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# HEALTHTECH INVESTMENT LANDSCAPE

FULL YEAR 2018

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## INVESTMENT TRENDS

- Key Findings
- Asia Pacific Insights
- China Focus
- India Focus
- Rest of Asia Focus



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## JULIEN DE SALABERRY

CEO & Founder  
Galen Growth Asia

We are delighted to share with you our 2018 Full Year Asia HealthTech Landscape report, the bi-annual go-to-reference for key trends in the region for investors, enterprises and startups.

Asia HealthTech closed the year at a record breaking US\$6.3B, confirming it as the 2nd largest digital health ecosystem in the world. Significantly exceeding 2017 in \$ size, and doubling 2016, the Asia ecosystem is fast catching the US.

This year also witnessed the largest recorded HealthTech IPO in Asia with Ping An Good Doctor's US\$1.1B IPO. We expected further IPO transactions in Asia in 2018 however the geopolitical climate has impacted appetite as witnessed with the downsizing of the Babytree IPO in Nov 2018.

The acceleration in ecosystem momentum can be attributed to a number of key drivers.

Beyond IPO related activities, we continued to observe a strengthening of investor appetite for growth stage ventures, with the overall distribution of funding growing 14% vs FY2017.

Relevant policy and regulations are being drafted with China, amongst other governments, leading the charge and announcing its Internet+ Medicine guidelines in April 2018.

Whereas many sectors remain short-term in their approach, the past 12 months have experienced growing presence by strategics such as pharmacos which are actively seeking commercial partnerships with proven innovators.

Looking forward, 2019 will continue to see Asia HealthTech on the ascendency, buoyed by the China investment scene, and sustained by the aforementioned drivers.

This report is powered by HealthTech Alpha, a Galen Growth Asia (GGA) solution, the only analytics and database platform dedicated to HealthTech in Asia Pac.

# ABOUT

*Galen Growth Asia is the leading exclusive HealthTech research, analytics and advisory firm in Asia Pac serving Fortune 500 companies and global investors*

## Our Mission

Founded in late 2015 by HealthTech, aka digital health, innovators, Galen Growth Asia (GGA), is at the epicentre of HealthTech innovation, aka digital health, currently a \$75+B startup ecosystem.

GGA has built a portfolio of solutions which enables it to be the catalyst of direct collaboration between enterprises, startups and investors to prototype, evaluate and implement HealthTech solutions to solve healthcare system pain points and create significant financial and social value in the region.

We partner with enterprises, investors and startups to accelerate and deepen their understanding of this exciting ecosystem. We offer client specific analytics and advisory solutions to help them find the right options and scale their innovation plans.

## We

### Engage Innovators

GGA has established the most comprehensive and relevant network of HealthTech startups and innovators across the region which includes entrepreneurs, investors, enterprise innovation teams, and many other key stakeholder groups allowing innovators to embed within the ecosystem faster.

### Discover Solutions

GGA has built the only dedicated HealthTech ventures database and analytics platform allowing it and its clients to scan, screen and develop valuable insights. Through its rich network and this unique database, GGA is the leading authority in the Asia Pacific HealthTech ecosystem.

### Accelerate Strategies

By leveraging its thought leadership, research, data and unique ecosystem network, GGA is in the enviable position of assisting enterprise, investors and startups ventures to accelerate the design and execution their HealthTech growth strategies.



# ASIA HEALTHTECH COUNCIL

*The only regional HealthTech peer-2-peer think tank where enterprise innovation leaders collaborate and co-build the future of HealthTech in Asia*

HealthTech is maturing into a horizontal discipline cutting through numerous sectors driven by new entrants.

The GGA HealthTech Council propels the ambitions of innovation leaders, from each sector implicated in HealthTech, through their peer-to-peer collaborative and reflective practices to transform healthcare in Asia.

By nurturing meaningful conversations along with sharing best practices and experiences, members work together to create breakthroughs that translate into greater business innovation successes with tangible collaboration and co-creation.

The Council provides a platform for leading companies to engage with healthcare providers, payers, academic institutions, technology organisations, and healthcare manufacturers. It enables innovation leaders to share, learn, level set and solve key strategic challenges together.

Membership is limited to innovation leaders and is by invitation only. Please enquire further via:  
[info@galengrowth.asia](mailto:info@galengrowth.asia)

## Trusted by Global Healthcare Strategics



A nighttime photograph of a city skyline, likely Singapore, with numerous skyscrapers illuminated and their lights reflecting on the water in the foreground. A bridge is visible in the middle ground. The text is overlaid on this image.

In 2018,  
Asia HealthTech significantly exceeded 2017 total  
funding deploying

**\$6.3 BILLION**

across

**294 DEALS**



# OUR POINT OF VIEW

**Asia Pac HealthTech records its largest year of funding in history with over US\$6.3B invested**

**The region significantly exceeds 2017's total across fewer deals:** Dollars to VC-backed HealthTech ventures grows 1.5x in FY2018 over the previous year with \$6.3B invested across 294 deals whilst deal volume declines 11%.

**Asia Pac executes 16 mega-deals:** Asia Pac HealthTech ventures experiences another year of mega-deals, recording 16 rounds of US\$100M or more. Mega-deals account for 60% of total funding in FY2018.

**HealthTech in Asia sees record numbers of exit deals:** In FY2018, the region's number of IPO and M&A type exits grows to its largest volume in history, including its largest digital health IPO at US\$1.1B, and records 15 exit deals.

**Early stage rounds flat whereas Growth stage increases:** The volume of deals, up to including Pre-A stage, as a share of all Asia Pac deals remains flat at a third, whereas Growth stage deal volume grows 21% in FY2018.

**China continues to dominate, and India records its biggest year:** With 85% of total Asia Pac HealthTech funding by value, dollars to VC-backed ventures in China grew 59% in FY2018 over the previous year whilst deal activity is down 14%. One question remains: Will global market uncertainties, which impacted the IPO scene in late 2018, continue to affect exits in 2019? India's HealthTech ecosystem funding reached US\$515M to hold its position as the 2nd largest in the region.

**Medical Diagnostics, Health Management Solutions and Online Marketplace remain the most attractive categories:** Having jostled for a top 3 position, deal activity in these three categories remains strong. However, two new categories, namely Wellness and Research, have raced to the top 5 in FY2018.

**Three main key drivers contributing to this year's growth in total funding:** Investor appetite for Growth stage ventures, which continues to strengthen, is driving share for this deal type up 14% over the previous year. This sentiment is underpinned by a more permissive policy and regulatory environment across a number of key markets in the region, including China, India and Singapore, and growing involvement by strategics such as pharmacos.

**Industry and investor sentiment for HealthTech in Asia Pac is very favourable:** Over 95% of investors and enterprise business leaders, in the region, recently surveyed confirmed that HealthTech was a high priority with each stakeholder group confirming that they are bullish about HealthTech in 2019 and that their respective organisations will be increasing their activities in the ecosystem.

**Asia Pac will continue on its trajectory in 2019 despite a number of headwinds:** Galen Growth Asia expects the Asia Pac HealthTech ecosystem momentum to continue to build driven by the 2018 key drivers, but a number of headwinds exist which should be borne in mind. As we kick-off 2019, the geopolitical uncertainty witnessed in 2018 appears to remain unchanged in the short term. We however expect China to remain dominant with the government's push of its ambitious "Made in China 2025" and a reported US\$850B of funding to be deployed. However, this is too much capital chasing too few ventures building quality issues down the road. As India's investment scene builds impressive momentum, there are concerns that the Indian government "angel tax" which remains unamended despite government assurances will create a seed funding drought.

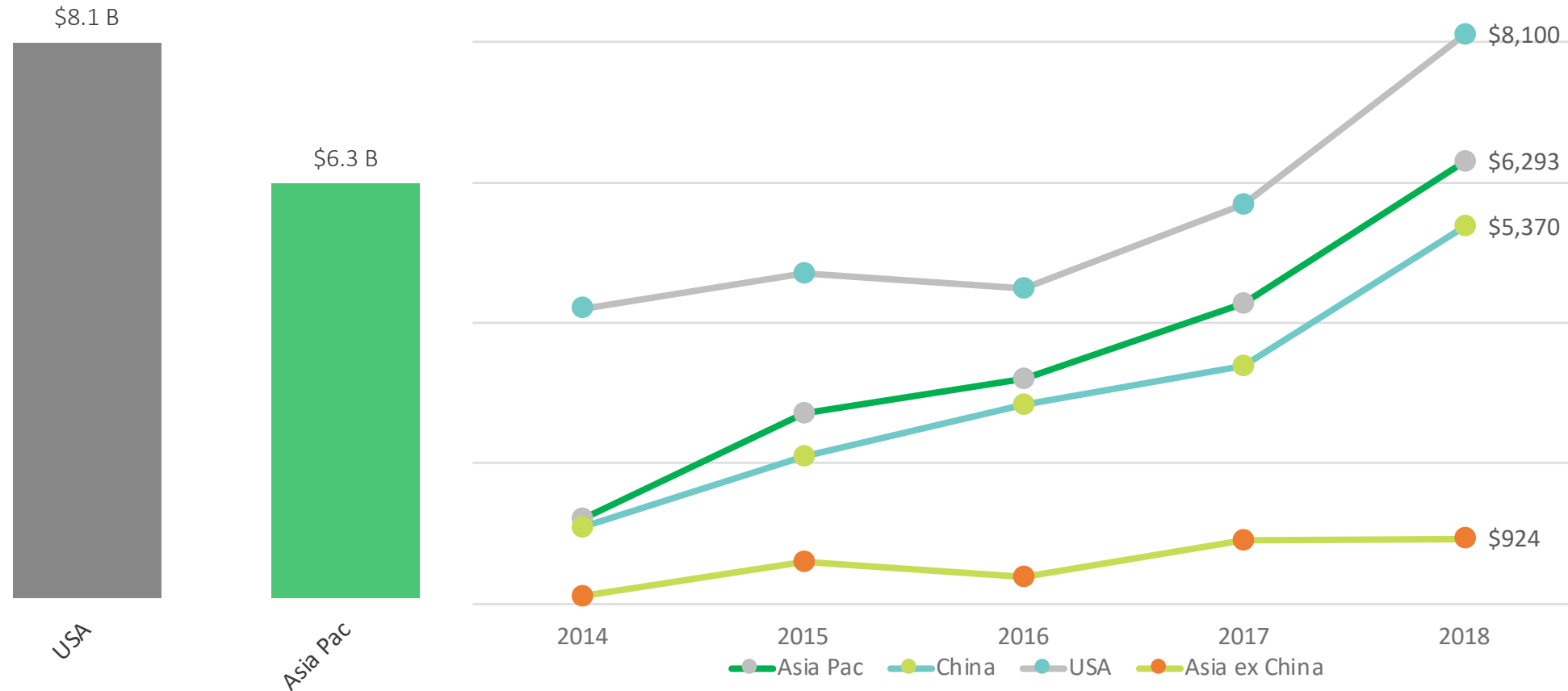


# ASIA PACIFIC INVESTMENT TRENDS



# ASIA PAC VS USA

The Asia Pac HealthTech ecosystem funding momentum is rocketing, reflecting strong investor and enterprise appetite, and placing it as the 2<sup>nd</sup> largest in the world



