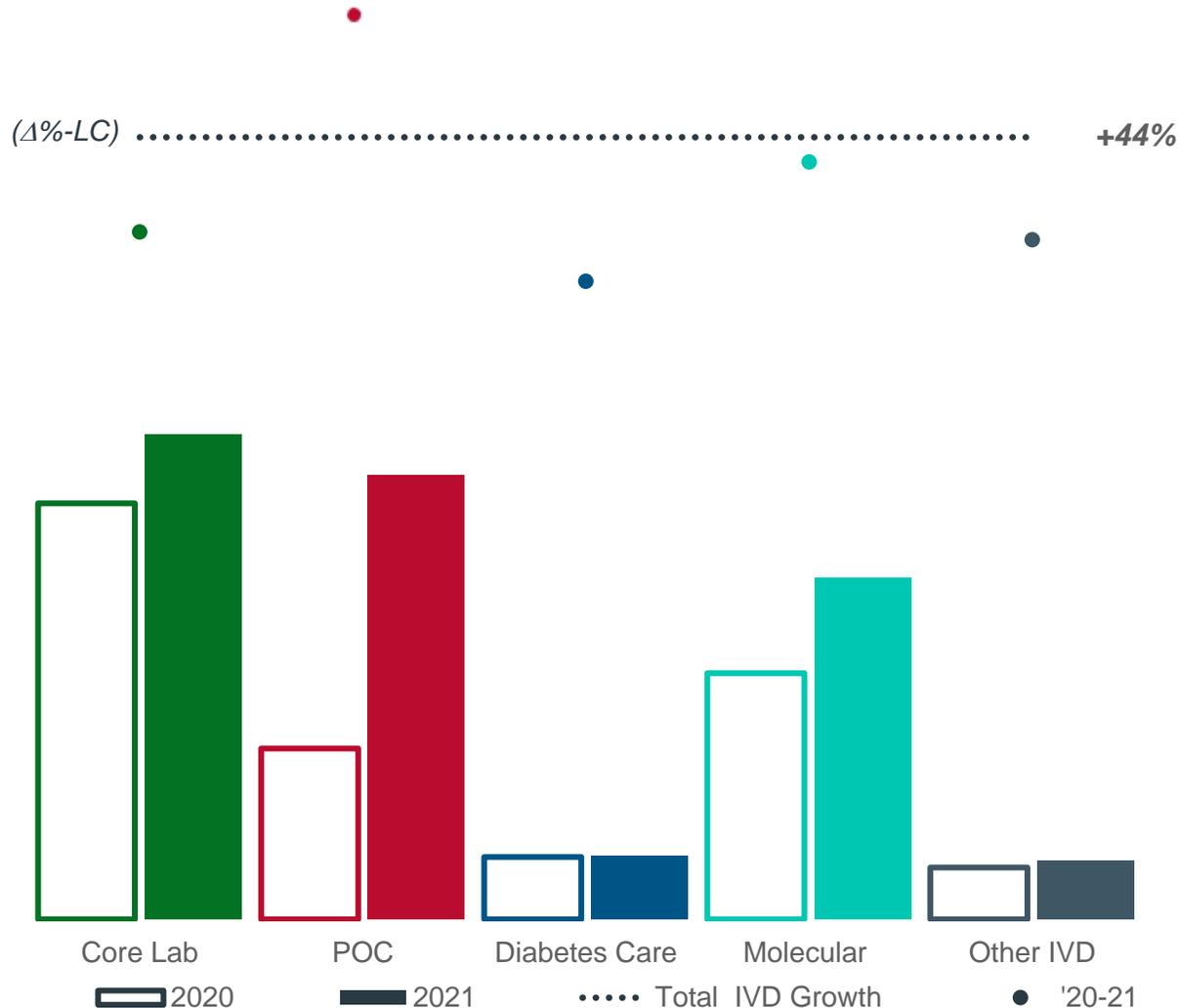
Worldwide IVD Market by Region, 2019-2021

Although all regions posted healthy growth, EMEA realized a particularly notable jump in total IVD sales supported by robust demand for rapid test products.



Worldwide IVD Market by Segment, 2020-2021

All major markets realized growth in 2021, with the exception of Diabetes Care, driving the total IVD Market to +44% LC growth (+16% LC excluding COVID-sales), far surpassing gains in FY:20.



