



# **KONSULTACJE BRANŻOWE PAIH:** sektor medyczny i farmaceutyczny

# THE UKRAINIAN PHARMA SECTOR DYNAMICS

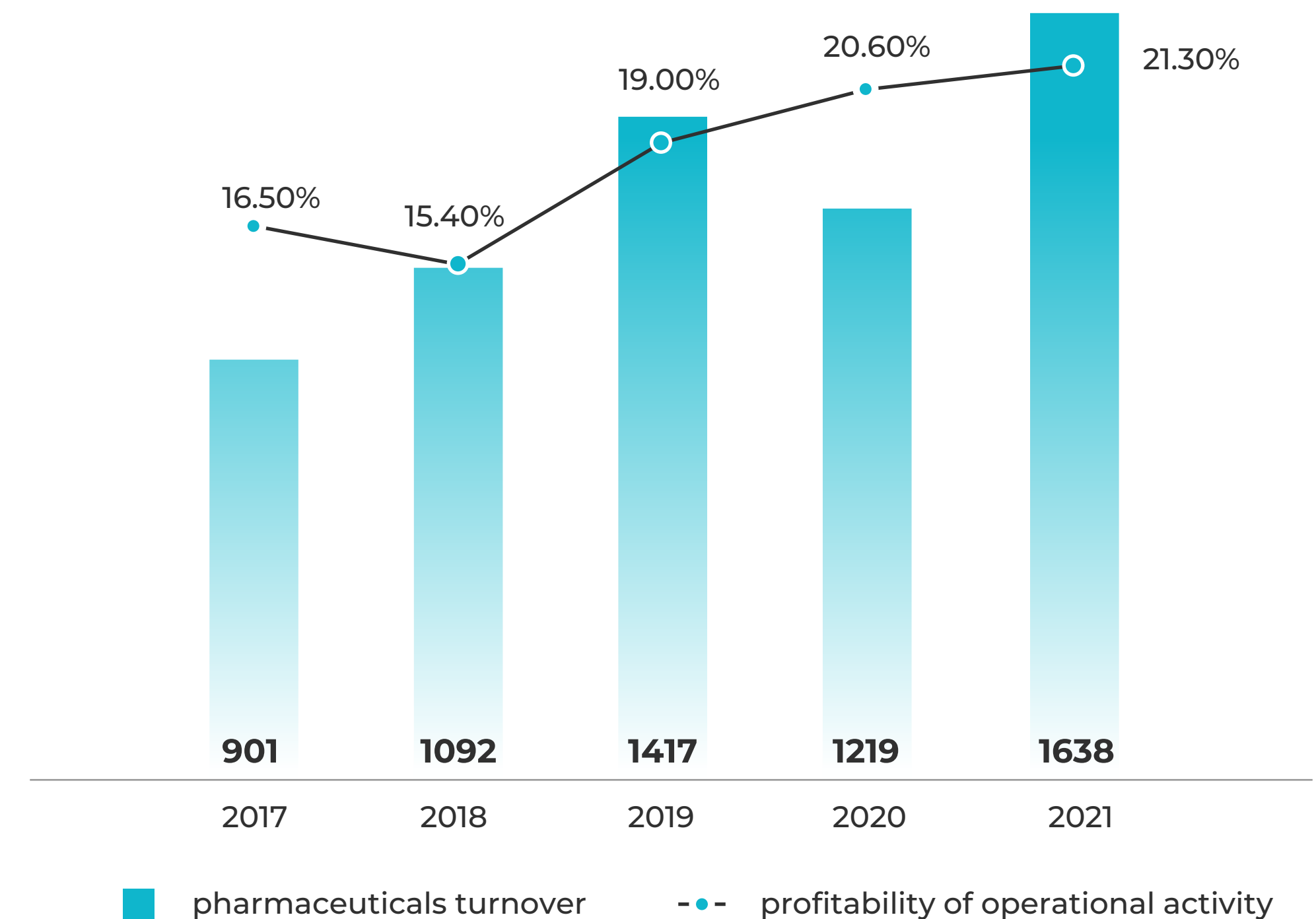
The pharmaceutical sector in Ukraine has been experiencing significant growth in recent years. The industry is composed of both local and international companies.