CAGR (2014-2018)

USA	17.8%
Asia Pac	50.9%
China	48.7%
Asia ex China	68.0%

Source: USA funding sourced from Rock Health; Insufficient European data available to report accurately

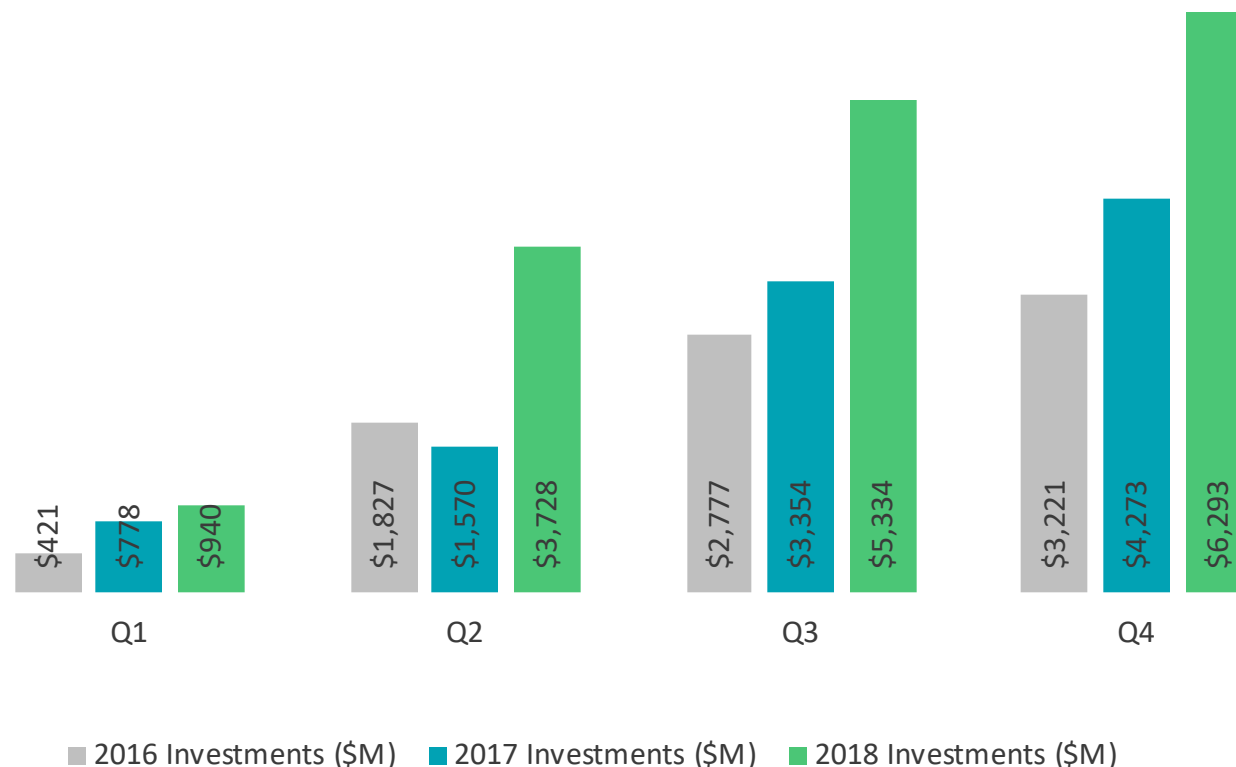


# ASIA PAC HEALTHTECH FUNDING HISTORY (2016 – 2018)

- Full Year 2018 total HealthTech funding rocketed to break all previous records, closing at \$6.3B
- In the past 12 months, funding grew by 1.5x FY 2017 and doubled FY 2016
- Although deal volume count dropped 11% YoY, effective deal size is growing
- Exit round share accounted for 31% of the total deal value this year, up 6% YoY
- The region's total funding represents approximately 80% of the US's significant \$8.1B deployed in the same period (based on Rock Health)

Cumulative Total Deal Volume by Quarter

2018	69	151	242	294
2017	84	188	258	329
2016	91	159	237	328

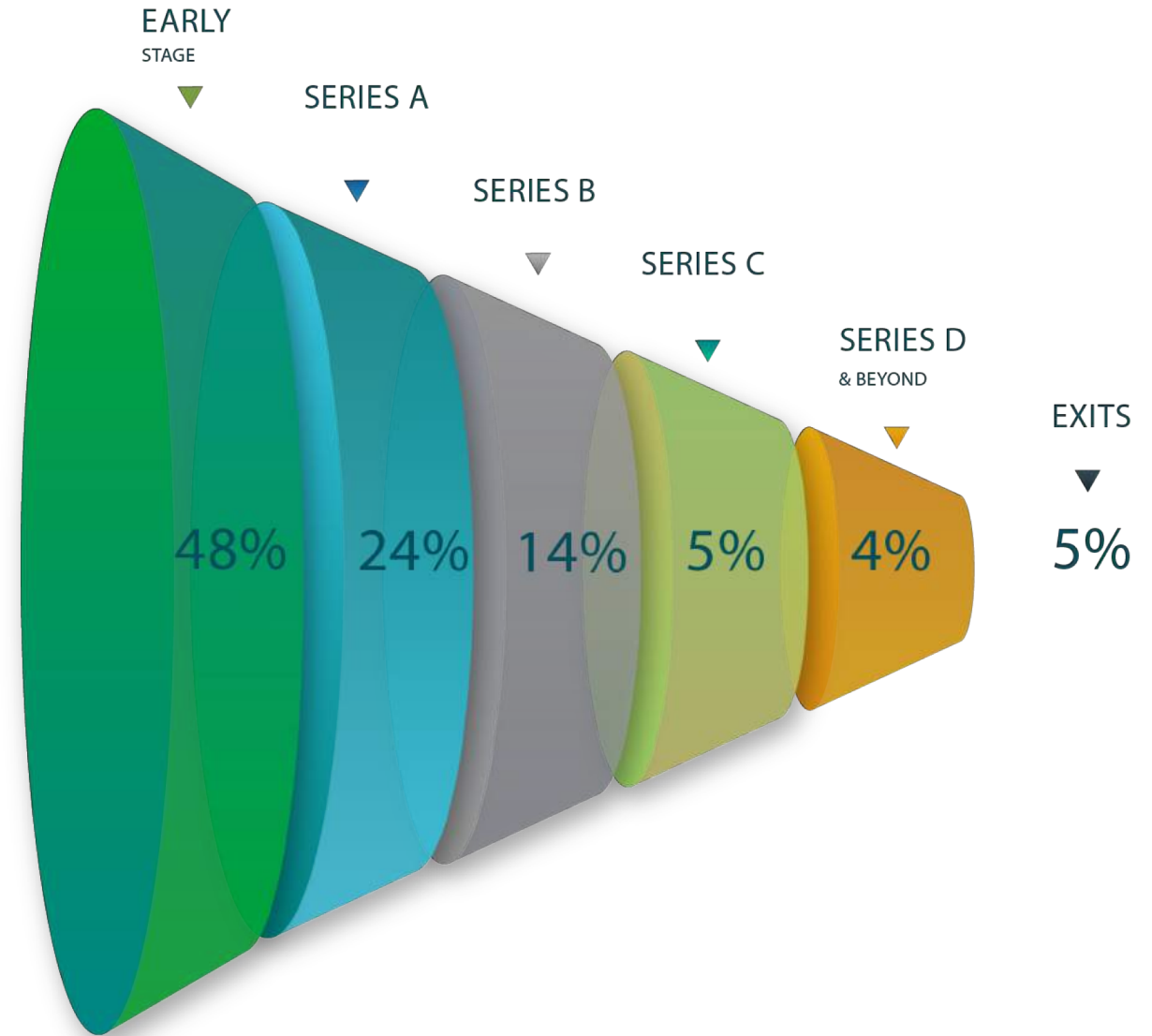


Note: All Q2, Q3 and Q4 values are cumulative

# ASIA PAC HEALTHTECH PIPELINE 2018

*The Asia Pac investment funnel stage volume load analysis reveals a promising pipeline with over 70% of startups at Early or Series A stage*

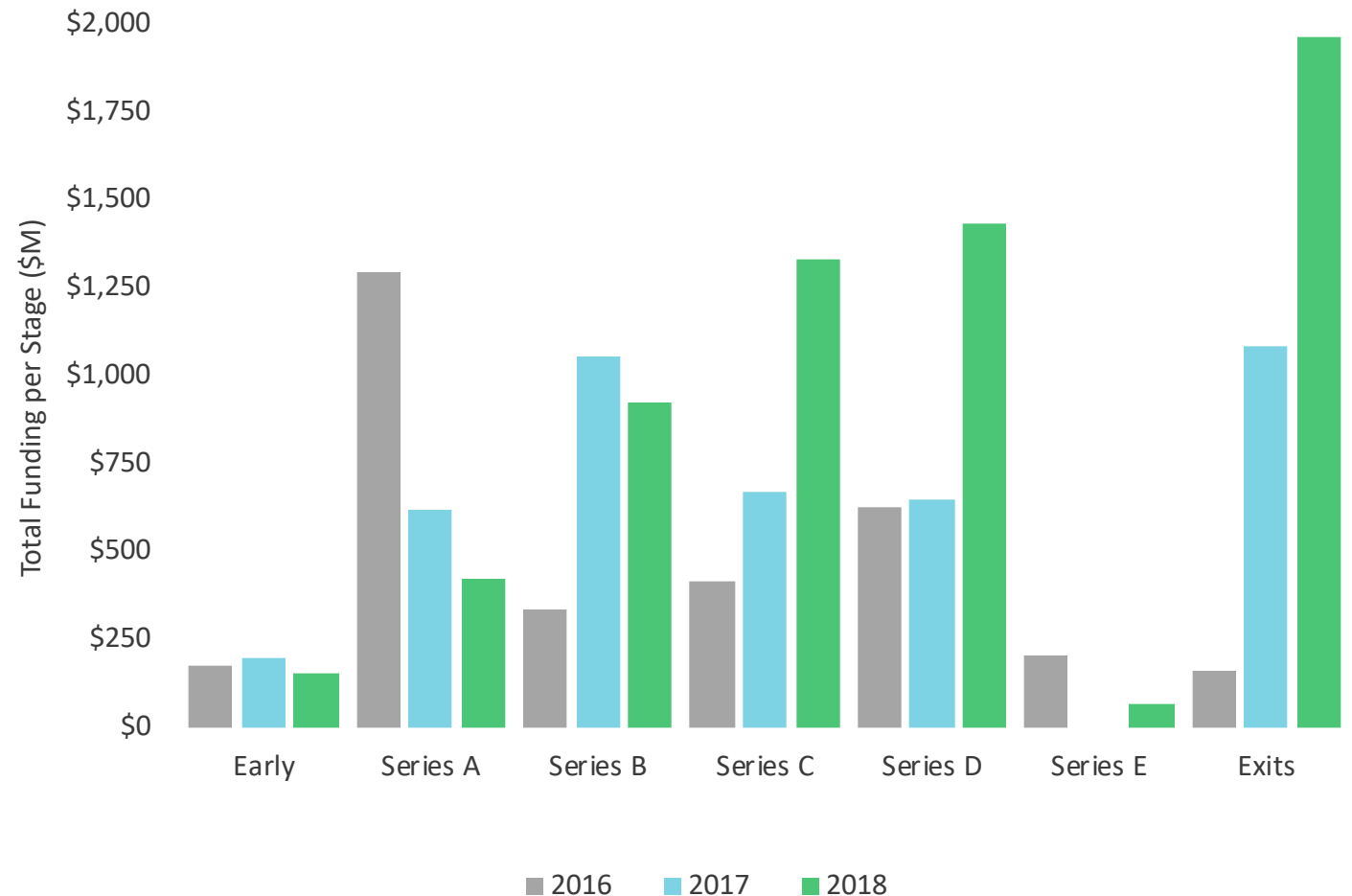
- 48% of HealthTech startups in Asia Pac are at angel, seed or pre-A funding stage
- 24% of HealthTech startups are at series A funding stage
- Late Stage deals (series D and beyond incl. Exits) continue to gain momentum, accounting for almost 10% of deals being executed in Asia by volume
- 16 mega deals (rounds equal to or exceeding \$100M) compared to 9 mega deals in 2017
- This year also recorded a total of 15 exits (e.g. IPO, M&A), the largest volume in history





