



UNITED ARAB EMIRATES
MINISTRY OF INDUSTRY
& ADVANCED TECHNOLOGY

Industrial Investment Opportunities

A top-down photograph of infant food preparation. In the center, a white bowl is filled with a fine, off-white powder. A blue plastic spoon is scooping up some of the powder. To the left of the bowl, a clear plastic bottle cap lies on a light-colored wooden surface. Behind the bowl, a pink baby bottle with a clear nipple is visible, and to its right, a larger clear plastic bottle. The text "Infant Food" is overlaid in the center of the image.

Infant Food

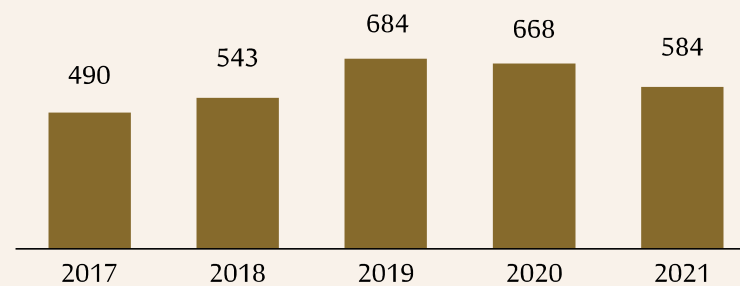
Infant Food

Infant food is targeted for babies under the age of 12 months, aimed to provide essential nutrition necessary to support their growth

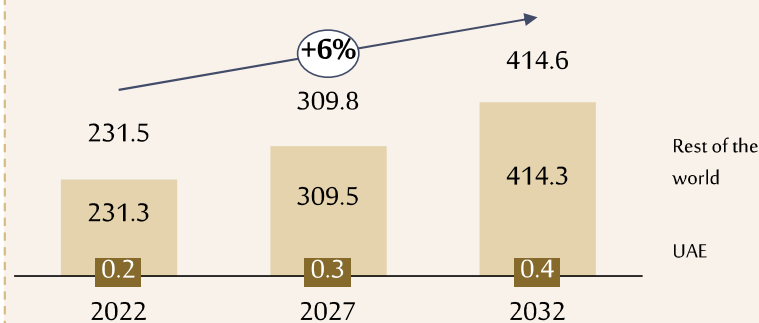
Investment case

- Setup manufacturing plant to produce infant food
- Investment size = AED 35 Mn
- Plant capacity = 1,500 tons per year
- IRR = 18%
- NPV = AED 25 Mn

Imports to UAE 2017 – 2021 (Mn AED) ¹



Global and UAE market size 2022 – 2032 (Bn AED) ²



Global trends & demand drivers ³

- Growing demand for specialized infant food and formula products that address infants' immune system and digestive issues
- Increased popularity of e-commerce driving up demand due to high availability of wide variety of products
- Shift of consumer focus towards infant nutritional needs and health requirements
- Innovation of new infant food products, including camel milk based formula and halal baby food, driving up demand in UAE
- Growing percentage of working women in the UAE will increase demand for breastmilk substitutes

1. Source: UN Comtrade

2. Source: UN Comtrade, Expert Market Research, Team Analysis

3. Source: Expert Market Research, Allied Market Research, Ken Research



Infant Food

Value chain analysis ⁴



Value proposition

- High availability of raw material in the form of milk (UAE second largest producer in GCC)
- UAE ranked 16th globally in Ease of Doing Business (WB)
- UAE ranked #10 globally for world class infrastructure in (LPI)
- High quality of life attractive for skilled talent
- 100% foreign business ownership and low VAT (5%)

Enablers

- Up to 80% project financing by Emirates Development Bank
- 2-year grace periods and low interest-rate loans for CAPEX, working capital, and supply chain financing
- Export credit and insurance via Etihad Credit Insurance and AD Exports
- Access to Free Trade Agreements with high-growth markets such as GCC, Arab countries, India, Israel, Indonesia, and others
- Customs exemptions for raw materials

⁴ Source: Science Direct, ResearchGate