In terms of local production, Ukraine has a significant pharmaceutical manufacturing industry. The local industry focuses primarily on the production of generic drugs, with most of the production being consumed domestically.

Overall, the pharmaceutical sector in Ukraine presents significant opportunities for growth and development, with a growing demand for high-quality pharmaceutical products.

## THE UKRAINIAN PHARMA SECTOR OVERVIEW

Turnover of pharmaceutical producers, mln EUR

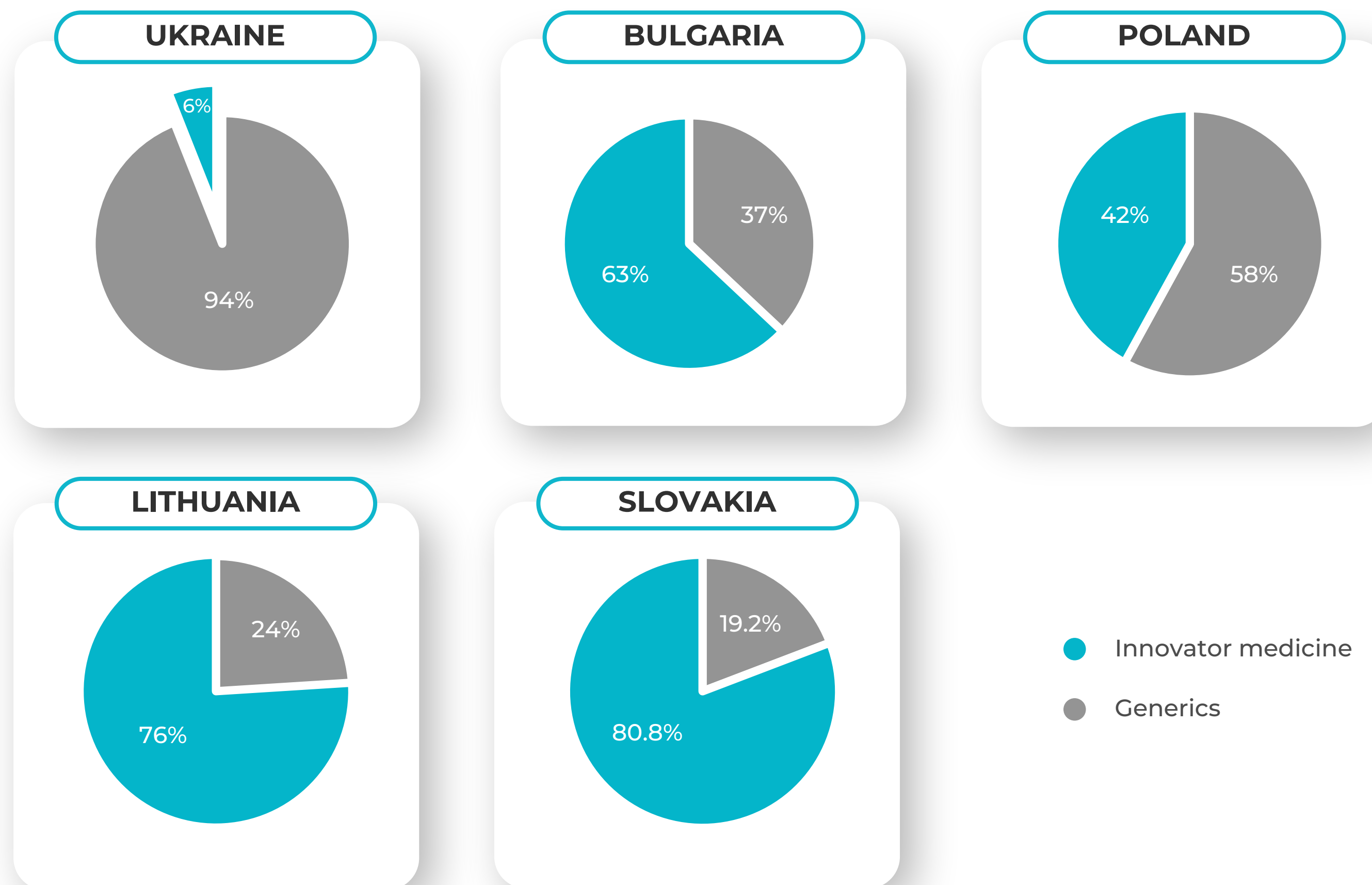