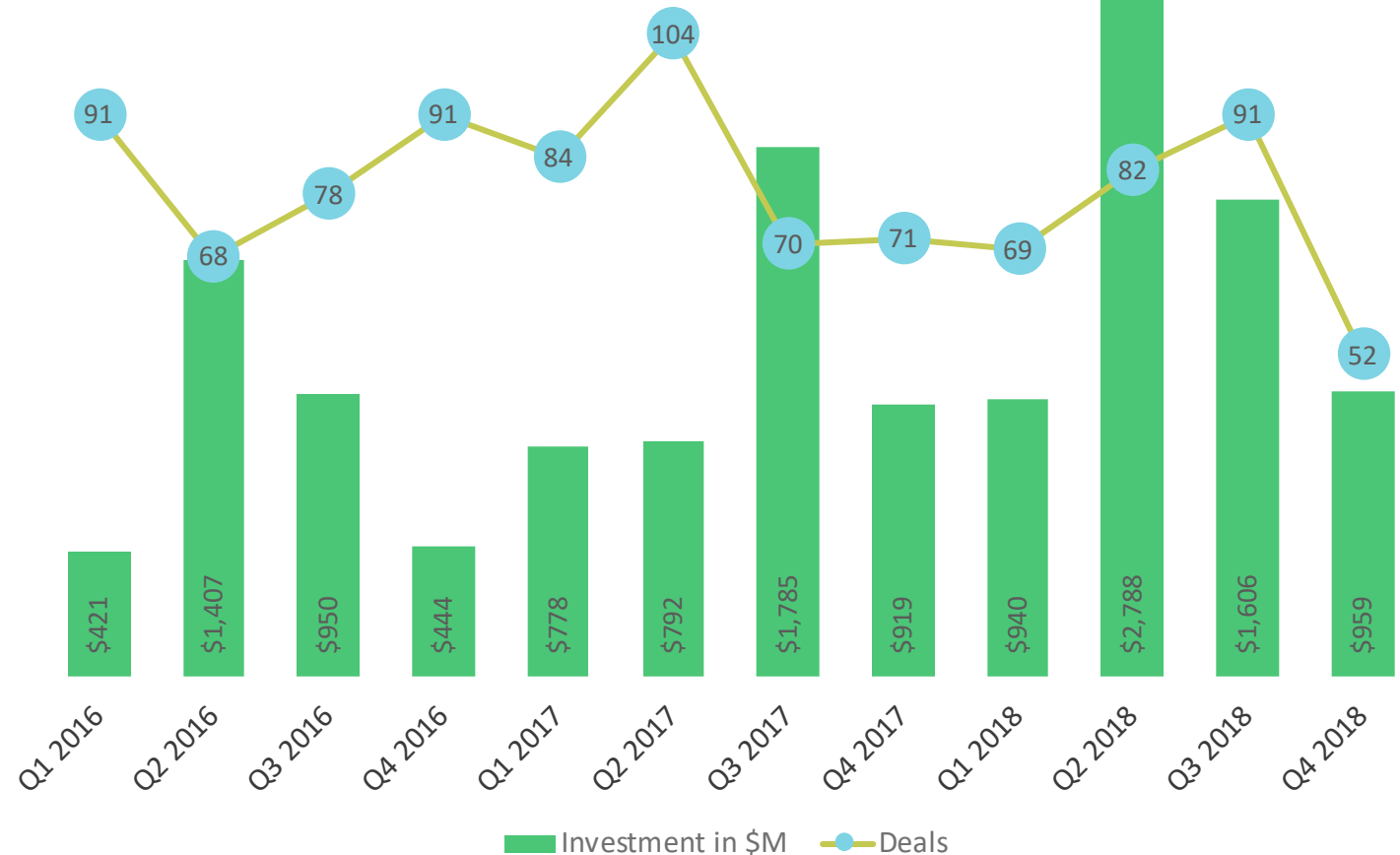
# ASIA PAC HEALTHTECH FUNDING HISTORY (2016 – 2018)

- Early Stage deals in 2018 continued to represent approx. 1/3 of all funding rounds by volume
- Whilst total Early stage deal activity in 2018 was at its lowest level in the last 3 years (down 38%), the median deal size was up \$250k to reach \$1M
- 2018 also recorded 10% more Growth stage deals compared YoY, capturing 43% of the total funding by value deployed in Asia Pac
- Late Stage deals volume increased its share to 5% in 2018



# QOQ ASIA PACIFIC HEALTHTECH FUNDING HISTORY (2016 – 2018)

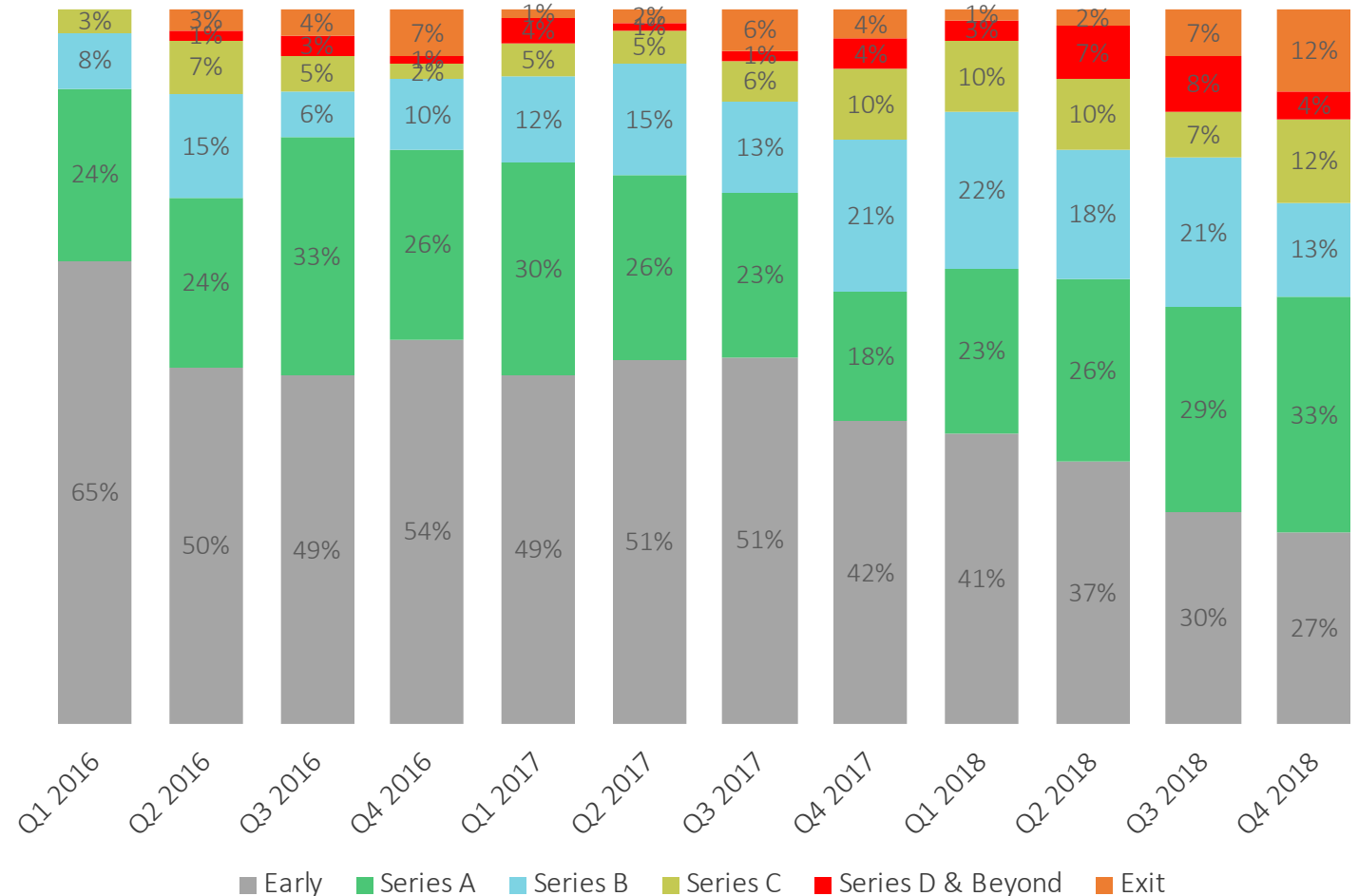
- Q4 slowed to the lowest volume recorded in the past 3 years potentially attributable to funds deployed strongly in Q2 and Q3
- Despite deal volume slowing, Q4 2018 closed just shy of \$1B
- Cumulative deal value since Q1 2016 was \$13.8B
- Setting aside the Ping An Good Doctor's IPO deal, Q2 and Q3 2018 represent two of the largest quarters recorded in the past 3 years
- Mean average value of all disclosed deals remained stable at \$27M for the third consecutive quarter





