



Snapshot – Value Creation
in MedTech

RSM Ebner Stolz- MedTech Networking Dinner, Düsseldorf

November 13, 2024

Market overview

The European MedTech market is the 2nd largest after the USA whereas Germany is the most important European market by market size, number of companies and employees



880,000+ employees in the MedTech industry, with Germany as the #1 employer



37,000+ MedTech companies, with Germany as the #1



90% of the MedTech companies are small and medium-sized companies (SMEs)



160 bn€ in size as of 2023



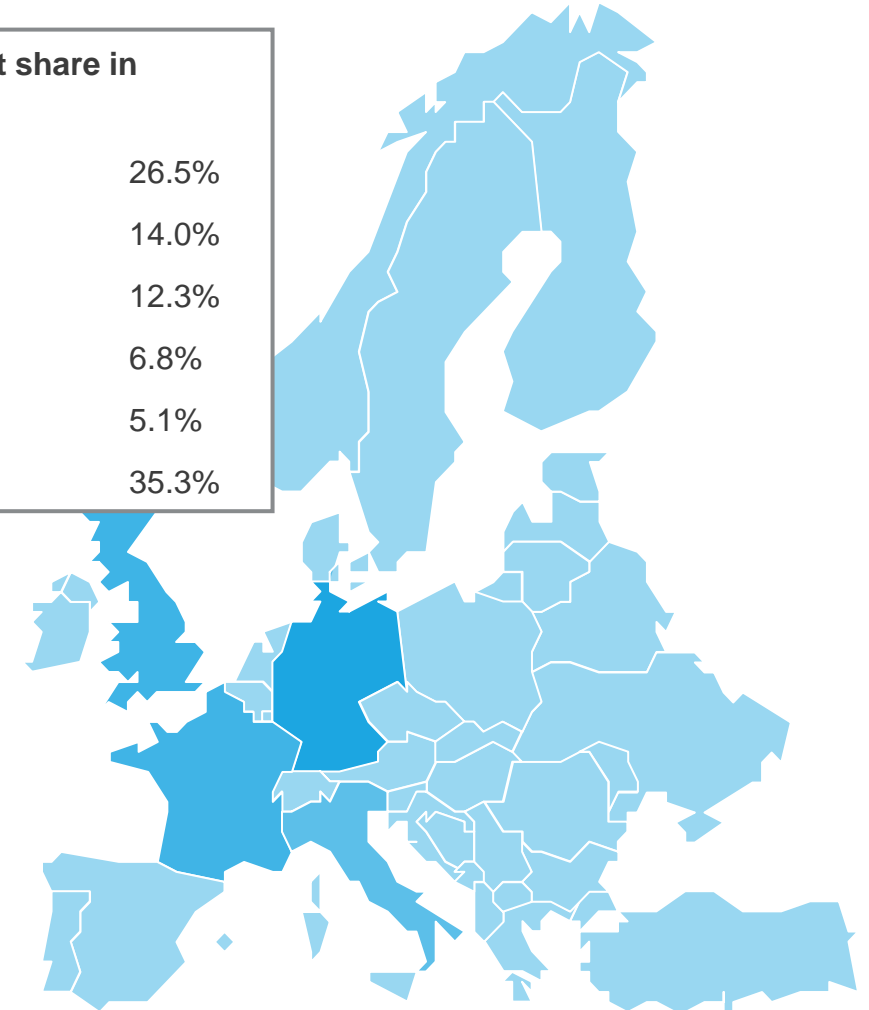
26% of global market share



2nd largest MedTech market after the US

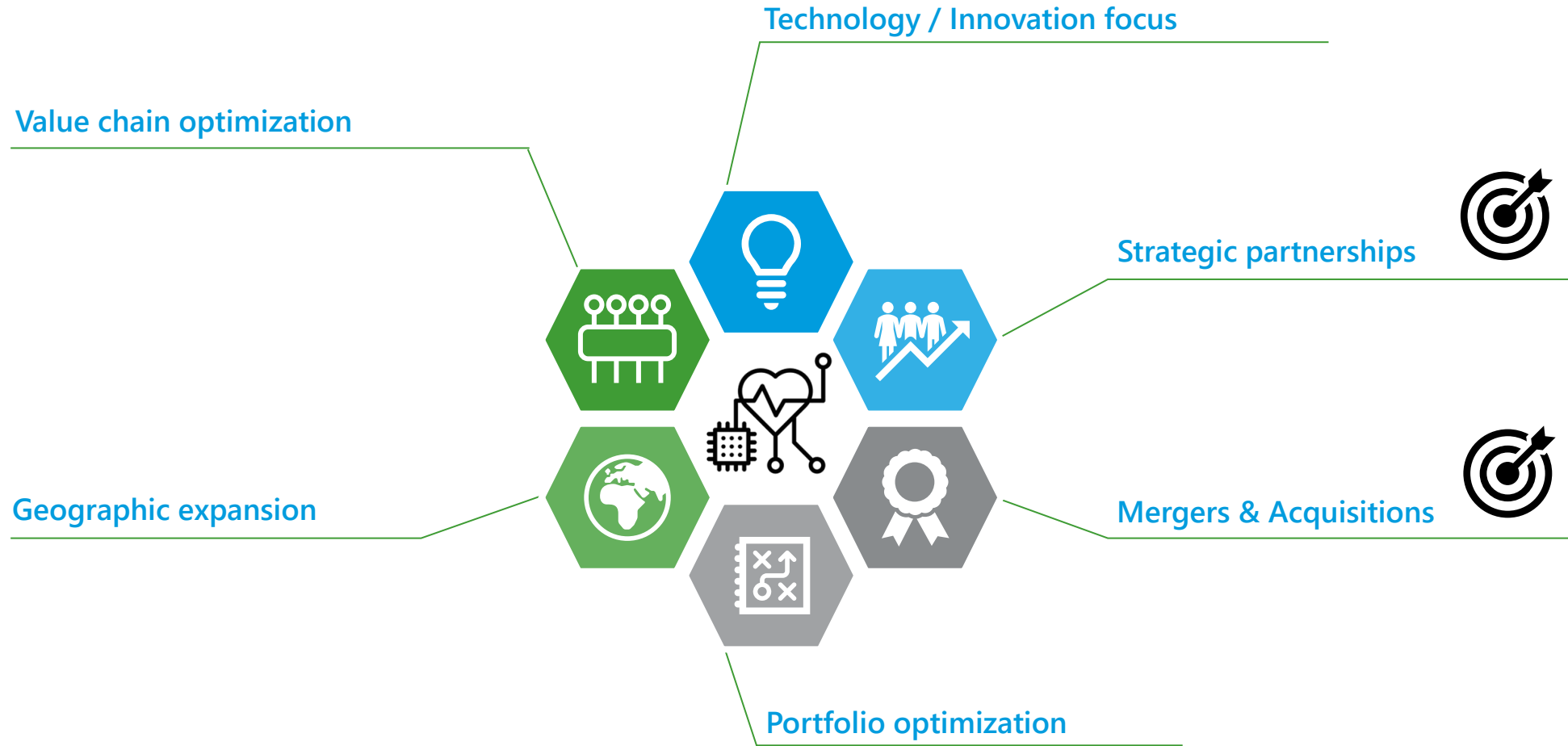
European market share in revenues 2023:

Germany	26.5%
France	14.0%
Italy	12.3%
UK	6.8%
Netherlands	5.1%
Others	35.3%



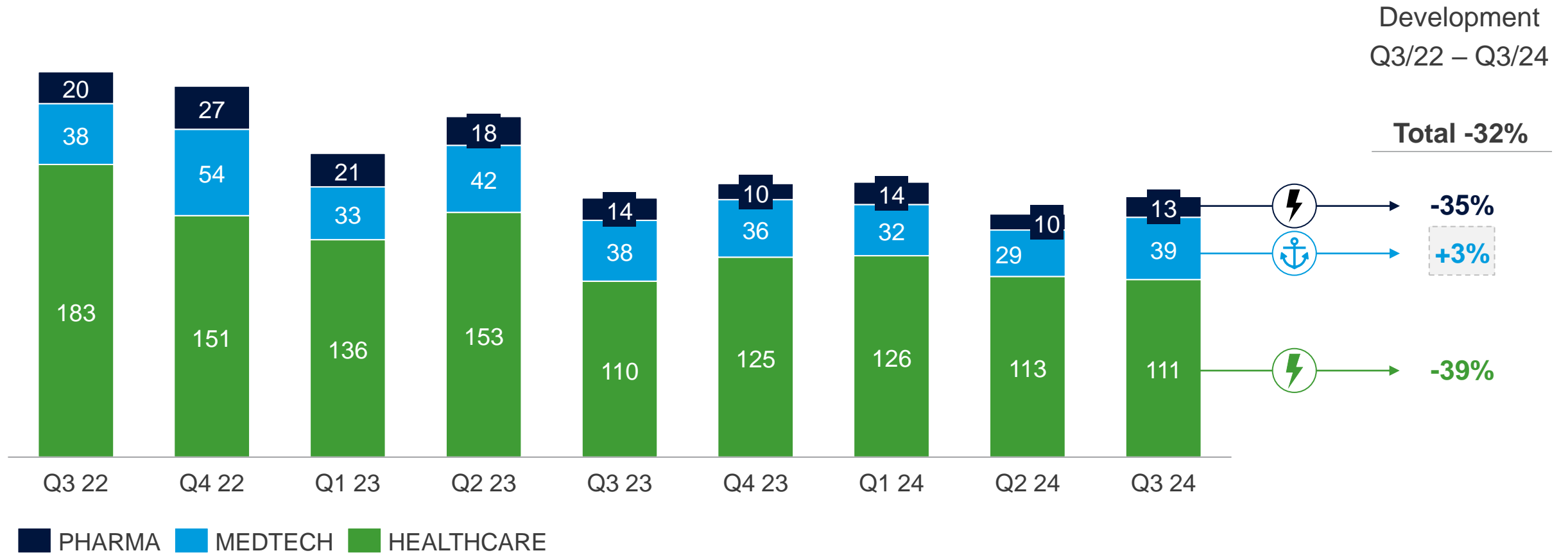
Topic for today

Value Creation in MedTech



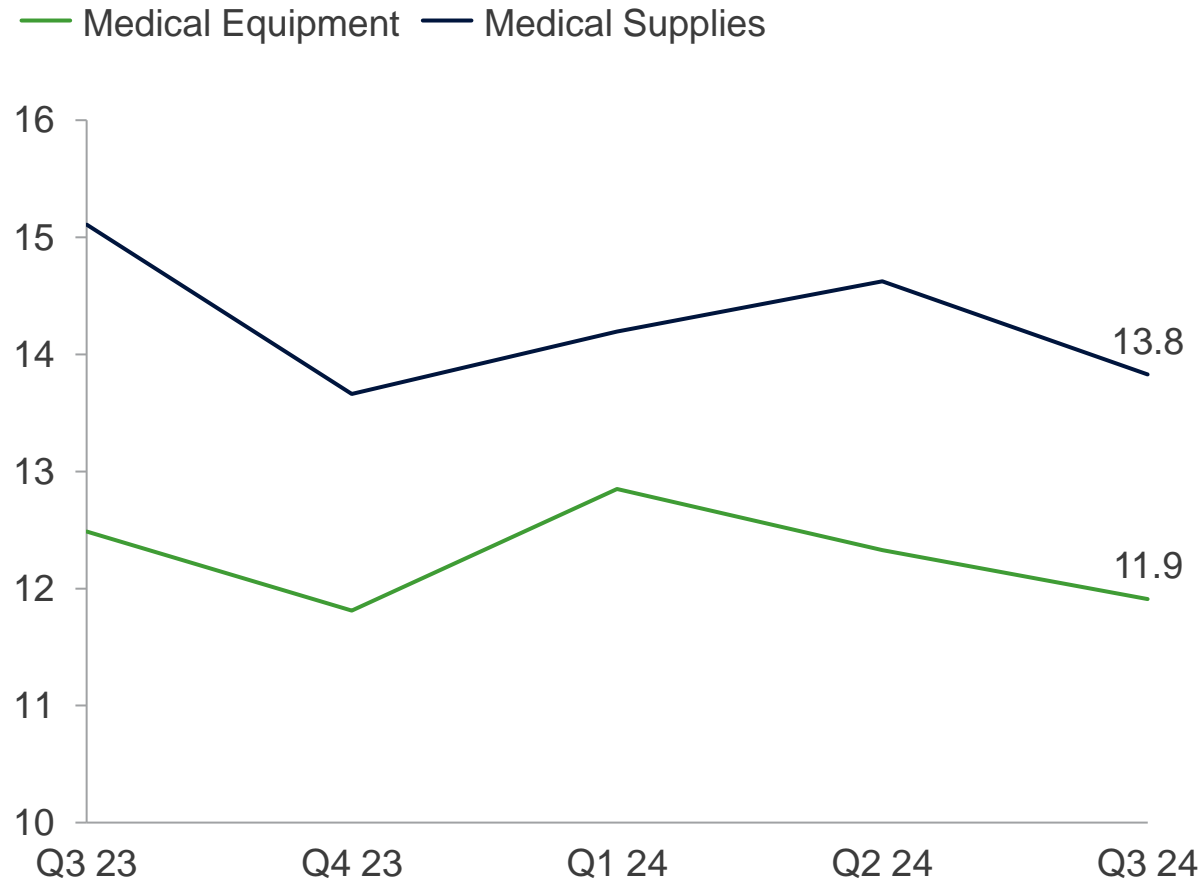
Deal activity in MedTech still at high levels and recovering from lower levels