# THE MAJORITY OF MEDICINES IN UKRAINE ARE GENERICS

## THE UKRAINIAN PHARMA SECTOR OVERVIEW

Structure of medicine market by country\*, in monetary terms, %

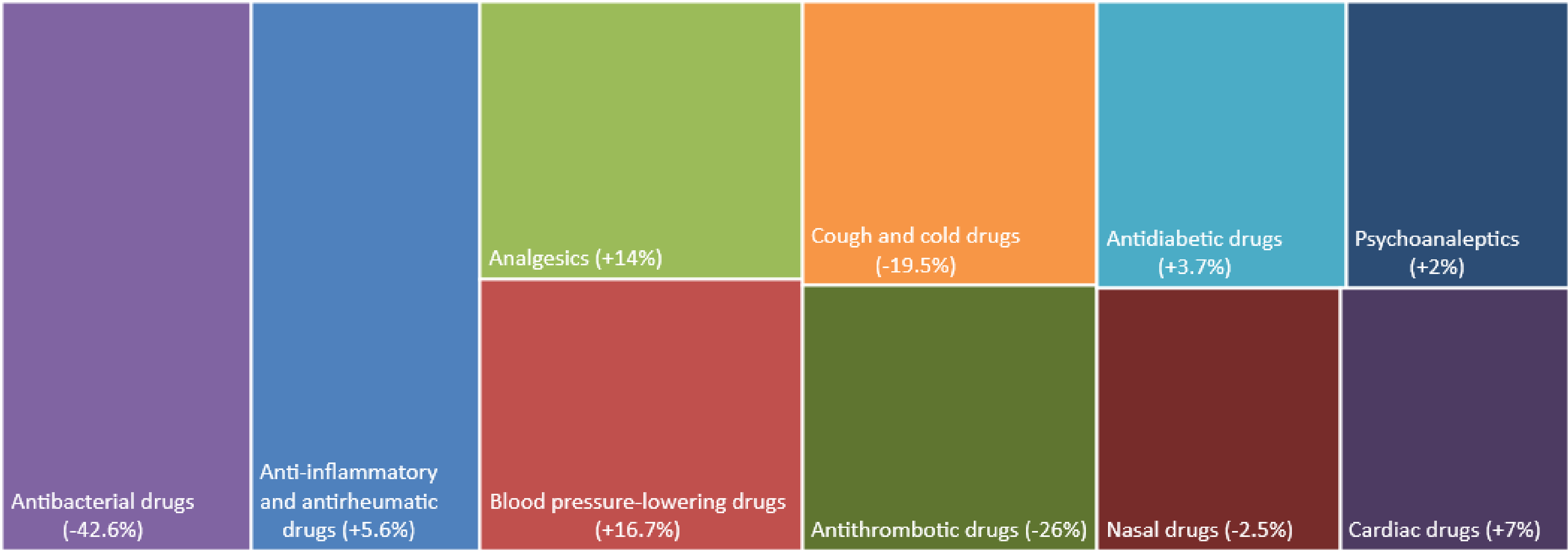


The majority of medicines in Ukraine are generics. Generics cost less and are identical to original drugs, thus make treatment affordable

# STRUCTURE OF MEDICINE CONSUMPTION

The biggest share in the structure of consumption is taken by anti-inflammatory and antirheumatic drugs .  
The largest increase in consumption in 2022 was displayed in blood pressure-lowering drugs share.