# QOQ ASIA PACIFIC HEALTHTECH DEAL VOLUME SHARE BY STAGE (2016 – 2018)

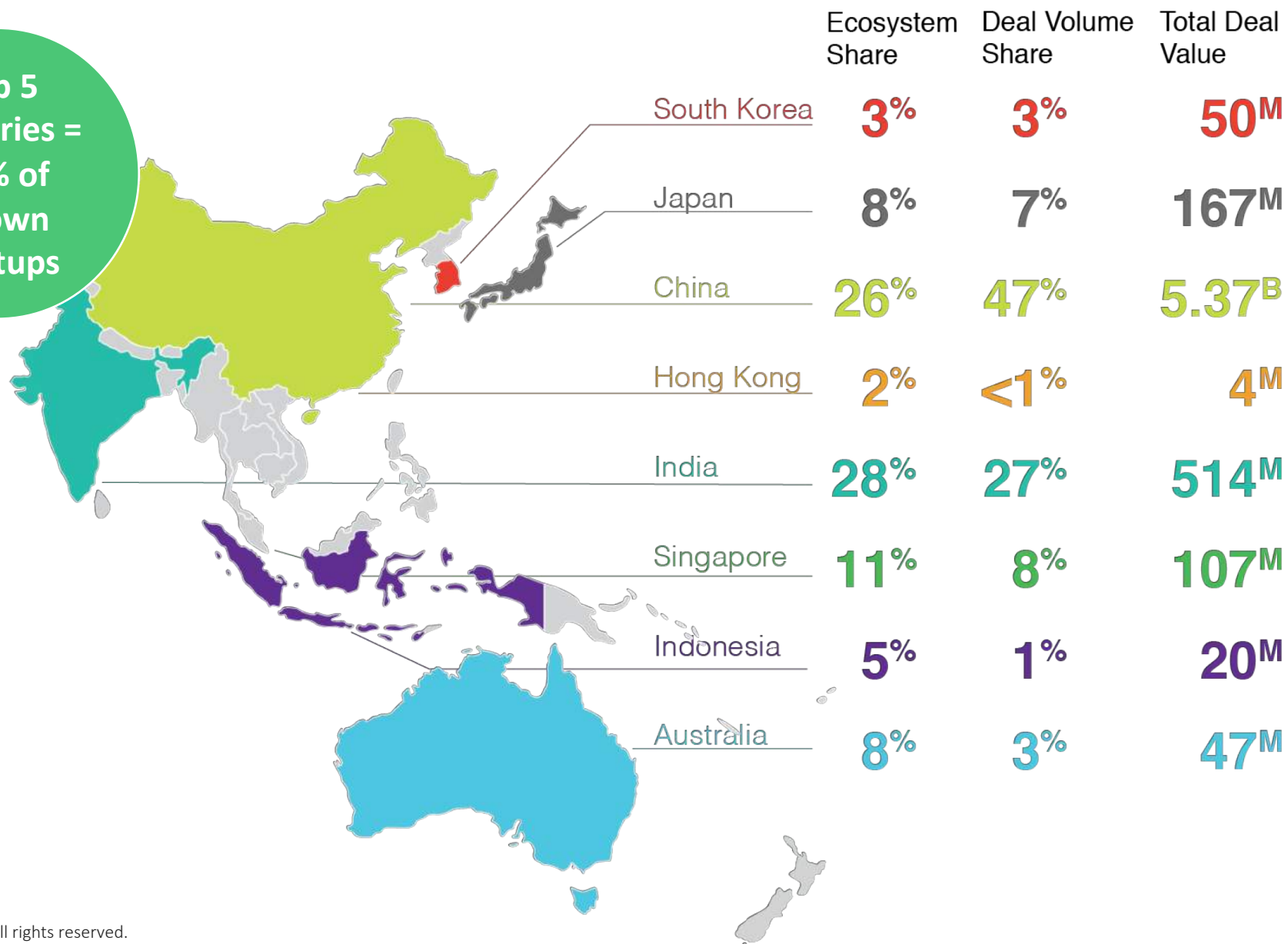
- Quick Facts Q4 2018 deal volume:
  - 27% at Early stage, down 10% vs Q3 2018 and down 36% vs Q4 2017
  - 58% at Growth stage, up 2% vs Q3 2018 and up 18% vs Q4 2017
  - 4% at Late stage, down 50% vs Q3 2018 and flat vs Q4 2017
  - 4 M&As and 2 IPOs recorded in Q4 2018 in Australia, India, China and Singapore
- Volume share of Early stage rounds continued to decrease
- Growth stage investors continued to be attracted to HealthTech solutions proving the ecosystem's perceived value



Note: Deals data exclude unspecific funding stage, Series D & Beyond includes Pre-IPO rounds, Exits include M&A, IPOs and Post-IPO rounds

# HEALTHTECH ECOSYSTEM KEY FACTS

Top 5 countries = 80% of known startups





# HEALTHTECH MOST FUNDED CATEGORIES BY VALUE

*Although the Population Health Management, Online Marketplace and Medical Diagnostics categories continue to maintain their leadership positions by deal value, Research has experienced the greatest growth in momentum*

## Population Health Management

- US\$2.25B
- 11 deals

- Largest deal:  
Ping An Good Doctor US\$1.12B



## Online Marketplace

- US\$1.08B
- 26 deals

- Largest deal:  
Babytree US\$217M



## Medical Diagnostics

- US\$1.06B
- 64 deals

- Largest deal:  
Yitu Technologies US\$200M



## Health Management Solutions

- US\$521M
- 43 deals

- Largest deal:  
Allcure (北京全域医疗) US\$103M



## Wellness

- US\$401M
- 28 deals

- Largest deal:  
Keep US\$127M



## Research

















- US\$295M
- 16 deals

- Largest deal:  
LinkDoc (零氪科技) US\$146M



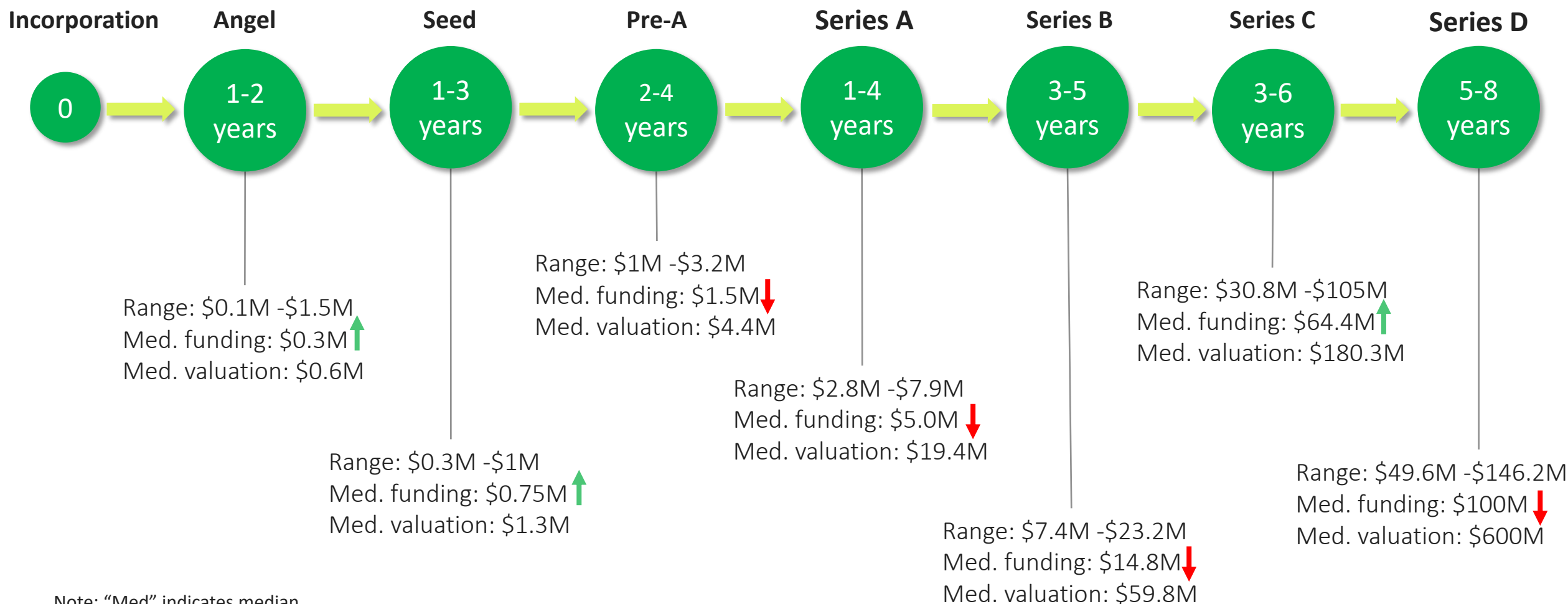
# HEALTHTECH CATEGORY SHARE BY VOLUME

*Although the Population Health Management, Online Marketplace and Medical Diagnostics categories also maintain their leadership positions by deal volume, Research has experienced the greatest growth in momentum*

	H2 2016	H1 2017	H2 2017	H1 2018	H2 2018
1	Medical Diagnostics (2↑) 	Health Management Solutions (2↑) 	Medical Diagnostics (2↑) 	Medical Diagnostics (1→) 	Medical Diagnostics (1→) 
2	Health Management Solutions (1↓) 	Medical Diagnostics (1↓) 	Health Management Solutions (1↓) 	Health Management Solutions (2→) 	Health Management Solutions (2→) 
3	Wellness (3→) 	Online Marketplace (7↑) 	Wellness (4↑) 	Telemedicine (5↑) 	Online Marketplace (5↑) 
4	Health Services Search (8↑) 	Wellness (3↓) 	Online Marketplace (3↓) 	Patient Solutions (6↑) 	Wellness (6↑) 
5	Telemedicine (4↓) 	Health Services Search (4↓) 	Telemedicine (6↑) 	Online Marketplace (4↓) 	Research (8↑) 

# HEALTHTECH STARTUP FUNDING LIFE CYCLE

*Median funding at Angel and Seed stage grew whereas Pre-A, Series A and B decreased driven by deal activity growth in non China markets*



# STRATEGIC CORPORATE ACTIVITY IS A KEY DRIVER OF GROWTH



Mundipharma, a pharmaco, announced its partnership with **Biofourmis**, a Singapore startup.

Medopad, a U.K. HealthTech startup signed a partnership with Tencent and **Ping An Good Doctor**.



Ping An Good Doctor, a China HealthTech venture and **Grab**, a leading ride hailing platform in SE Asia, announced a joint venture.

Inter Partner Assistance Hong Kong has partnered with The **CareVoice**, a China startup.



