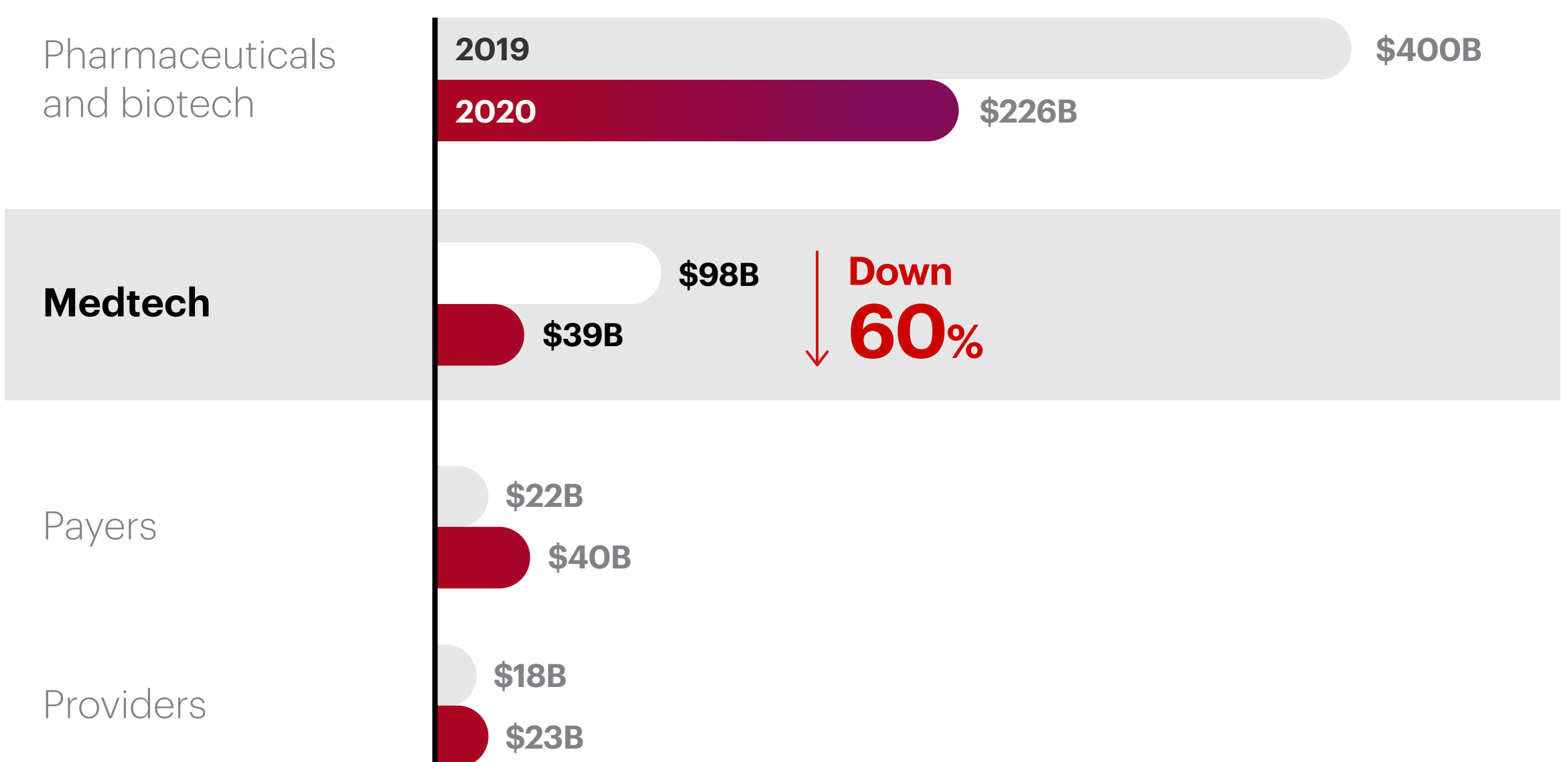


After Drop in Elective Surgeries, Medtech M&A Poised for a Rebound

While Covid-19's restrictions on elective surgeries led to significant falls in deal value, some areas are poised for growth in 2021