TOP 10 GROUPS OF MEDICINES ON THE PHARMACY MARKET AND DYNAMICS OF THEIR SALES  
STRUCTURE IN MONETARY TERMS IN 2022 AND INCREASE IN SALES COMPARING WITH 2021, %



# LEADERS OF THE PHARMACY MARKET

## THE UKRAINIAN PHARMA SECTOR OVERVIEW

### TOP PHARMA COMPANIES BY MARKET SHARE, Sales in monetary terms

	FARMAK	5.25%
	DARNITSA	4.45%
	ACINO (SWISS)	3.60%
	TEVA (ISRAEL)	3.45%
	KRKA (SLOVAK)	3.11%
	SANOFI (FRANCE)	3.06%
	KYIV VITAMIN FACRORY	3.03%
	BERLINCHEMIE (GERMANY)	2.95%
	KUSUM PHARM	2.57%

According to the results of 2022, the companies "Farmak", "Darnytsia" and "Acino" became the leaders in terms of the volume of pharmacy sales of drugs.

The war had a different effect on the development of companies: some show growth, while others, on the contrary, decline. The war factor affects the development of manufacturers to a large extent. Decrease in sales experienced Farmak (-14.5%), Sanofi (-14.5%), Arterium (-6%).

# IMPORT SUBSTITUTION OPPORTUNITY

## EU share in Ukrainian imports by product (selected):

**73%** of medicaments

**77%** of provitamins and vitamins

**89%** corticosteroid hormones

**88%** hormones or steroids

**79%** antisera and other blood fractions

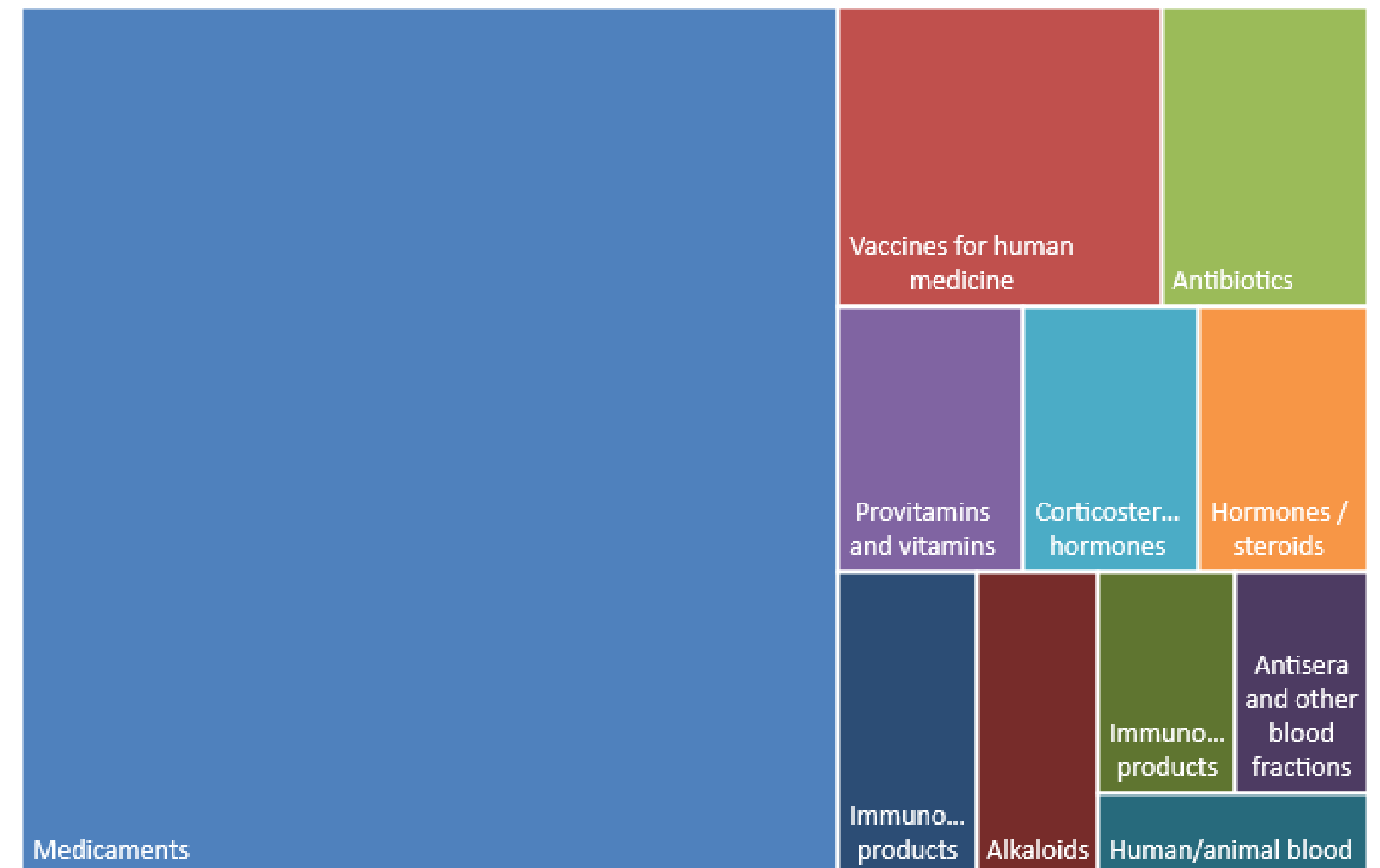
Dependence on imported medicines is a national security matter because high dependence can lead to a shortage of drugs in difficult times like the pandemic or war.

