markets. Market observers continue to expect China and India to generate the highest growth rates in the medium term. Stricter regulatory requirements in a range of industries are also fueling demand for instruments used in sample analysis and quality control. In addition, investments in laboratory infrastructure are becoming more attractive, especially in China, as a result of government-supported efforts to promote innovativeness in several key industries. In previous years, this had entailed a rise in the share of global R&D spending attributable to China. In 2025, suppliers of laboratory products and consumables expect a positive demand effect from a Chinese government funding program initiated in 2024.

Sources: BioPlan: 21th Annual Report and Survey of Biopharmaceutical Manufacturing Capacity and Production, April 2024; Evaluate Pharma: World Preview 2024, August 2024; Alliance for Regenerative Medicine: Sector Snapshot, August 2024; citeline: Pharma R&D Annual Review 2024, May 2024; Research and Markets: Biosimilars Market, 2024; SDi: Global Assessment Report 2024, April 2024; www.fda.gov

Future Business Development

Deliberately Cautious Outlook for Fiscal 2025: Profitable Growth Targeted

Due to the coronavirus pandemic and its many repercussions in the following years, the dynamics and volatilities in the entire life science industry and thus also for Sartorius Stedim Biotech have increased significantly. This results in greater uncertainty when forecasting business figures. In this report, Group management therefore makes qualitative statements about expectations for fiscal 2025. The company will provide a quantitative forecast after the first quarter of 2025.

For fiscal 2025, Sartorius Stedim Biotech expects continuous demand recovery and growth in the life science market, albeit at a rate still below its long-term average. In this environment, the company intends to grow profitably above market level, and to achieve a moderate increase in sales revenue, which is likely to be driven primarily by recurring business with consumables. Based on the expected volume development, positive product mix effects and supported by the effects of the previous year's efficiency program, the company forecasts that underlying EBITDA should increase over-proportionately compared with sales revenue. In 2025, Sartorius Stedim Biotech will continue its organic debt reduction course with a focus on working capital and managing investments, and expects the ratio of net debt to underlying EBITDA to decrease noticeably. The ratio of capital expenditures (capex) to sales revenue should be roughly the same as in the previous year.