平安好医生  
要健康上平安好医生

medopad



Teva, a pharmaco, announced a series of partnerships and initiatives including a partnership with **Healint**, a Singapore startup.



THE  
CAREVOICE®  
康语®

Roche diabetes care, a pharmaco, announced its partnership with **Wellthy Therapeutics**, an Indian startup.





# MORE PERMISSIVE REGULATIONS ARE A KEY ENABLER OF GROWTH



Singapore

## MOH launches regulatory sandbox to support development of telemedicine



## China to promote Internet-powered healthcare

Xinhua | Updated 2018-04-12

BEIJING – China will greenlight medical institutions to conduct Internet medical services as part of a broader push to promote Internet Plus healthcare



CNN | Growing India

## Modicare: India plans free healthcare for 500M



## India's Health Ministry comes out with draft rules on sales of drugs by e-pharmacy

Delhi | September 02, 2018

The draft rules on “sale of drugs by e-pharmacy” state that no person will distribute or sell, stock, exhibit or offer for sale of drugs through e-pharmacy portal unless registered



## China's Alibaba and JD.com in grey area with online drug sales

Delhi | September 02, 2018

Prescription medicine freely available on websites as sellers take advantage of loophole`

# CHINA

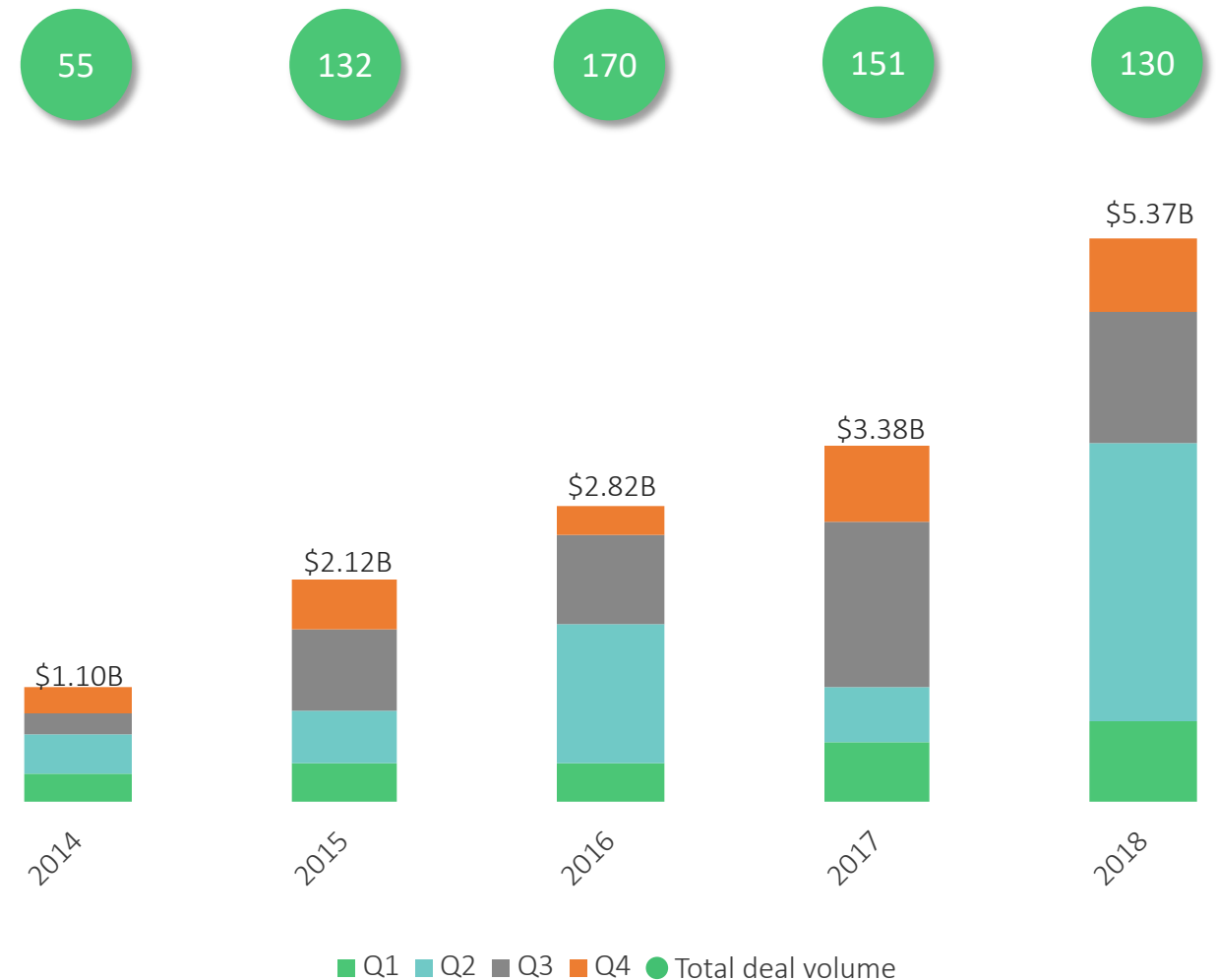
## INVESTMENT

## TRENDS



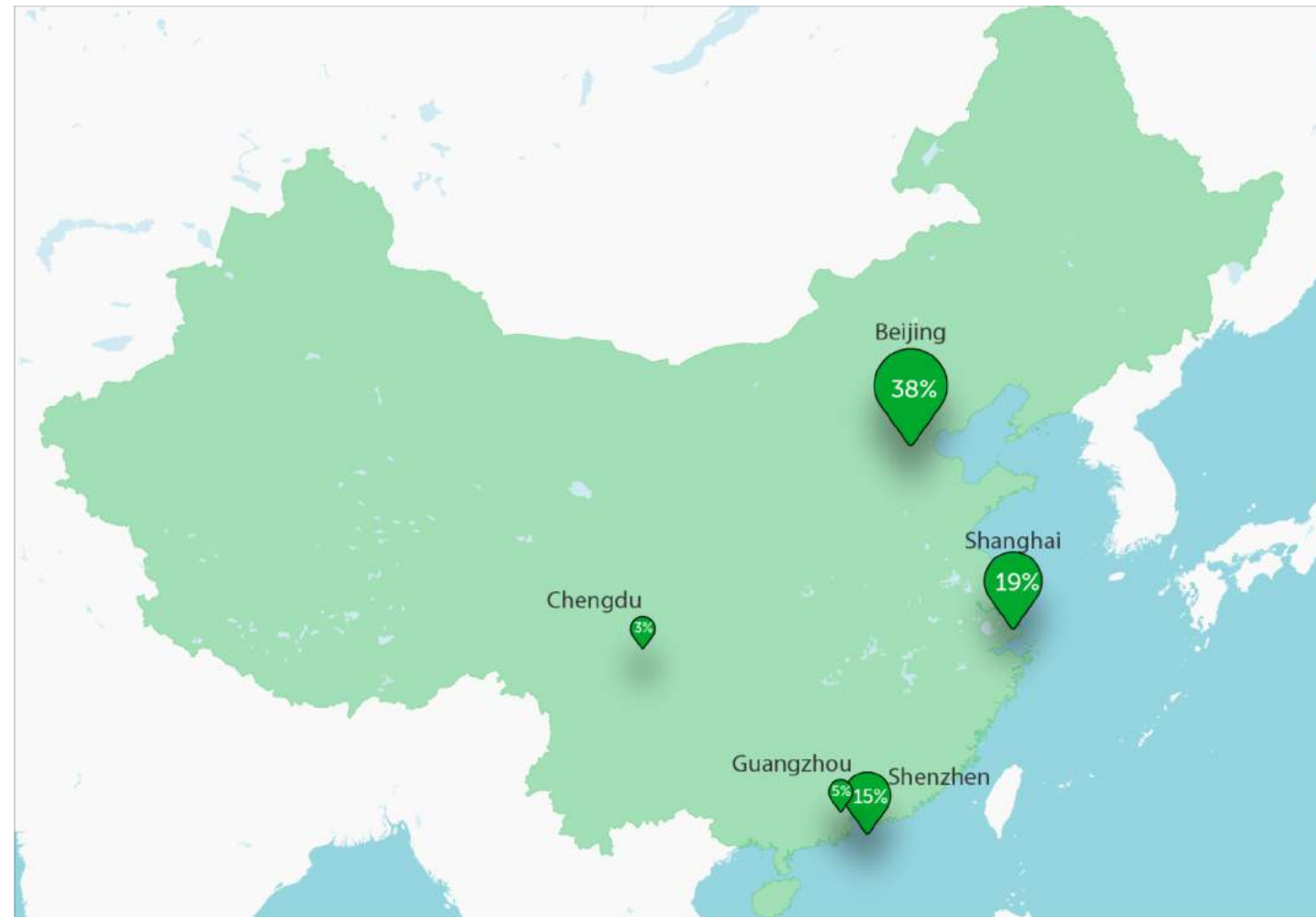
# YOY CHINA HEALTHTECH FUNDING HISTORY (2014 – 2018)

- FY 2018 recorded 59% more funding than FY 2017 but 14% fewer deals
- 2018 has been a strong year for HealthTech in China, especially in the second and third quarters accounting for more than 70% of the total funding deployed in 2018
- 2018 recorded fewer deals driving average deal size to \$15.3M, up from \$9.17M YoY
- Total funding value in 2018 grew 2.5x FY2015 despite almost identical funding volume
- Cumulative deal value since 2016: \$11.6B



