

SAB Foundation injects R30m into local startup medical device development company

The SAB Foundation has announced its investment of R30m in startup Liquid Medical, a medical device development company pioneering a new class of sight-saving ocular implants.



Source: Supplied. Founder of Liquid Medical, Daemon McQuinn.

“We are proud to be one of the first foundations in the country to use its endowment for impact investment,” says executive director of the SAB Foundation, Bridgit Evans.

“The aim of this is to leverage traditional capital pools toward solutions that address key socio-economic challenges of inequality, unemployment and poverty.”

“The SAB Foundation was set up as part of the South African Breweries’ (SAB) BEE empowerment scheme and receives dividends bi-annually. We will be using funds from those investments to fund the transaction, which represents a significant shareholding in this business.”

Based in Cape Town, which is emerging as a major technology hub, Liquid Medical was previously awarded R1.3m in funding and mentorship as the winner of the foundation’s annual Disability Empowerment Awards in 2019.

It used the grant to conduct its first human trials with very encouraging results.

The patented devices have been designed to harness a naturally occurring anatomical mechanism to provide the potential for the most clinically effective, cost-saving, and quality-of-life-improving solutions for glaucoma, a leading cause of global blindness.

Currently, there are three core devices under development, which are the OptiShunt, iPortVR, and iFlow.

Founder, Daemon McClunan, is an eye specialist who has been working on the development of these devices since 2015.

Following its most recent investment of R9.5m from the Technology and Innovation Agency of South Africa, the R30m equity funding investment from the SAB Foundation is earmarked for technology development, regulatory accreditation, clinical trials, and IP portfolio development over a period of three years.

“Our goal is to be commercialisation-ready by the end of the funding tranche,” explains McClunan. “Commercialisation, followed by launch to market, is expected three years after the investment. This is driven by the company concluding further clinical trials and securing international regulatory approvals within the target period.”



SAB repositions its brand with new logo

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According to research conducted by IDF Capital, the global glaucoma treatment market is R140bn per annum, with a compound annual growth rate of 6.9%.

The total number of patients globally with glaucoma is 76 million, with the total revenue generated per annum from device sales being R26bn. In addition, the total number of glaucoma surgical procedures performed per annum is one million.

Currently, the most effective means of treating glaucoma involves draining excess fluid from the eye by means of the traditional drainage pathway by implantation of a tube-shunt device.

A more effective treatment solution has never been developed until now.

Supporting social innovators

Liquid Medical has developed three patented glaucoma implants, each designed to fill three clearly defined gaps in the market, and all of which will be manufactured in South Africa.

“As a foundation, our ultimate objective is to support social innovators to develop their businesses, which will in turn boost the local economy and create jobs,” says Evans. “This investment is a significant opportunity to mobilise capital into investments that target measurable positive social and economic impact alongside financial returns.

“As a foundation, we are so committed to improving the quality of life for people with disabilities and excited about the possibilities that this new technology holds in preventing blindness.

“We look forward to seeing more foundations considering impact investment as part of their strategies.”