Core Laboratory:

- Recovery across non-critical testing segments (e.g., IA, CC, Hematology, and Coagulation) toward pre-pandemic volumes, supplemented by incremental growth from COVID-19 IA and critical care testing (e.g., PCT, IL-6, and D-dimer)

Point-of-Care:

- Robust gains driven by continued demand for COVID-19 diagnostics (i.e., blood gas and Rapids)
- Partial rebound in select categories (e.g., ambulatory chemistry, POC HbA1c, and POC IA)

Diabetes Care:

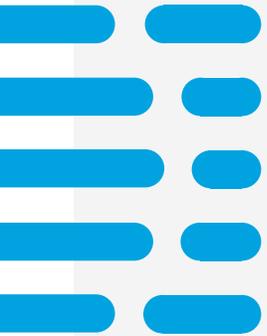
- Ongoing volume impact from increased adoption of sensor-based technology
- Improved performance in 2021 vs. 2020, reflecting rebound from COVID impact

Molecular Diagnostics:

- Strong sales of infectious disease test products (albeit a notable slowdown in revenue growth relative to FY:20 performance) and ongoing demand for molecular instrumentation
- Recovery in cancer assay sales as volumes returned to pre-pandemic levels

Other IVD:

- Strongest growth in years within Pathology due to recovery in test volume and instrument sales; broad based growth across test segments (with notable growth in preanalytical and advanced staining)
- The NGS market recognized growth for the period. Sustained sales of COVID-19-related surveillance products offset weakness in NIPT business.