# CHINA HEALTHTECH INNOVATION NODES

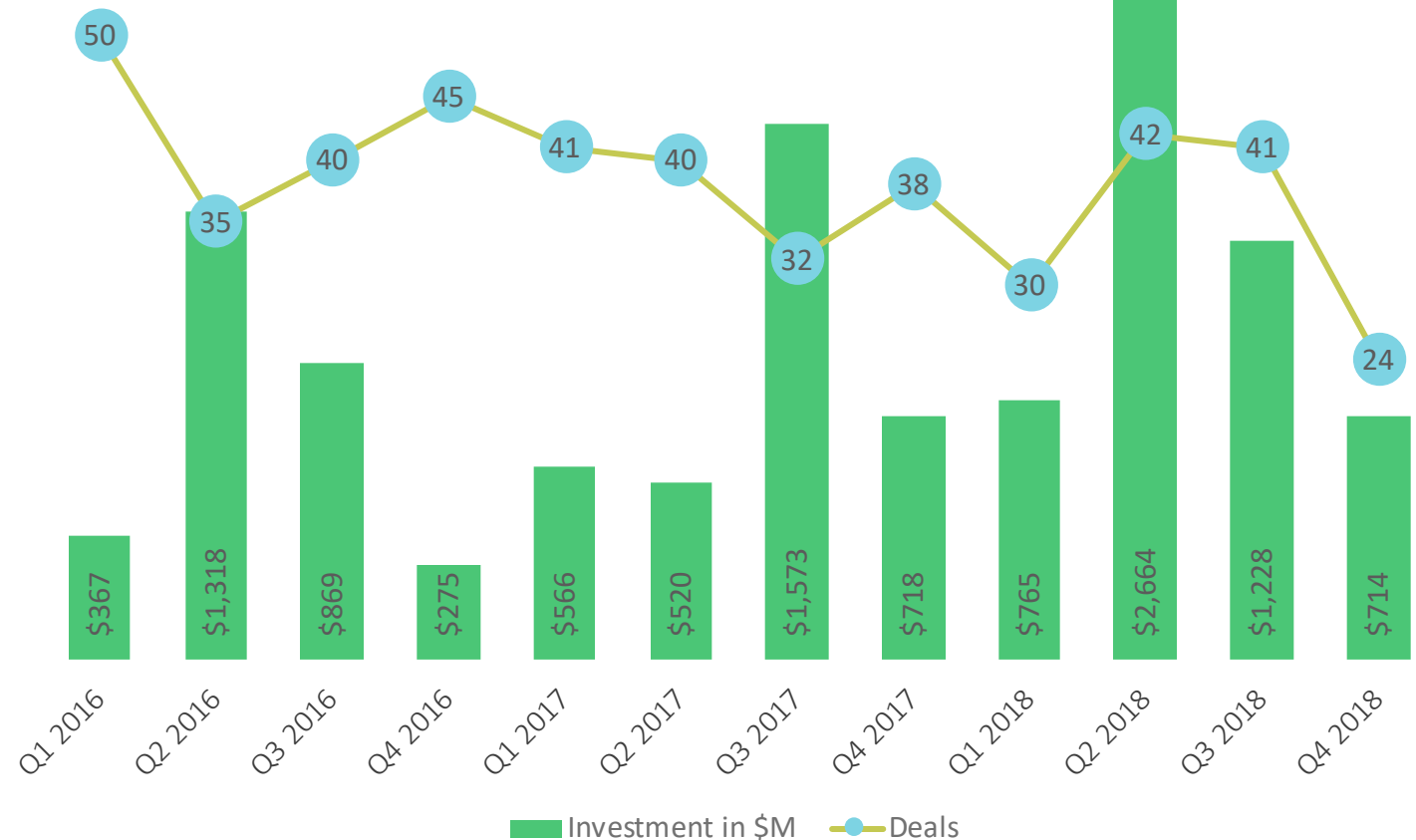
- 80% of all HealthTech ventures in China are headquartered in 5 key cities in China
- The remaining 20% are located in other cities, including Changsha, Zhejiang or Qingdao
- Beijing is home to more than third of all startups followed by Shanghai with a fifth (19%) of all known China ventures
- Being China's first Special Economic Zone (SEZ) and due to its proximity to Hong Kong, Shenzhen is home to 15% of all China HealthTech Ventures





# QOQ CHINA HEALTHTECH FUNDING HISTORY (2016 – 2018)

- H2 2018 funding decreased by 43%, vs H1 2018, to a total of \$1.94B invested
- Q1 2018 continues to strengthen, increasing by 35% in value vs Q1 2017 and 2x compared to Q1 2016
- Two IPOs in 2018 with Ping An Good Doctor and Babytree cumulated more than \$1.37B
- Geopolitical headwinds contributed to Alibaba-backed Babytree executing their IPO at ~20% of original price
- H2 deal count decreased by 10% vs H1 2017, resulting in a 75% increase of the average funding



# CHINA DEAL SIZE DISTRIBUTION (2014 – 2018)

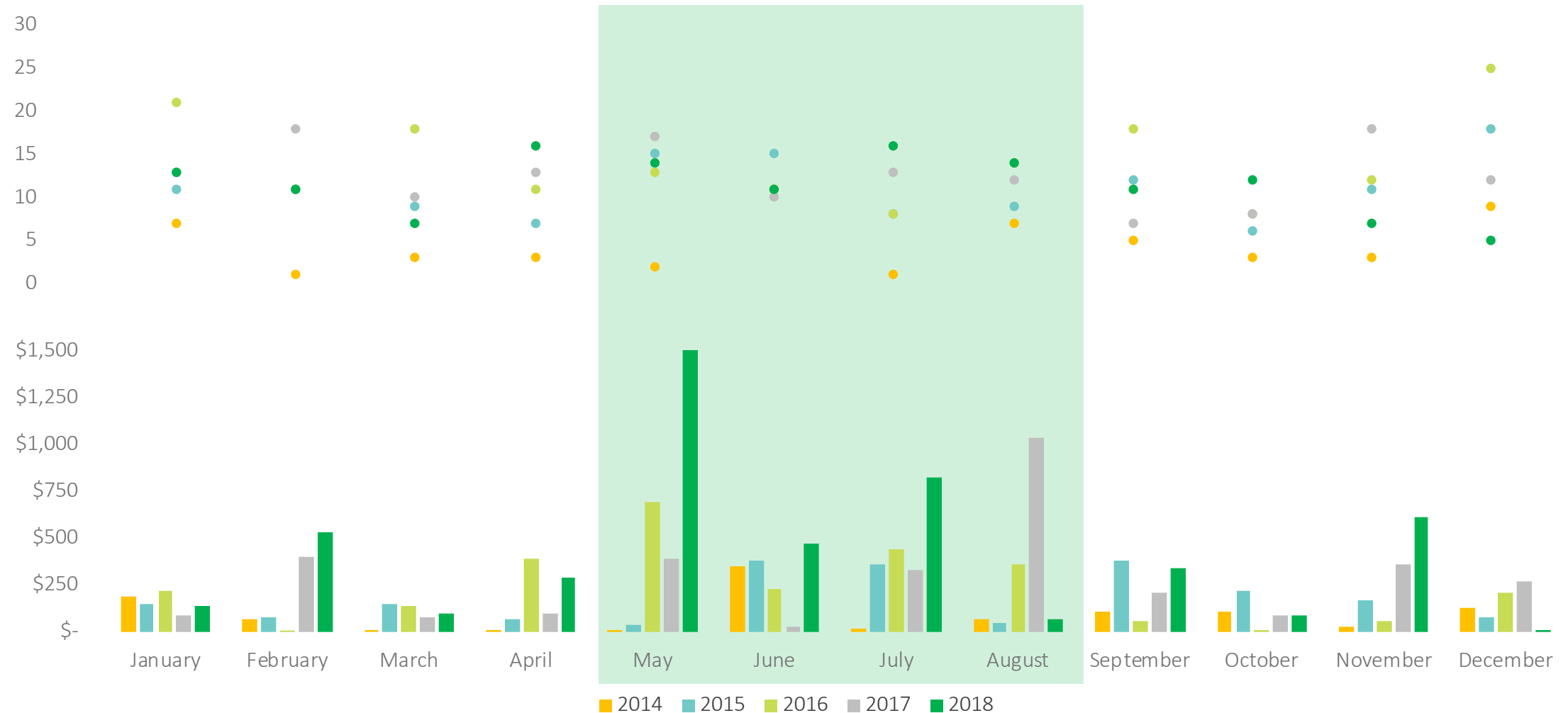
- Share of deals of <\$1M shrunk to its lowest value in the last 5 years potentially indicating that deal size in China increasingly exceeds \$1M
- In 2018, 37% of all funding rounds in China were declared undisclosed of which 41% were Early and Series A deals
- Whilst the average deal value size share range of \$1M to \$10M fell to the same level as in 2014, deal value between \$50M and \$150M grew more than 2x compared to 2017
- The share of mega-deals (>\$150M) increased to 6%, up 1.5x, from 4% in 2016 and 2017

	<1M	>1M	>10M	>50M	>150M	>250M	>500M
2018	1%	21%	21%	15%	3%	1%	2%
2017	7%	28%	24%	7%	2%	1%	1%
2016	14%	23%	18%	5%	2%	1%	1%
2015	8%	28%	17%	5%	0%	2%	0%
2014	13%	27%	18%	13%	2%	0%	0%

