FROST & SULLIVAN

The Next EV Gold Rush

Who Will Capture the Battery Lifecycle Profit Pool?

MIDDLE EAST AUTOMOTIVE AFTERMARKET
CLUSTER-WISE GROWTH OPPORTUNITY SERIES

Opportunity Overview

14	$15.5B	2027
Opportunities	Combined Middle East Opportunity	Earliest Opportunity Window

The next phase of the EV aftermarket value creation may be driven by what happens after the vehicle is sold.

As EV adoption grows across the UAE, Saudi Arabia and the wider GCC, new opportunities are emerging around battery diagnostics, lifecycle management, charging, servicing, second-life applications and recycling. Together, these form **$15.5B opportunity spanning 14 growth opportunities** all linked by one increasingly important capability: **battery expertise.**



Lifecycle Value Creation

The Battery Is Becoming a Managed Asset

Historically, batteries were viewed as components that were installed, used and eventually replaced.

Today, value can be created throughout the battery lifecycle, from deployment and monitoring to servicing, second-life applications and recycling.

LIFECYCLE VALUE CREATION

Acquire | Monitor | Maintain | Extend Value | Reuse & Recycle

Five Lifecycle Revenue Pathways

01 ACQUIRE

EV Retrofit & Conversion

Extend The Life Of Existing Assets

Retrofitting and converting existing vehicle fleets creates an alternative path to electrification while extending the useful life of vehicles already on the road.

EXECUTIVE THOUGHT

Electrification may arrive through the existing vehicle parc as much as through new vehicle sales.

02 MONITOR

Battery Health, Passport & Second Life

Turn Battery Condition Into A Recurring Revenue Stream

Battery health monitoring is evolving from a diagnostic event into an ongoing subscription and analytics opportunity. Continuous visibility into battery condition can support maintenance planning, second-life valuation and lifecycle management.

EXECUTIVE THOUGHT

The most valuable battery service may be understanding degradation before replacement becomes necessary

03 MAINTAIN

HV Service & Roadside Capability

Build Capability Before Demand Accelerates

High-voltage diagnostics, EV-safe roadside support and technician readiness form the operational foundation on which future EV aftermarket services depend..

EXECUTIVE THOUGHT

The biggest risk may not be EV adoption. It may be capability readiness.

04 EXTEND VALUE

Charging, Swapping & V2G

Move Beyond Infrastructure To Ongoing Services

Charging, battery swapping and V2G services transform a one-time installation into a long-term customer relationship built around uptime, maintenance and energy management.

EXECUTIVE THOUGHT

The charger may become the start of the customer relationship, not the end of the transaction.

05 REUSE & RECYCLE

Recycling & Circularity

Create Value Beyond Vehicle Ownership

As battery volumes increase, recycling, take-back programs and circularity platforms create new ways to capture value from batteries after their primary vehicle life ends.

EXECUTIVE THOUGHT

The battery's first life may not be its most profitable one

Why This Matters In The Middle East

The Middle East presents unique opportunities and challenges for battery lifecycle management:

UAE and Saudi Arabia are emerging as key markets for EV servicing, battery diagnostics and

Regional EV mobility strategies are accelerating investment across diagnostics, servicing, circularity and battery lifecycle management.

Extreme regional heat increases the importance of battery health monitoring, degradation tracking and lifecycle planning

The Strategic Question Is Expanding

As EV adoption grows, value creation may increasingly extend beyond vehicle ownership and into battery monitoring, lifecycle management, second-life applications and circularity ecosystems.

Executive Insight

Battery health data is the highest-value recurring stream in the EV aftermarket.

Looking Ahead

Organizations that strengthen battery-lifecyclecapabilities today may be better positioned to:

- Generate recurring revenue from battery-health insights
- Extend battery value through second-life applications
- Improve fleet uptime and lifecycle economics
- Participate in emerging recycling and circularity ecosystems
- Create new service models built around battery performance rather than battery replacement

Executive Discussion

As EV adoption grows, where will the next wave of aftermarket value be created?

- When a battery is installed?
- When it is monitored?
- When it is serviced?
- Or when it begins its second life?

Connect with Frost & Sullivan Mobility experts to continue the conversation.

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