## OPPORTUNITIES FOR POLISH INVESTORS

The majority of pharmaceutical products consumed in Ukraine are imported

**65%** of imported pharma products are from EU countries

Top pharma goods imported by Ukraine from EU, by value, 2021



# AVAILABLE INVESTMENT INCENTIVES IN UKRAINE

## OPPORTUNITIES FOR POLISH INVESTORS



### STATE SUPPORT FOR INDUSTRIAL PARKS

- 10-year CIT exemption
- VAT, import duties exemption for new equipment
- full or partial interest rates compensation on loans
- financing for arrangement of industrial parks, etc.

60 industrial parks which are officially registered as of January 2023 in Ukraine may utilize the benefits of described incentives



### STATE SUPPORT FOR PROJECTS WITH SIGNIFICANT INVESTMENTS (20+ MLN EUR)

up to 30% CAPEX compensation in forms of:

- 5-year CIT exemption
- VAT, import duties exemption for new equipment
- land tax exemption, etc.

As of February 2022 28 projects (2+ bln EUR in investments in total) were seeking to obtain the state support

As of January 2023 8 projects (1.3+ bln EUR in investments in total) are on the final stage on application submission

### E-commerce in the pharma market

- In 2021 the share of e-commerce in the Ukrainian pharma market was higher than in the world.

5% World

7% Ukraine

### Major pharma marketplaces in Ukraine

LIKI 24

LAB 24

 **apteka24.ua**

126 Healthtech product companies operating in Ukraine and may provide innovative solutions for businesses in the sector

- Digital healthcare products / services (e.g. wearables, clinical data solutions)
- AI applications in diagnostics and treatment
- Software
- CRM systems and others



# UKRAINEINVEST'S KEY ACTIVITIES

There are three key activity directions of UkraineInvest:



## INVESTMENT ATTRACTION

UkraineInvest consistently reaches out to international investment community to promote sectoral investment opportunities in Ukraine (greenfield, brownfield, JVs, etc.) and market projects open to investments. We also provide potential investors with information on setting up & doing business in Ukraine (e.g. macro and industry specific information, legal and tax frameworks, etc.).



## INVESTOR SUPPORT AND TROUBLESHOOTING

UkraineInvest assists businesses 24/7 at all stages of projects implementation by providing guidance and troubleshooting services. Special emphasis is put on consulting investors on obtaining government investment incentives.



## PROMOTING UKRAINE AS INVESTMENT DESTINATION

UkraineInvest team actively promotes Ukraine at various platforms throughout the world, and organizes events for potential investors in order to make the world aware of Ukraine's investment attractiveness and specific opportunities.