



UK LIFE SCIENCES BREAKFAST BRIEFING

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Key Points of Discussion

- Introducing PRO Partner Group
- Introduction to UAE and Medical, Healthcare, Life Sciences Sectors
- Options to Establish in UAE
- Commercial Agency
- Physical Presence – Mainland & Freezone
- Choosing the right local Partner / Agent / Freezone
- Regulatory Steps - Health Authority - HAAD & DHA
- Staffing - Labour and Visa issues
- Commercial Space Requirements
- Other Considerations – Tax, Audit, Import





Who We Are

PRO Partner Group is a full-service provider of company formation and setup solutions. We offer a comprehensive range of services that are aimed at helping entrepreneurs, companies, and businesses find their footing in the Middle East, particularly in the flourishing markets of the UAE and Oman.

Without the support and services of an experienced, trustworthy and proactive partner, establishing a business in the Middle East can be a complex, time consuming and even daunting process.

- Established in 2010
- Offices in Dubai, Abu Dhabi, Oman and Qatar
- Direct clients & Professional Services Firms
- Experienced, trustworthy and proactive
- We reduce complexity, eliminate stress and minimise time

Our Services



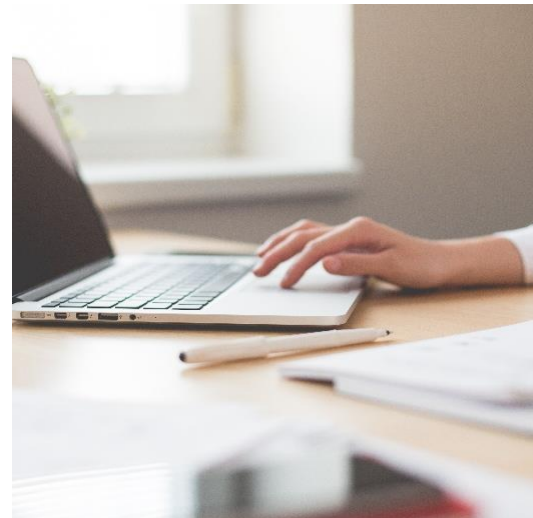
Company Formation

There are several methods by which a foreign investor can set-up their business in UAE. We specialise in mainland and freezone formation.



Corporate Sponsorship

We offer Local Partner service as a 'Corporate Nominee Partner or entity' rather than an individual Emirati national.



PRO Services

- Company documents renewals/amendment
- MOHRE Registration
- Labour Permit applications
- Work/Investor/Family Visas
- Transfer of sponsorship
- External Approvals



Other Services

- HR Services
- Corporate Advisory
- Corporate Governance
- Legal Document Attestation

Introduction to UAE

Medical, Healthcare, Life Sciences Sectors

- Overall UAE has Federal Ministry of Health that implements policy, but individual Emirates stipulate specific approvals required
- Ministry of Health regulates both Healthcare and Lifesciences
- Dubai Health Authority – DHA (as well as Dubai Health Care City – DHCA)
- Health Authority Abu Dhabi – HAAD



Company formation and regulation are very much Emirate based – particularly for physical locations and physical trading of products and regulated services

Options to Establish in the UAE

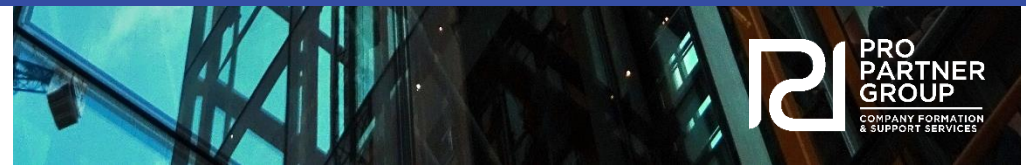


Commercial Agency / Distribution Agent

- Companies that do not wish to establish a physical presence in the UAE can search for an Agent to distribute and sell their products.
- Distinction between Registered Commercial Agent (Brand) and a Distribution Agent
- Lower set up cost – normally will take the form of a % of sales
- Can be very restrictive and difficult to break these contracts
- No staffing options – staff and brand is effectively owned by the Agent
- Vital to seek legal advice before entering into any Agency agreements

