Unmet needs in Asia–Pacific (APAC)

- ~3.7B people (51% of world’s population lives in APAC)
- 1.1B people (50+ years of age by 2025)
- 65M babies born each year (equivalent to UK population)
- 2B people in consuming class by 2025 (~50% of whole APAC)
- 2/3 of global disease burden for major chronic respiratory diseases

APAC med-tech market, $ billion

- 2015: $88B
- 2020: $133B
- 2020 RANKINGS: 1 US, 2 APAC, 3 EU

8% CAGR

Realities facing med-tech industry in APAC

Challenging and underserved market

- Frugal spending
  - Average healthcare spend per capita
    - APAC: $376
    - EU: $4,018
    - US: $9,146

- Regulatory complexity and undercapacity
  - China’s regulatory staff workload 20x relative to the US

- Inadequate infrastructure
  - India will take 85 years to achieve OECD physician density

- Intense competition
  - 10+ local Asian companies with med-tech revenues $1B+

- Multisegment markets
  - 80% of emerging APAC population cannot afford med-tech solutions designed for developed markets

Opportunities for industry-wide collaboration

- Regulatory capacity
  - Partner with academia to expand pool of regulatory-affairs professionals

- Medical education
  - Use technology to enhance pace and quality of medical education

- New delivery paradigms
  - Accelerate adoption of new healthcare delivery models (eg, home care)

Source: Amit Agarwal, Axel Baur, Shan He, Franck Le Deu, Satsheel Shrotriya, and Florian Then, MedTech in Asia: Committing at scale to raise standards of care for patients, Dec 2015, McKinsey.com