\*Note: Annual totals do not add up to 100% due to undisclosed deals

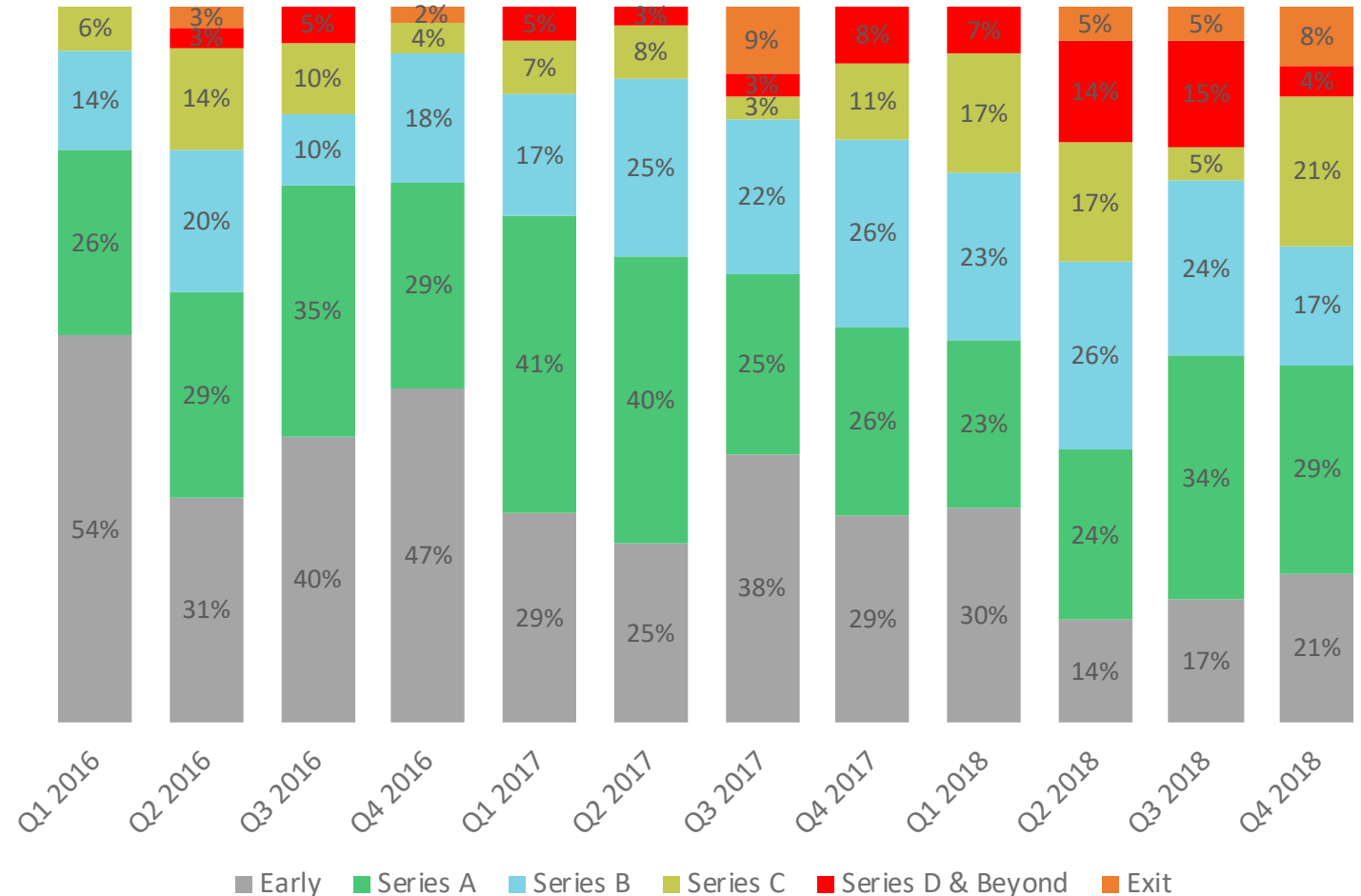
# MOM CHINA HEALTHTECH FUNDING

*May to August are the most active investment months for Healthtech in China*



# QQQ CHINA HEALTHTECH DEAL VOLUME SHARE BY STAGE (2016 – 2018)

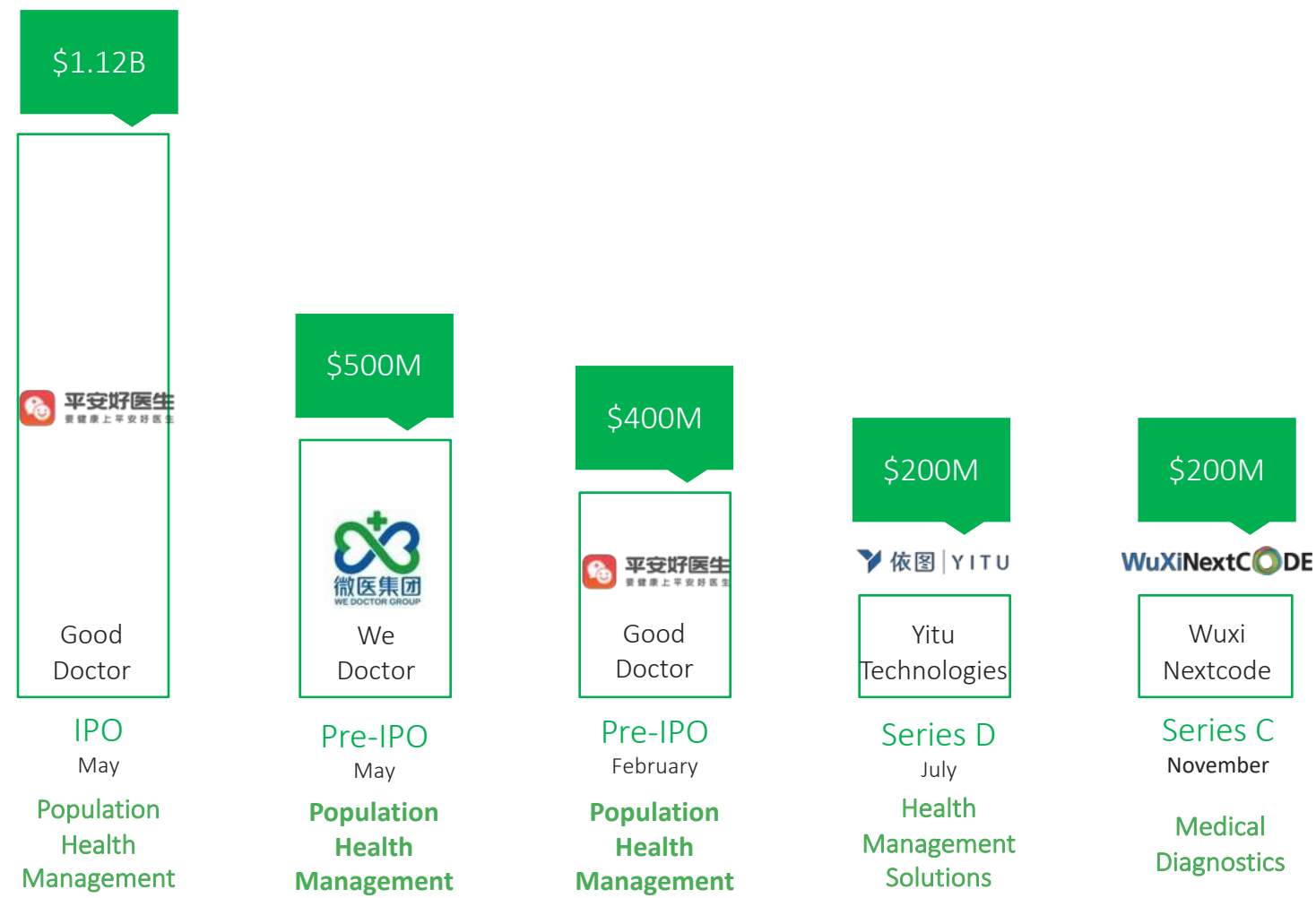
- Quick Facts Q4 2018 deal volume:
  - 21% at Early stage, up 23.5% vs Q3 2018 but down 28% vs Q4 2017
  - 67% at Growth stage, up 6% vs Q3 2018 and up 6% vs Q4 2017
  - 4% at Late stage, down 75% vs Q3 2018 and down 50% vs Q4 2017
  - 1 IPO and 1 M&A in Q4 2018
- Early stage deal share increased for the 2<sup>nd</sup> consecutive quarter
- Series A deal share remained strong, with more than 25% of funding share
- Series B deal volume fell to its lowest share since Q1 2017 and Series C volume share reached 20% of all investments for the first time
- With Q2 and Q3 represented the strongest quarters in history, Late stage funding, lost momentum in Q4 falling to its lowest share since Q3 2017



Note: Deals data exclude unspecified funding stage




# 2018 CHINA HEALTHTECH MEGA DEALS



# 2018 CHINA HEALTHTECH VENTURE SPOTLIGHT

## Yitu Technologies (依图科技)

Shanghai, China  Yitu Healthcare  
依图医疗

### DESCRIPTION

- Founded in 2012 in Shanghai, Yitu Technology is a pioneer in artificial intelligence research and innovation.
- YITU integrates artificial intelligence with industrial applications to build a safer, faster and healthier world and aims to find automated solutions
- YITU has an extensive presence not only in healthcare but also in other sectors, such as security, finance and transportation.

### MANAGEMENT

Name / Title	Background
Zhu Xi 朱琨 (Co-Founder & CEO)	Holds a PhD in statistics from the UCLA; Post-Doc at MIT's Artificial Intelligence Laboratory
Lin Chenxi 林晨曦 (Co-Founder)	Formerly worked with Microsoft Research Asia & as technical director at Alibaba
Ni Hao 倪浩 (President)	Formerly CEO of Wakai (挖财), and Alibaba Cloud

### HEALTHTECH ALPHA ASSESSMENT

Momentum	Market	Money	Impact
79	76	94	79

- With its Alpha Score composite indices >75 (see above), Yitu has an Alpha Score of **87** indicating a venture of relative high maturity placing it amongst the TOP 10% of China's HealthTech ecosystem.

### PRODUCT DESCRIPTION

- Care.ai TM is built on advanced NLP technology and machine vision algorithms combined with the self-built clinical Chinese knowledge map. The application can extract medical text, image and other multi-modal data.
- Multi-scenario data requirements support clinical assistance, disease research, product incubation, and more.

### HEALTHTECH CATEGORISATION & CLASSIFICATION

#### HEALTHTECH CATEGORY

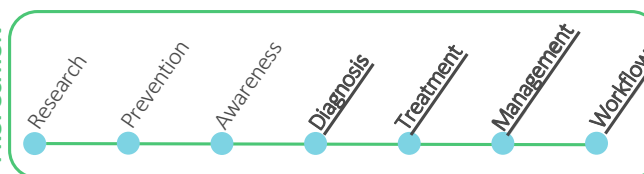


Medical Imaging



EHR / EMR

#### HEALTH VALUE PROPOSITION



#### TECHNOLOGIES

- Machine Learning
- Natural Language Processing (NLP)
- Biosensors
- Cloud
- Mobile Application

### ESTIMATED VALUATION

\$ 1.39B

### INVESTMENT HISTORY

Date	Investor	Stage	Amount
07 / 2018	CIB	Series D	US\$ 100.0M
06 / 2018	ICBC, SPDBI	Series C1	US\$ 200.0M
05 / 2017	Hillhouse Capital, YF Capital, Sequoia Capital China, Banyan Fund	Series C	US\$ 55.3M

### PARTNERSHIPS

- Jiaotong University
- West China Hospital Sichuan University
- Fudan University Cancer Center
- Sun-Yat-Sen University Hospital (SYSUCC)
- The Children's Hospital