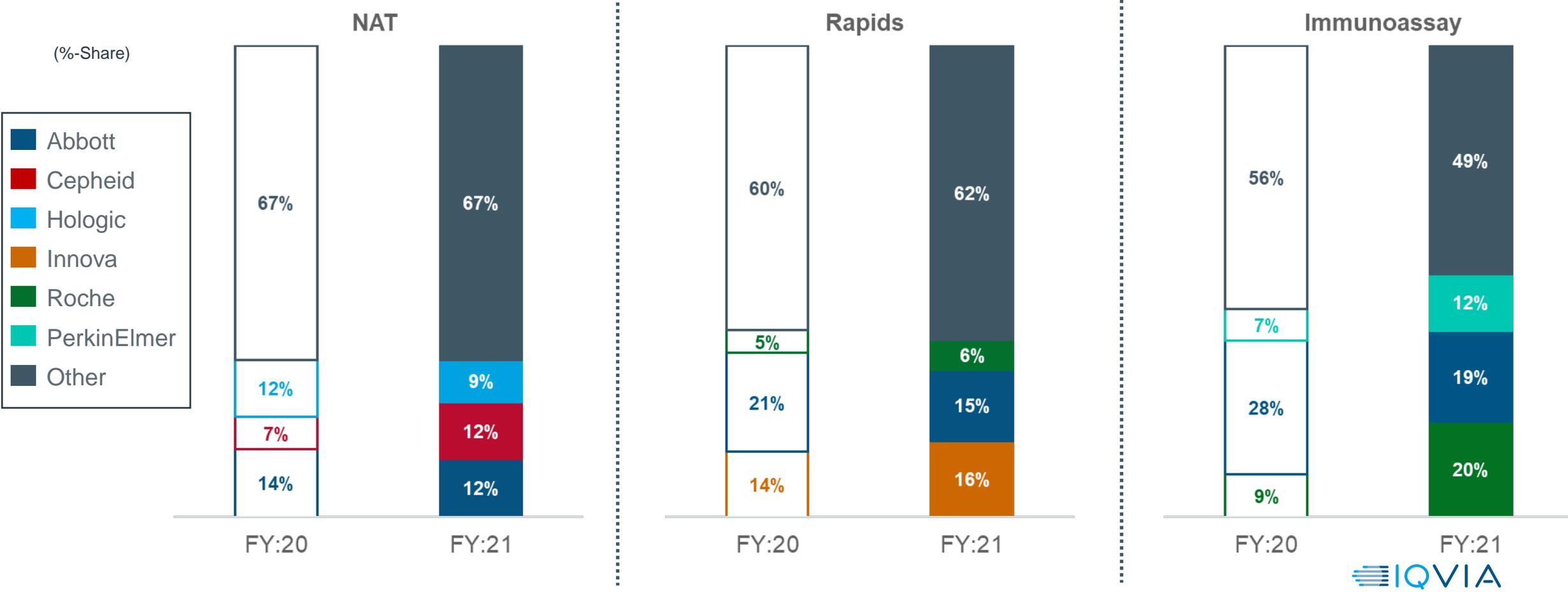
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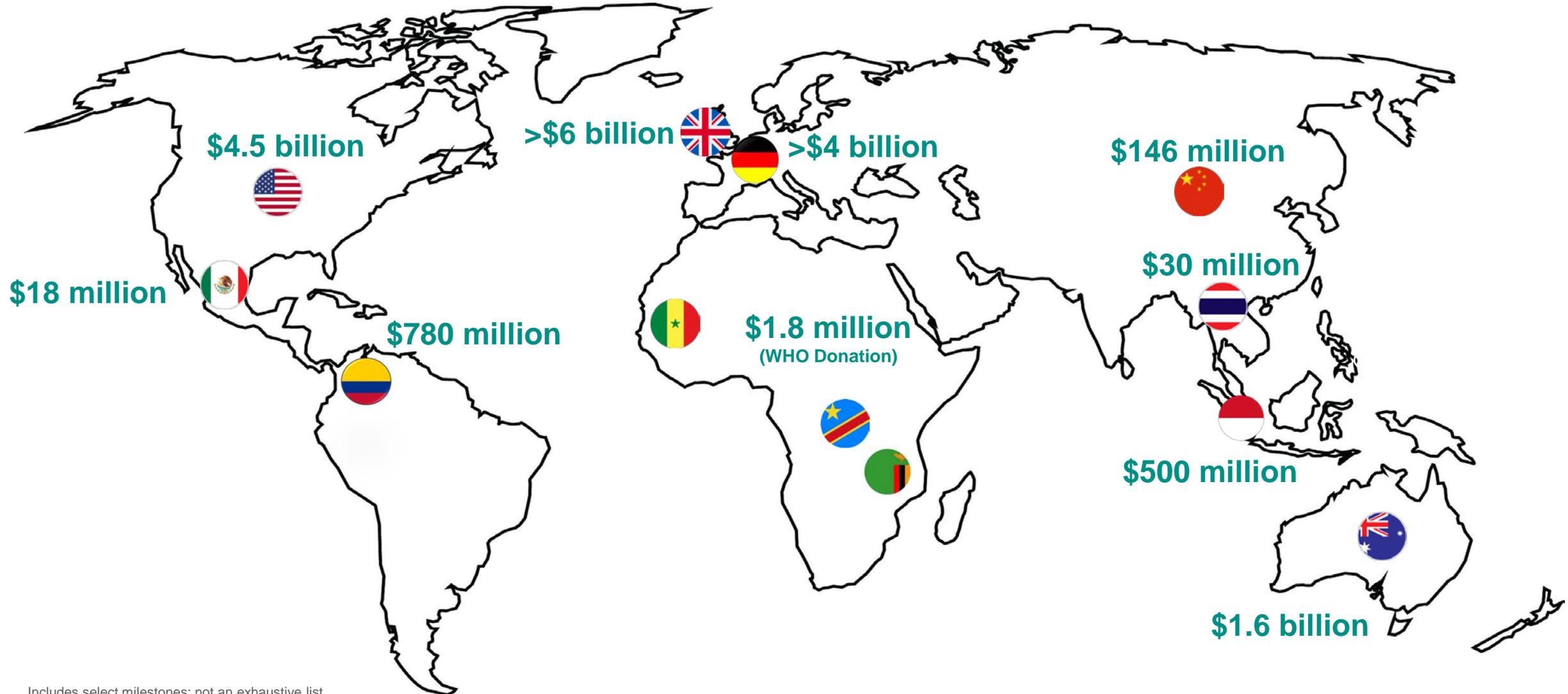
COVID-19 Competitor Breakout

Within NAT, the “Top Three” remained the same, however, Cepheid overtook Hologic as the number two player globally. Within Rapids, Innova generated a notable uptick in sales, allowing the company to secure the number one position globally. Within Immunoassay, Roche and Perkinelmer gained share as Roche surpassed Abbott for the global leadership position and Perkinelmer overtook Ortho to join the “Top Three.”



