

[Sterile Injectables Medications]

INVESTMENT OPPORTUNITY

[Pharma & Biotech]



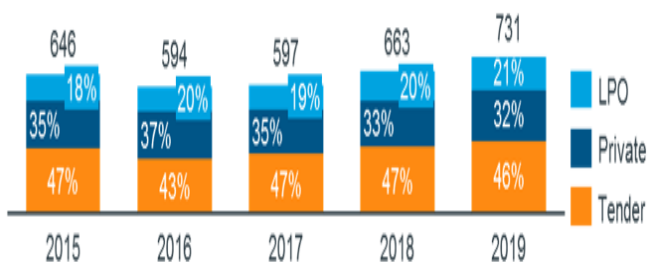
[Pharma & Biotech] [Sterile Injectables Medications]

OPPORTUNITY DESCRIPTION: Full Tech Transfer and localization of sterile injectable medications which cover mainly ER emergency injectables and life saving solutions (large & small volume parenteral)

DEMAND

MARKET SIZE, USD

Market channel sales and growth, 2015-19 (Value Mn \$)



KEY DEMAND DRIVERS

The opportunity has increased number of essential medications (as per SFDA) including ER injectables and life saving solutions (large & small volume parenteral)

INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Expected Investment size of USD **0.73 Billion for the whole segment and not capex / plant- (capex/ plant is 75 Million)**
- Plant capacity: **Subjected to review** ktpa
- Expected IRR: - **Subjected to review %**
- Payback period: **Subjected to review** years
- Job Creation: **128 till 2035 (Source NIS)**
- GDP Impact: **Subjected to review %**
- Location (Region): Saudi Arabia

VALUE PROPOSITION

- Market size of KSA exceeding 8 bn USD representing 1/3 of MENA region.
- Hajj & Ramadn seasons will be approaching fall and winter in the next 10 years. KSA can be source for flu, COVID-19 & other vaccines for Kingdom & OIC. Also Hajj & Umra tourism are expected to reach 30 Mn by 2030.
- National government existing buying power through NUPCO
- Unified buying power of OIC (Org. of Islamic Countries) Pharma market territory goes beyond \$130 Bn.
- KSA donations to GAVI and other global and humanitarian agencies, e.g. WHO, King Salman's, etc. re-buy from Saudi Arabia .
- Promising regional hub for clinical trials (require a clinical trials command center, CTCC). The global pharma invested \$1.36 Tn in R&D and clinical trials between 2007 and 2016 with annual investment prediction of \$181 Bn by 2022*

MARKET OVERVIEW

RAW MATERIALS

- API (Active Pharmaceutical Materials)
- Hormones
- Proteins

GLOBAL TRENDS

- High global demand



SUPPLY

SCALABILITY AND LOCALIZATION

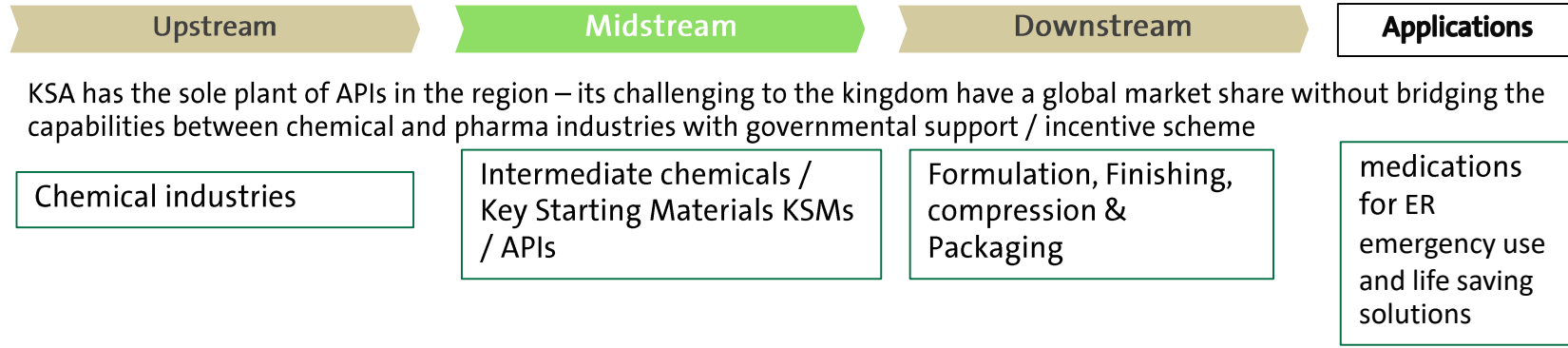
Grade: Low Medium High

- [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]

IMPORT DEPENDENCY

- [75 % of this segment is imported
- 0.73 (\$ Billion) and growing 3% annually]

VALUE CHAIN



KEY STAKEHOLDERS



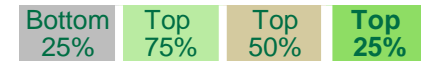
ENABLING FACTORS

ENABLERS & INCENTIVES

- LCGPA Mandatory list, Price preference. Offtakes are within 248 Committee Mandate
- Fast track registration & Variation.
- Price fixation

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



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

DISCLAIMER

- This material must be used only to access information, and the information must not be construed, under any circumstances, explicitly or implicitly, as an offer to sell or a solicitation to buy or sell or trade in any opportunity herein mentioned.
- Ministry of Investment (MISA) has no undertaking to update these materials after the date, with the understanding that such information may become outdated or inaccurate.
- Mentioned information in this material is obtained from reliable sources but its accuracy and reliability are in no way guaranteed. No guarantee of any kind is tacit or explicit when projections of future conditions are attempted. MISA has used public/or confidential data and assumptions and has not independently verified the data and assumptions used in the analyses. Changes in underlying data or operating assumptions will clearly impact the analyses and conclusions.
- The financial evaluations, projected market and financial information, and conclusions contained in these materials are based upon standard methodologies, are not definitive projections, and are not guaranteed by MISA
- The content of this material must not be construed as an implied promise or guarantee for profit or limited loss express or implied by or from MISA or any of its officers, directors, employees and affiliates. All mentioned investments in this material are subject to risk, which should be considered prior to making any investment decisions
- MISA shall have no liability whatsoever to any third party, and hereby any third party waives any rights and claims it may have at any time against MISA with regard to this material, any services or other materials, including the accuracy or completeness thereof.

CONNECT WITH US FOR MORE DETAILS:
biotechnology@misa.gov.sa

investsaudi.sa



[@investsaudi](https://twitter.com/investsaudi)