Covid-19 hit healthcare M&A across the board

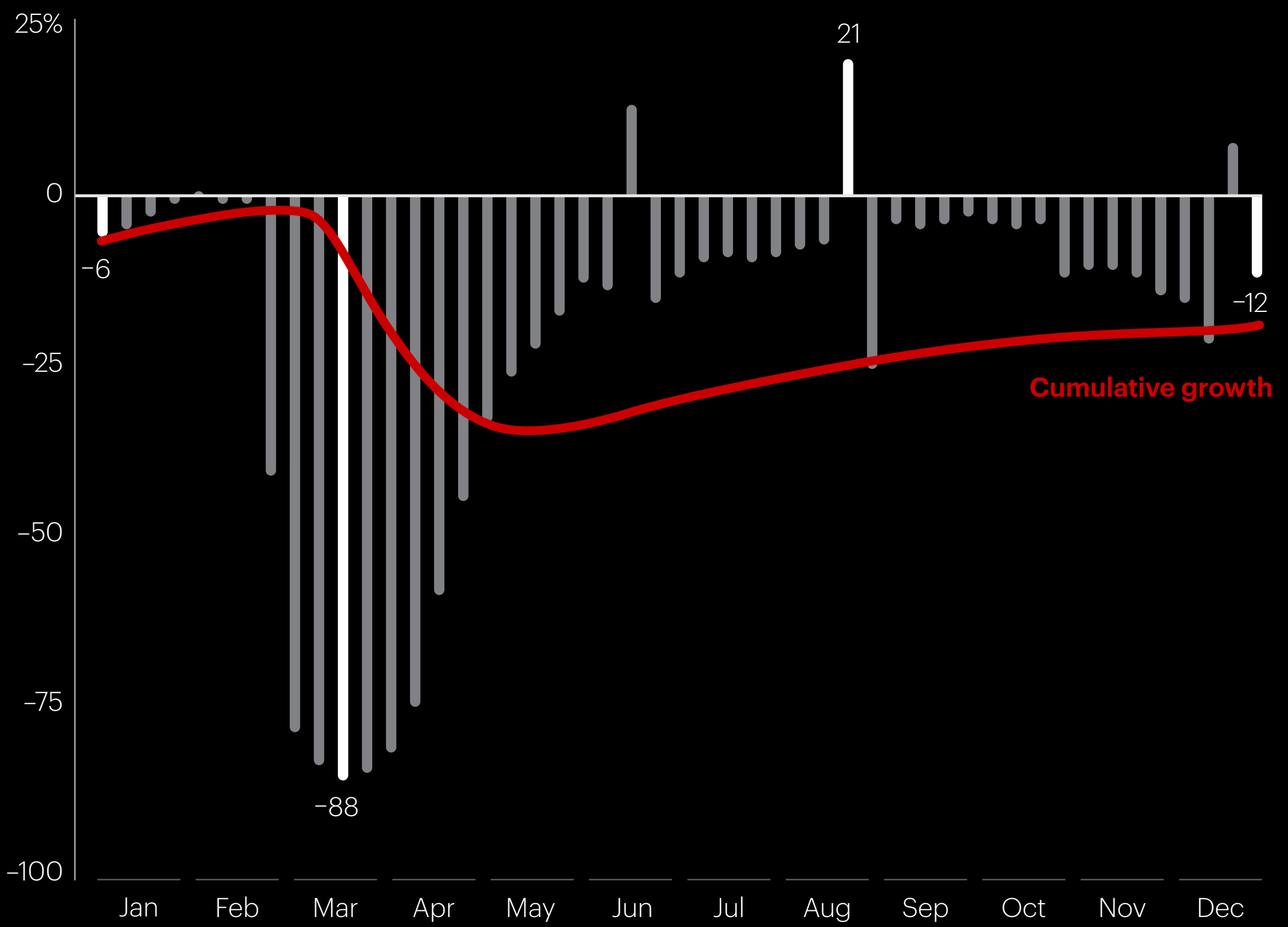
While overall healthcare deal value fell **37%** in 2020, medtech deal value was down by **60%** in 2020



Elective surgeries plummeted as Covid-19 hit

US elective procedures dropped by **nearly 90%** in the second quarter because of Covid-19 restrictions