Number of deals (Europe) Q3/22-Q3/24



... whereby the valuation multiples fall slightly

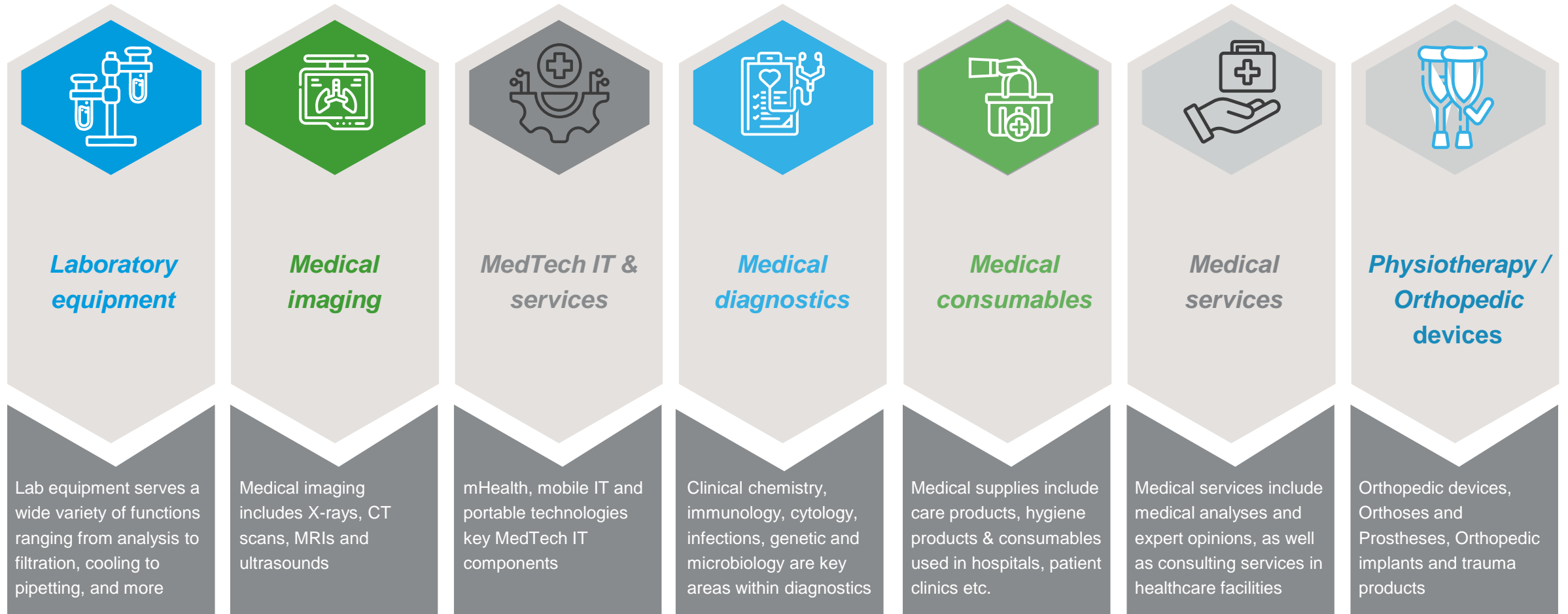
MedTech EV / EBITDA multiples (x)



Comments

- MedTech in general remains the highest valued industry based on an EV/EBITDA trading multiple across all industries in our coverage
- Nevertheless, there is a slight decline in valuation multiples in the Medical Equipment and Medical Supplies subsectors, which can be explained by the uncertainties arising from European regulations

With a diverse number of subsectors, it is important to understand the sector-specific dynamics ...