Key Examples of Government Spending on COVID-19 Diagnostics⁽¹⁾

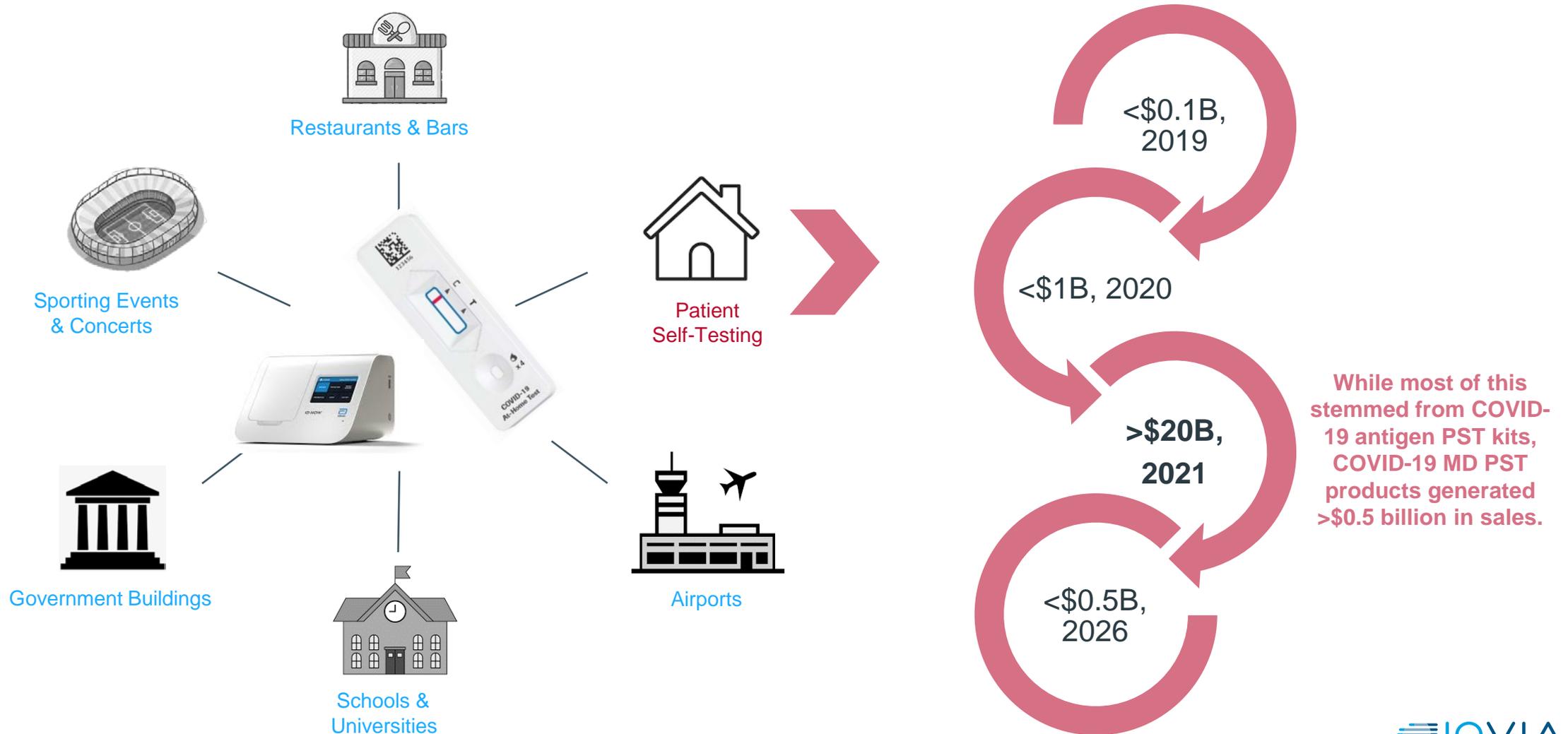
Various government bodies once again invested heavily into COVID-19 related mass screening and diagnostic efforts. However, health inequity remained a key challenge in select regions.



(1) Includes select milestones; not an exhaustive list.

POC COVID-19 Testing in Non-Traditional End User Settings

Growing demand for COVID-19 testing (notably in decentralized settings such as sports arenas, restaurant/bars, etc.) across MD and Rapids led to robust worldwide top line gains.



Ongoing financial investment into growth opportunities

IVD competitors sought to leverage COVID earnings to their respective bolster product portfolios.

Select Mergers & Acquisitions

 <p>+</p>  <p>February 2021 \$450 million</p>	 <p>+</p>  <p>March 2021 \$1.8 billion</p>	 <p>+</p>  <p>April 2021 \$795 million</p>
 <p>+</p>  <p>April 2021 \$1.8 billion</p>	 <p>+</p>  <p>May 2022 \$6 billion</p>	 <p>+</p>  <p>July 2022 \$1.5 billion</p>