Physical Presence

- Required for, importing and physical trading of products and sales in UAE
- Physical delivery of services within the UAE – regulated staff, Labour contracts onshore
- Setting up a local presence will allow autonomy to work with multiple other distributors



Physical Presence

Mainland vs Freezone

Mainland	Freezone
<ul style="list-style-type: none">• Limited Liability Company (LLC) – 51%:49%• Branch Office / Rep Office – 100% with NSA• Professional Licence – 100% with NSA	<ul style="list-style-type: none">• 100% owned – Freezone becomes the 'local sponsor'• Key limitation Freezone company can only conduct business within that Freezone• Grey area for service companies and virtual delivery of products / services to the mainland• Government contracts and pre-qualification normally require Mainland licence• Office costs can be much higher over the long term• Dual Licencing is possible now in some zones

Corporate Sponsorship

When setting up a local company as per the UAE Companies Law and UAE Civil Law, the expatriate shareholders are required to nominate a Local Service Agent or a Local Partner (Sponsor), who must hold the majority share of 51%, when establishing a company.

Corporate Sponsorship is the preferred choice of local sponsorship within the UAE. A UAE national company (Local Sponsor) holds a 51% share and obligations of an organization and the remaining 49% is owned by an individual or group of foreign investors. In this type of sponsorship, the business is sponsored by a company, rather than an individual.

Considerations	Corporate Nominee	Individual Sponsor
Signatories	<ul style="list-style-type: none">• Multiple signatories	<ul style="list-style-type: none">• Single signatory
Succession	<ul style="list-style-type: none">• Succession protection	<ul style="list-style-type: none">• In the event of death of the local sponsor licenses can be frozen as the heirs split the assets
Agreements	<ul style="list-style-type: none">• Legally binding side agreements	<ul style="list-style-type: none">• Powers of attorney can be revoked by the sponsor in the case of dispute
Sponsorship Control	<ul style="list-style-type: none">• Controlled number of clients to reduce cross partner risks• Safeguards clients day-to-day activities	<ul style="list-style-type: none">• Uncontrolled number of company sponsorships• If other companies under the sponsor have issues, this will also affect your company
Availability	<ul style="list-style-type: none">• PPG are physically located in all Emirates of the UAE and are always available for signatures	<ul style="list-style-type: none">• If an individual sponsor is not available this may delay your business operations
Reliability	<ul style="list-style-type: none">• PPG have connections with multiple Emiratis which allows us to offer a multitude of solutions for different activities and approvals	<ul style="list-style-type: none">• If an individual sponsor is in a different Emirates it could limit approvals you can get.• Certain activities require a local partner exclusively which your specific sponsor may not be able to obtain
Exit Clause	<ul style="list-style-type: none">• 90 day exit/sale/transfer clause with no penalty• PPG provide the client with a clear exit plan to ensure the foreign party has control of OP, the brand and PNL.	<ul style="list-style-type: none">• There is no exit clause that can be enforced• High risk in the case of the sale of a company• It is much more difficult to secure 100% control and ownerships

Licensing options for Medical devices trading and importing

There are two available licensing options for Medical devices trading and importing:

1. Medical, Surgical Articles & Requisites Trading

2. Medical, Surgical Equipment & Instruments Trading

These two Medical Devices trading activities can be issued on the same licence so this can cover a wide scope. The Company must be established as an LLC.

Product registration with Ministry of Health and Prevention (MOHAP)

1. Classification by Ministry of Health and Prevention. MOHAP will issue a certificate of classification if this product meets use rules and regulation to import and sell in UAE.
2. Registration of the product to enable the product to be sold within the UAE.