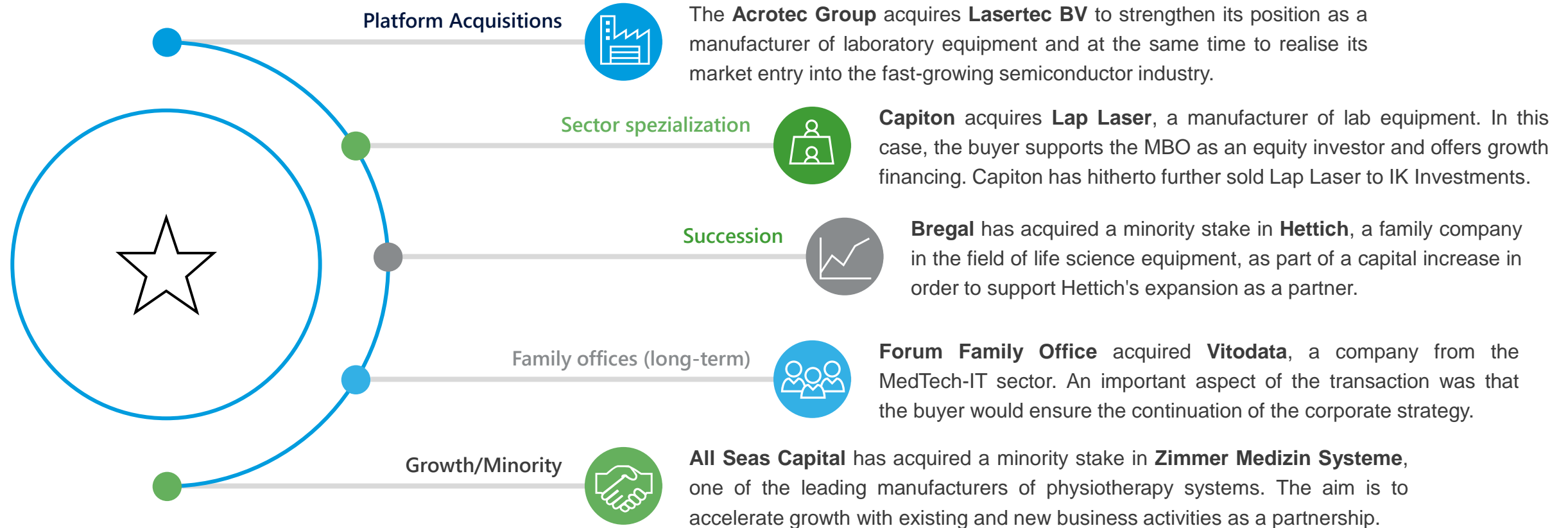


MedTech industry – Attractivity assessment by subsector (2/2)

... to discover value creation opportunities

	# Deals (2018- 2024)	Total Deal value (2018-2024, in bn EUR)	EBITDA margin	EV / EBITDA	EV / Revenue	3Y CAGRs	M&A Trend (2022-2024 vs. 2019-2021)	Overall attractiveness
Laboratory equipment	933	28.1	17.7%	15.6x	2.7x	6.4%		
Medical imaging	448	9.9	10.1%	11.8x	2.1x	11.4%		
MedTech IT & services	460	10.2	12.5%	15.5x	2.6x	7.8%		
Medical diagnostics	278	13.8	21.9%	15.0x	4.6x	-5.2%		
Medical consumables	304	35.8	20.0%	10.7x	1.9x	4.0%		
Medical services	278	3.0	9.7%	8.4x	1.2x	7.1%		
Physiotherapy / Orthopedic devices	n/a	n/a	19.0%	14.2x	2.8x	10.6%		

Overall, several strategies exist to create value creation involving M&A



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