Select Partnerships

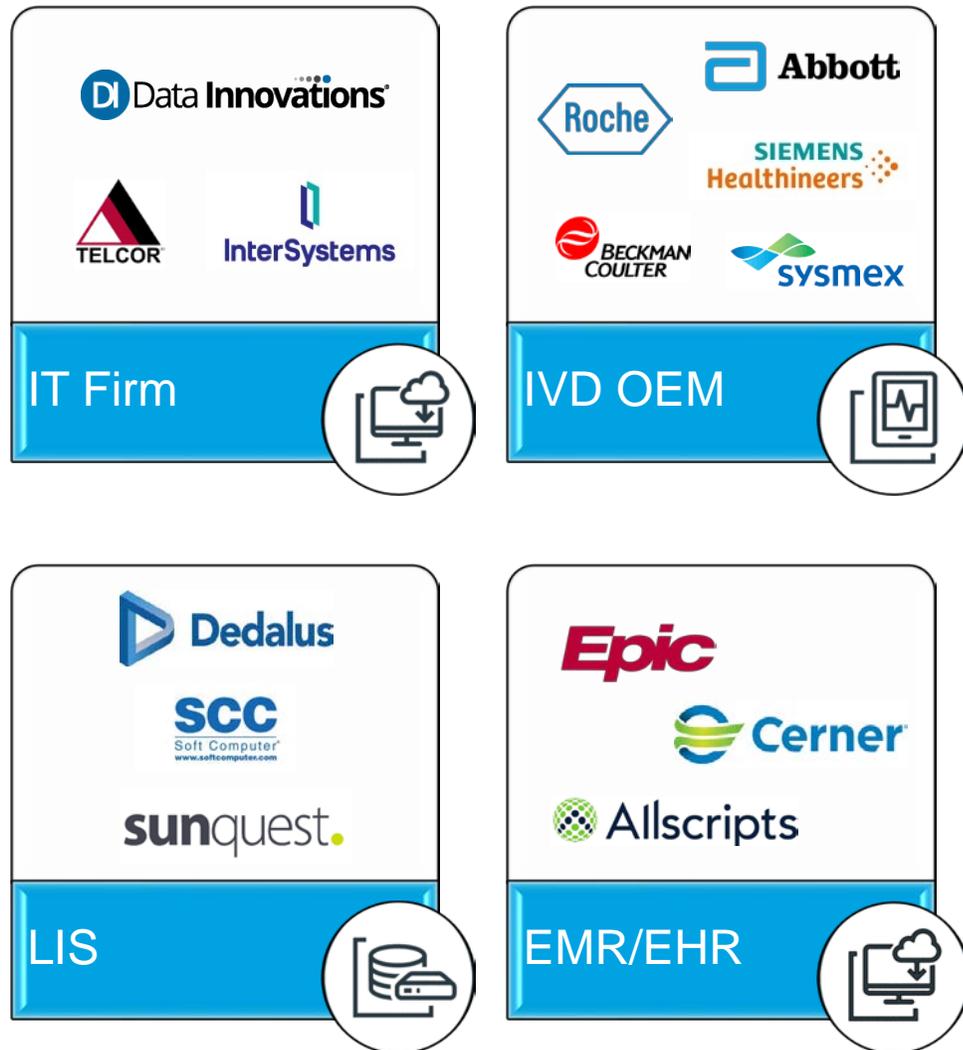
 <p>+</p> 	 <p>+</p> 
 <p>+</p> 	

New/Emerging Interest

 <p>Google</p>	 <p>Walmart</p>
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Worldwide IVD Informatics Market

The clinical laboratory informatics market is highly fragmented. However, the informatics space remains an area of high interest and investment due to its potential for longer-term growth.



Key Trends & Future Drivers:

- Industry Consolidation**
 - Enterprise level software solutions (EHR/LIS/ERP etc. in one package)
- Cloud Adoption**
 - Market shaping efforts and cloud adoption is accelerating faster than expected
- Access to Data**
 - Access to data remains the core tenet rather than the past where "data storage" was monopolized
- Third-party Integration**
 - Emergence of interoperable networks with vendor agnostic platforms (data lake in healthcare)

Key Take-Home Messages

Worldwide IVD Market Overview



Demand for COVID-19 related products continued to add significant incremental revenue gains, especially for rapids and molecular diagnostic players. As the year went on, demand began to skew more toward POC products over lab-based products (especially in developed regions).



In most country markets, routine testing began to show a marked recovery and resulted in healthy revenue gains for competitors. However, not all customers/segments witnessed a fully recovery to pre-pandemic levels during 2021.



2020 had brought a greater emergence of secondary players on the global stage, and select secondary competitors solidified their presence in 2021+ leveraging their expanded footprint across regions and their ability to compete on price. This trend is likely to have lasting implications on the IVD market in the near term.



We will continue to see technology advances within IVD, leading to market disruptions (such as CLIA-waived molecular testing, CGM overtaking BGM, and advances in IVD informatics) driving the market and perhaps even taking share from conventional methods.



Thank You & Stay Safe.

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