Continuous Glucose Monitoring Devices

INVESTMENT OPPORTUNITY

Medical Devices

استثمر في السعودية
INVEST SAUDI

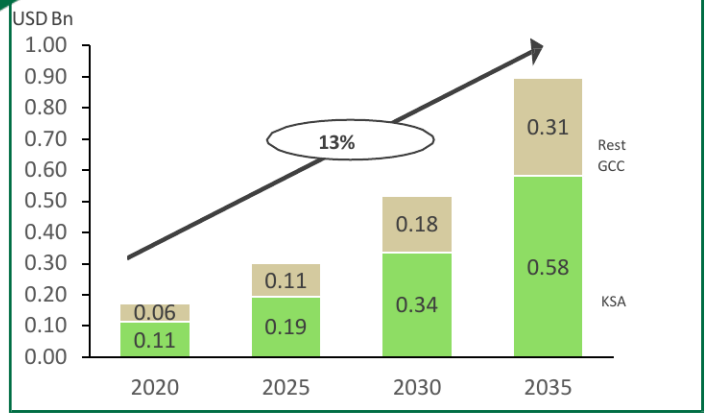
Medical Devices

Continuous Glucose Monitoring Devices

OPPORTUNITY DESCRIPTION: Production of Continues Glucose Monitoring Devices

DEMAND

MARKET SIZE, USD



INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Expected Investment size of USD(42M)
- Plant capacity: 12M sensors
- Expected IRR: ~12%
- Payback period: 7 years
- Job Creation: ~120
- Location (Region): Not specified

VALUE PROPOSITION

- Saudi Arabia strategic location and free trade agreements will enable faster access to the MEA regional demand and will support expansion ambition in these market which has nearly the same number of diabetic patients as EU.

MARKET OVERVIEW

KEY DEMAND DRIVERS

- Diabetes is a major health issue in the GCC affecting nearly ||% of population.
- Trends towards adapting Continuous glucose monitor (CGM) are expected to grow driven by prevalence of diseases among children and elderly.
- MOH Strategy to enhanced home health care services which will be supported by remote patient monitoring.

RAW MATERIALS

- Plastics.
- Biocompatible adhesive materials.
- Biocompatible fabric.
- Packaging materials are available from several suppliers.

GLOBAL TRENDS

- Continuous Blood Glucose Monitoring (CGM) devices are expected to incur the highest growth rate of this segment.
- CGM accounts for nearly 56% of the segment revenue in 2021.
- CGM-based autonomous insulin delivery technologies are evolving rapidly.

Medical Devices

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SUPPLY

SCALABILITY AND LOCALIZATION

Grade: Low | Medium | **High**

- PCB fabrication services ae available to support the development of such products.
- Research and development may be undertaken in collaboration with any of the several state-owned diabetic centers in ordered to innovate and introduce new products and services.

IMPORT DEPENDENCY

- All continuous glucose monitoring devices are imported to Saudi Ariba.
- USA is the major supplier with following companies dominating the market:
  - Abbott
  - Medtronic.
  - Dexcom

VALUE CHAIN

Upstream | **Midstream** | **Downstream** | **Applications**

Each phase of the chain comprises different activities such as initial concept, product design, prototyping, device testing, design verification and validation, clinical evaluation and medical device manufacturing.

Upstream	Midstream	Downstream	Applications
R&D activities, initial concept, product design, prototyping, device testing, design verification and validation.	Regulatory approval; Clinical Evaluation and technical documentation	Injection and molding, software development, sourcing electronics/electrical components, enzyme coating, sensor assembly, sterilization, PCB and PCBA services	Aftersales support

KEY STAKEHOLDERS

وزارة الصناعة والثروة المعدنية | وزارة الاستثمار Ministry of Investment | نوبكو nupco | المركز الصناعي Industrial Center | وزارة الصحة Ministry of Health | SFDA | هيئة المحتوى المحلي والمشتريات الحكومية Local Content & Government Procurement Authority | مدن MODON

ENABLING FACTORS

ENABLERS & INCENTIVES

- Fund support for employment of Saudi Nationals of up to 50% of the salary
- 10% preferential prices for locally produced products in Govt procurement.
- 75.3 % of the current demand is driven by govt demand
- Saudi Industrial Development Fund loans coverage up to 75% of capital invested
- Export enablement package

COST OF DOING BUSINESS IN KSA

Factor	Ranking amongst regional peers
Electricity tariffs for industrial players	$48 /MWh
Productivity adjusted wages	$3.3 /hour
Logistics Performance Index (1-5)	3.2
Construction Costs (Indexed to US, % 0 is cheapest)	74
Ease of getting credit (0-100)	50

Bottom 25% | Top 75% | Top 50% | Top 25%

Definitions

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Business drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Global trends	Latest business developments within the sector/product category
7	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
8	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
9	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
10	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
11	Enablers	Factors that enable investment in the underlying opportunity
12	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of $1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

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