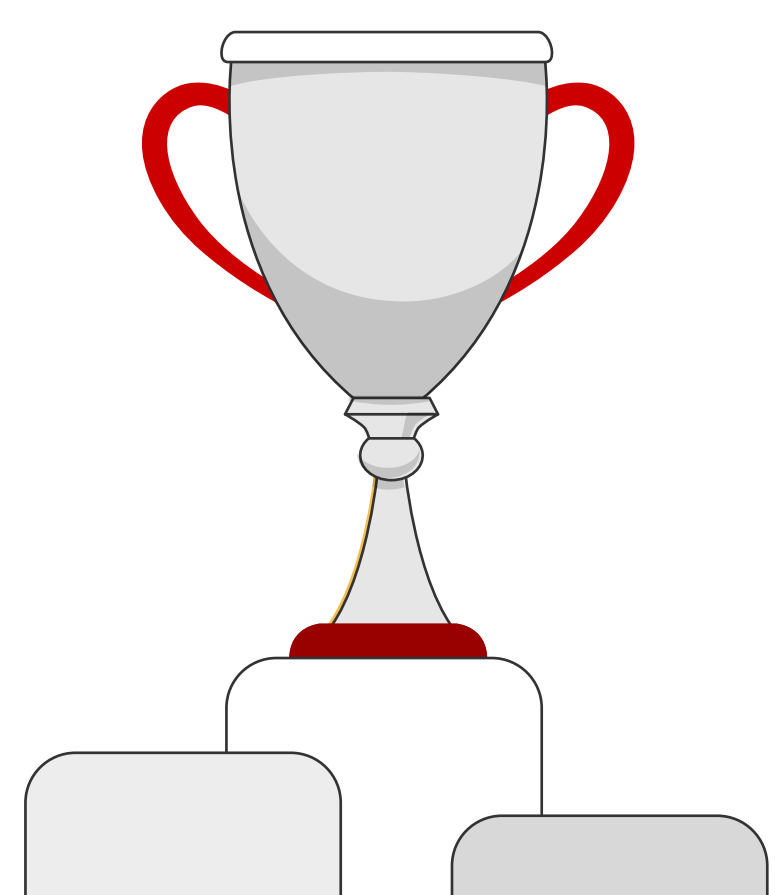
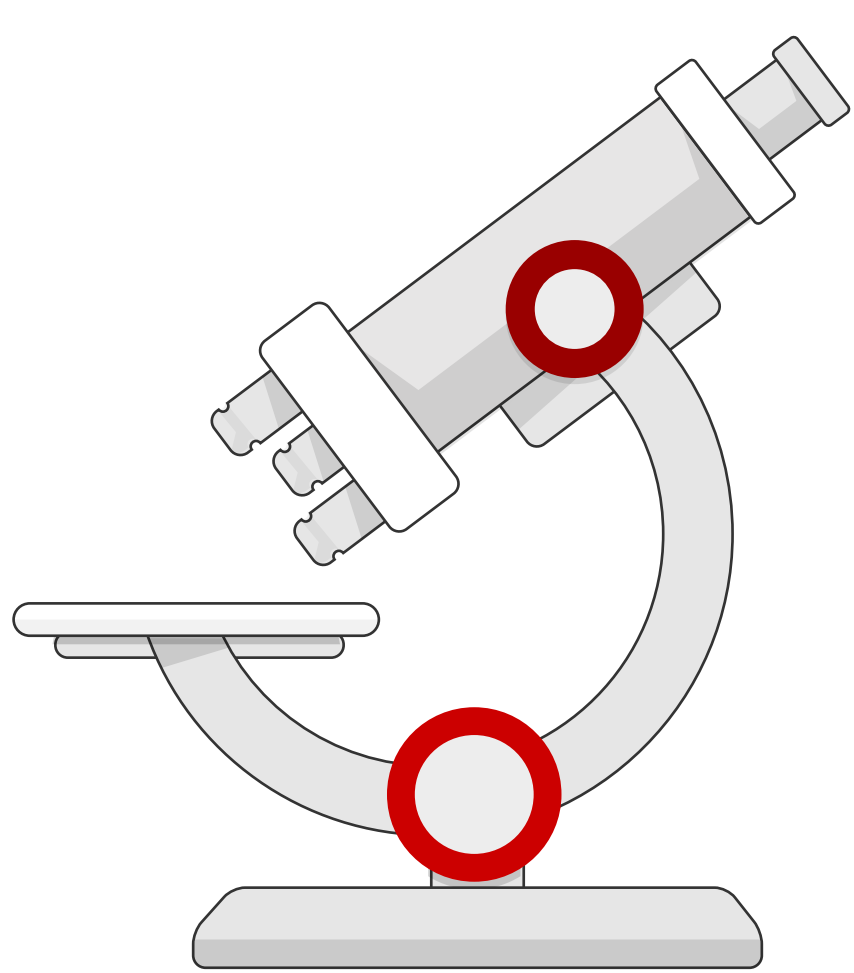
Year-over-year changes in 2020 elective procedures, percentage by week



Though not all medtech companies were hit equally, the overall drop was significant enough to drag down deal volume across the entire sector

Two areas could significantly boost deal activity

1 **Diagnostics and testing** companies, which received a recent influx of cash, will use M&A to diversify into new businesses



2 Companies with strong balance sheets will look to acquisitions, including of distressed assets, to become **category leaders**