Company registration with Ministry of Health and Prevention (MOHAP)

1. To import the goods and sell directly to hospitals or any health facility, then the company (importer) will need to be registered as an Authorised Reseller of the devices. The importer will need to register with MOHAP and to meet their guidelines which include taking a minimum warehouse space.



Regulatory Steps Health Authorities

- To practice healthcare in UAE must obtain a licence from DHA, HAAD, DHCC or MOH
- Healthcare individuals must be registered with the Health Authority and in most cases undertake a rigorous authentication process of internationally recognised qualifications
- Each Health Authority has its own system and portal for approvals and registrations – part of the visa and registration process - This also includes interviews or computer based assessments
- Import of pharmaceuticals and healthcare products is controlled by MOH and requires full mainland import licence and pharmaceutical license (i.e. LLC)

Why Choose Us

Security

- Corporate Nominee Partner / Sponsor
- Mitigate Local partner risks
- Reputable Local Partners
- ISO 9001 Accredited
- PPG reputation in the market

Services

- Expert Team
- Dedicated Account Manager
- Experienced team of Arabic GLO's
- All Government Liaison Services for clients – visas, labour etc

Support

- 24/7 Professional Service Support
- Multiple signatories in the company
- CRM – management and advanced alerts to expiry of documents
- Regular updates on Government procedures and regulations
- Onboarding meeting and incoming employee orientation
- Extensive reliable partner network



PRO Services

Our PRO and Government Liaison specialists can provide specialised solutions that help your company get off the ground faster and easier. We can assist your company in a variety of situations, such as documents typing and clearing and visa application and processing, ensuring that every step is taken to accelerate the application and deliver outstanding results.

**On a case-by-case basis or on a retainer basis*

- **Resident and Employee Visa**
- **Labour and Immigration Cards**
- **Labour Quota applications**
- **Investor/Mission/Family Visas**
- **Offshore Passes (CICPA)**
- **Driving Licenses**
- **Transfer of sponsorship**
- **Emirates ID Card**

Staffing - Labour & Visa issues

- Staff must be sponsored by a company
- Mainland staff obtain Immigration (Visa) and Work Contract (MOL)
- Freezone staff do not deal with MOL – only strictly allowed to work within the Freezone
- Company is formed then registered with MOL and MOI
- Then company obtains labour quota – job titles are based on activities, structure and number is based on office size and location and any contracts awarded. MOL inspect premises
- Distinct levels of job title requiring specific qualifications
- All qualifications need to be Notarised, Legalised & Attested through UAE Embassy and MOFA – translated & MOJ
- Sponsoring Family members – need specific job titles and salary levels
- Larger quotas can be obtained against smaller office space onshore if staff are not location onsite – e.g. Sales Staff, Site Project Staff
- Freezone control personnel using security passes – 10sqm per person
- Health Insurance for all Onshore & Most Freezone – Family & dependants included
- Wage Protection System – all UAE Mainland – MOL controlled



Commercial Space Requirements

Certain activities require particular premises

- Clinics, retail units, training
- Clinics require particular location and configuration
- Training centres

Certain activities require certain corporate structures

- Mainland Trading – needs onshore LLC
- Retail units need Onshore LLC and ground-floor commercial space
- Import requires temperature controlled specific warehousing for registered goods
- Import of samples possible under other structures – e.g. Branch

- **Mainland - minimum 15sqm / 200sqft – external door signage – 2-3 visas**
- **Freezones - offer flexidesk arrangements for 1-2 visa – then 10sqm per person**

Other Considerations

- VAT – brought in 2018 – AED 375,000 annual turnover threshold – 5% transaction tax
- Import duty 5% on most goods – applies from Freezone to Mainland
- Manufacturing UAE certificate of origin requires mainland base
- Free movement of funds, zero income tax, zero corporation tax
- Audit – Branches, LLCs, VAT returns



Summary

How to land your company in the UAE

- Do your research
- Consider location, structure & staffing matters
- Choose the right Local Partner
- Seek legal advice

Our Locations



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