

Medtech in China 2021 - eCommerce & Digitalisation



SM TAY,
GM, SIGVARIS CHINA

SIGVARIS - world leader in Compression Garments

6 fully-owned factories, 10 sales companies worldwide
20,000,000 pairs sold worldwide (2019)

Swiss family-owned



In China since 1992,
SIGVARIS subsidiary
established in 2012



Present Medtech Situation In eCommerce China 2021

- Medical Standards Reform
 - “More stringent standards/requirements than the rest of the world”
eg RAL GZG387 + compression stability over 6 months aging test
- Hospital Reforms
 - No entry to any sales reps to hospital premises
 - No meeting with medical personnel at all hours
 - No display / literature of any brand in hospital premises
 - Only Natl Medical Insurance approved products can be sold within hospital
- eCommerce Platforms Government Oversight
 - To bring eCommerce practices and standards to be the same as those of below-line shops and brands, subject to the same regulatory practices, responsibilities and oversight.

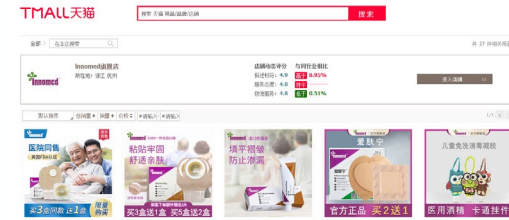
Present Medtech Situation In eCommerce China 2021 (cont'd)

- Sales Of Medical Devices in eCommerce platforms
 - Company & Shop must have Class 1 or Class 2 medical sales licence
 - Products must carry China medical product registration Class 1 or Class 2
 - Sales & promotional literature must be pre-approved by regulatory body
 - Fines ranging from RMB 5K ~ 500K or more for breaches of above
- eCommerce Market Highly Competitive
 - Consumers highly knowledgeable and challenging
 - Price + Value factor important to purchase
- eCommerce Platforms / Mobile eCommerce Platforms
 - tmall.com ; taobao.com ; jd.com ; xiaohongshu.com ; vip.com
 - pinduoduo.com ; dianping.com ; suning.com ; meituan.com ; ele.me
- Social media-eCommerce Platforms
 - wechat.com ; douyin.com / tiktok.com ;



Medtech eCommerce in China 2021

- Pressure from hospital reforms & Covid-19 →→ Web-shops



Medtech eCommerce in China 2021 (cont'd)



• Medtech Products In eCommerce Platforms



Foldable lightweight anti-roll electric wheelchair



Needle-less insulin injector

02灵动智能

被称为“唤醒的胰腺”
双时相精细、稳定输注
更符合人体自身分泌曲线



Insulin auto supply system



Pneumatic pumps



4axis
movable
electric bed
w/bedpan



防侧滑 防下滑



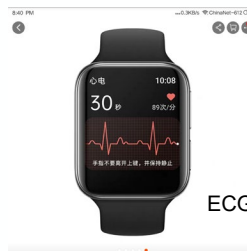
Blood Sugar Monitoring System



oxygen breathing aid



Limb trainers



ECG watch

¥2499 券后¥1999



sigvaris

Medtech Digitalisation in China 2021

- Big Data Usage
 - Wuhan HuoShenShan (1000 beds) built in 10 days
 - Wuhan LeiShenShan (1600 beds) built in 12 days
 - Industrial internet platform using BIM (Building Information Modelling) + 100+ designers throughout China → Building Design Plans in 24 hours
→ Construction Drawings in 60 hours
 - 100+ construction machines monitored and co-ordinated in real-time through another industrial internet platform.
(source : Lau SengYee, Snr Exec VP, Tencent on World Econ Forum)



An aerial view shows the newly completed Huoshenshan Hospital. Digital tools helped coordinate its design and construction Image: REUTERS

Medtech Digitalisation in China 2021 (cont'd)

- Big Data Usage (cont'd)

- AI system + data from 1.3million patients (Guangzhou medical center)
 - outperform some doctors in diagnosing common childhood diseases.
- Another AI system in Beijing beat physicians 2:0 in diagnosing brain tumours.



- Product / Service Digitalisation

- Remote Real-time Interventions conducted through 5G network + robotics system on patient 100km or 1000km away. Trials are also underway on interventions by robots only.
- Medical Platforms Connecting Patients & Doctors / Hospitals



User is hospitalised

- How can the hospital optimize its time and space?



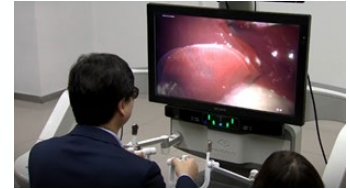
User is sent back home to receive care

- How to help him deal with the associated problems of his new routine?



User has to be re-hospitalised

- How to ensure the continuity of care?



China Medtech Market for SMEs

- Ensure your brand / trademark is registered !!
- Pockets : Deep-Pockets → set up your own subsidiary in China
 - Others → look for a reliable distributor who is able to provide service and support
- Be aware of legal and regulatory requirements and ensure compliance
- Look for market niches where you are strong in
- Forget about premium pricing ! Look at the middle-income group and 'value' / price market segment.
- Youtube, Facebook, Twitter, Instagram, Snapchat, Google does not work in China. Try **Wechat** .
- 85%~90% of purchase traffic is through the mobile phone !!
- Be prepared for marathon fighting in this market !!

Thank you



**SIGVARIS
GROUP**
*is dedicated
to helping people
feel their best.
Every day.*