### Competitive Landscape

- Medbanks
- LinkDoc

**Medbanks**

**LinkDoc**

# INDIA

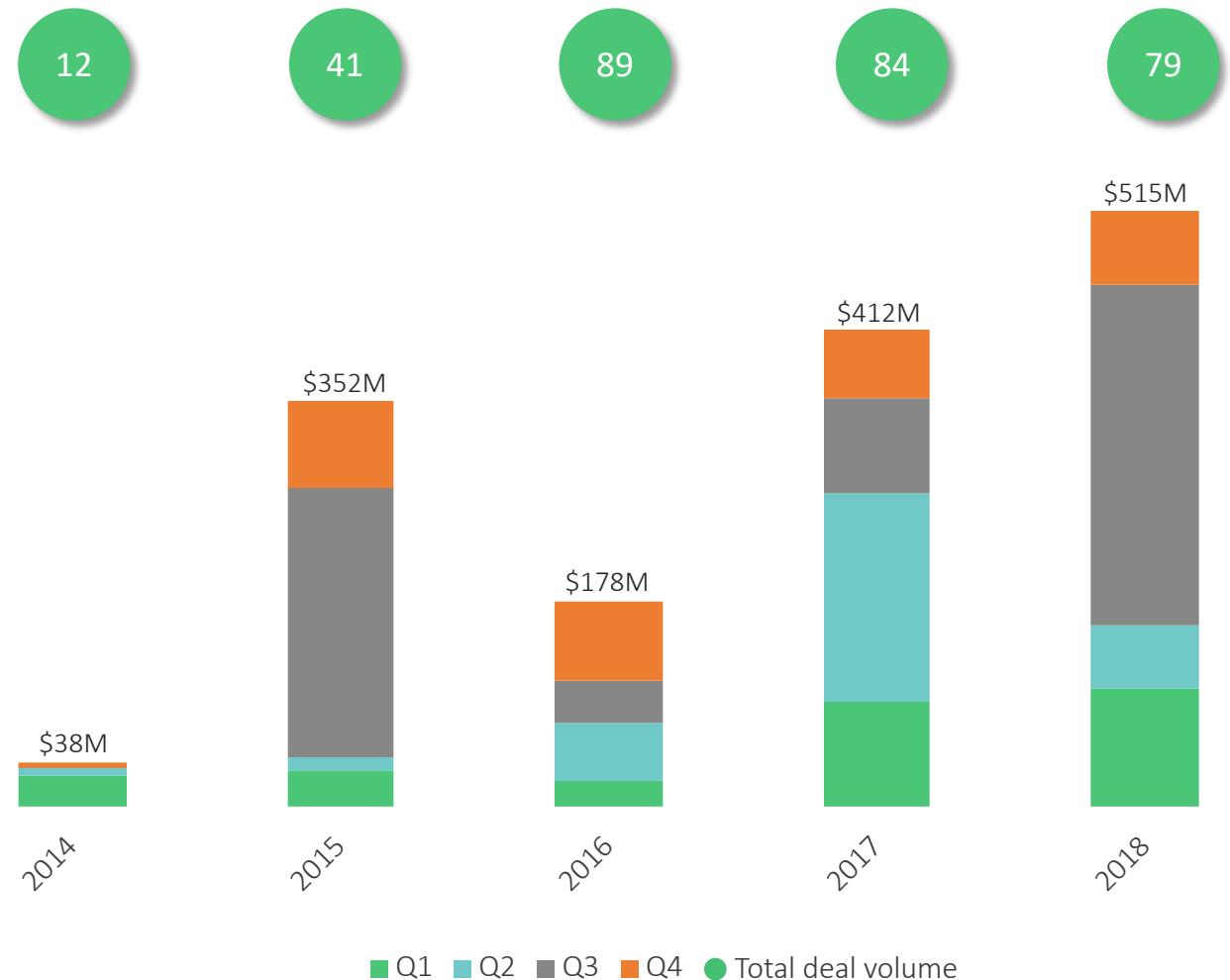
## INVESTMENT TRENDS





# YOY INDIA HEALTHTECH FUNDING HISTORY (2014 – 2018)

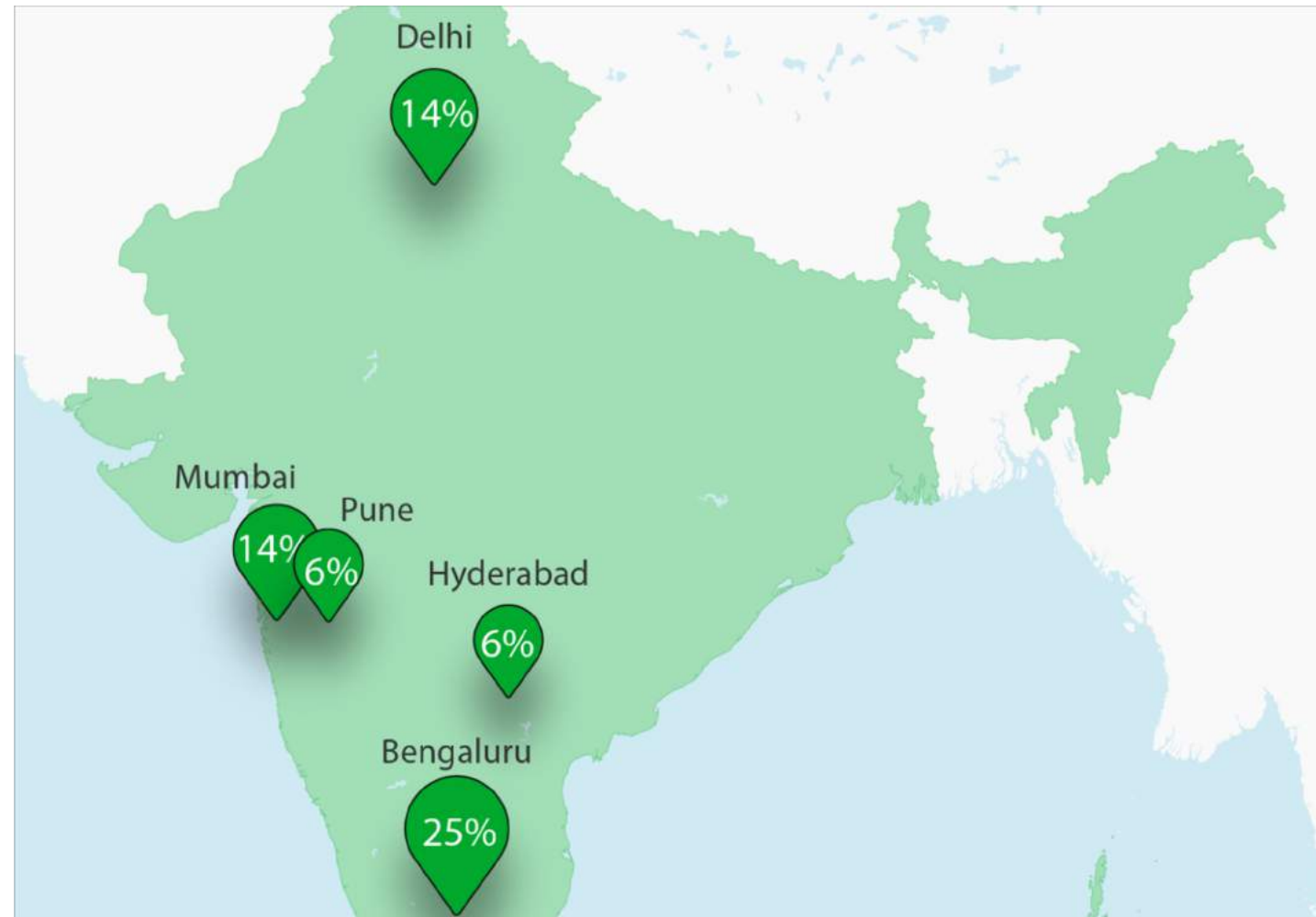
- In 2018, HealthTech funding in India reached \$515M, its largest investment total in history
- Cure.Fit's \$120M mega round, in Q3 2018, was a key driver in India achieving a record breaking year
- By volume, HealthTech in India maintained momentum with 79 deals executed, overall down 6% YoY
- Cumulative deal value since 2016 crossed the \$1B mark, closing just above at \$1.1B
- India continued to rank 2nd for both total funding value and total deal volume in the region





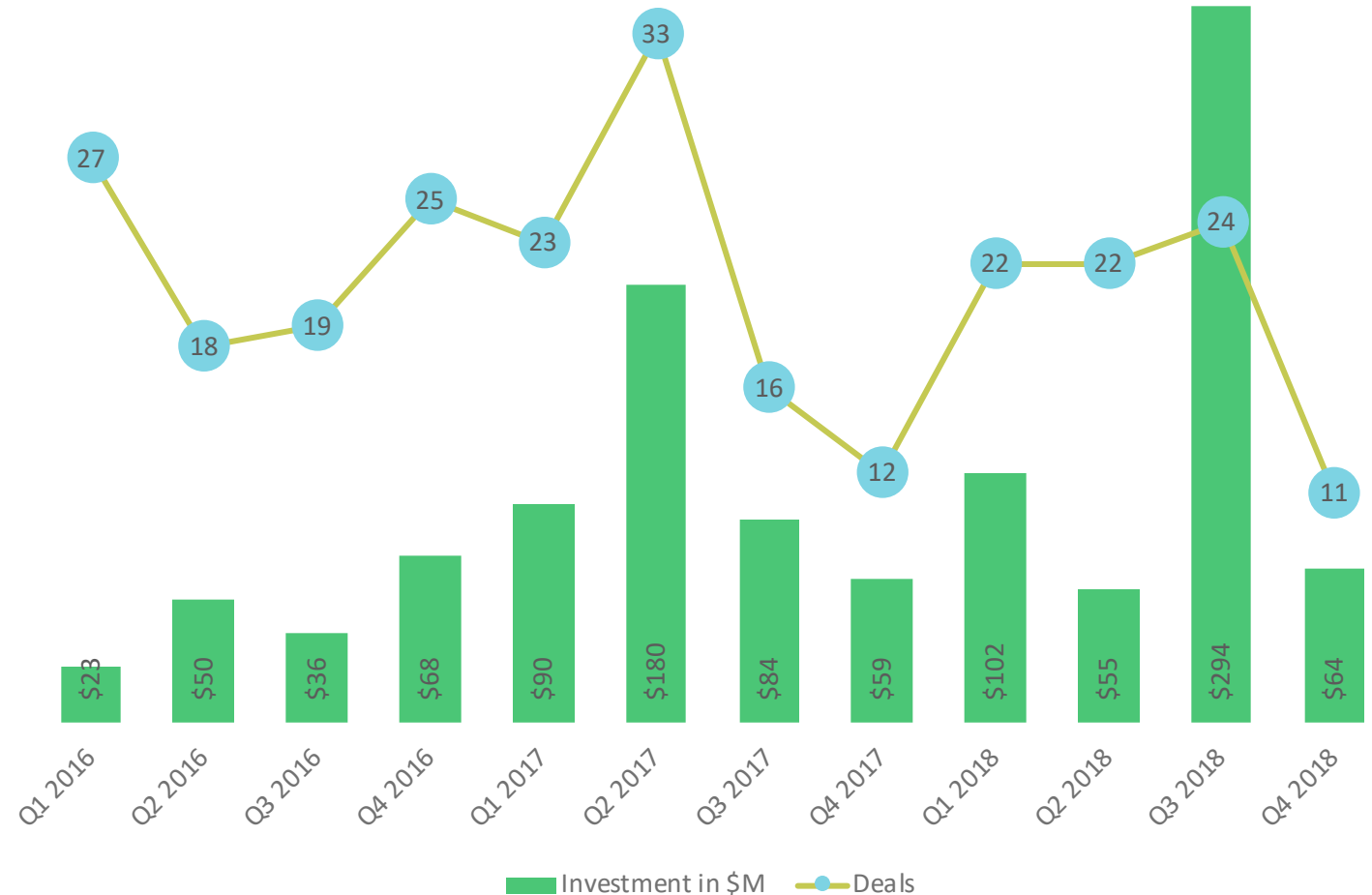
# INDIA HEALTHTECH NODES

- 5 cities in India are home to over 60% of all known HealthTech ventures in India
- Bangalore (aka Bengaluru) is home to 25% of all Indian HealthTech ventures with Delhi and Mumbai, in runner up position, with equal ecosystem share of 14%
- Other cities with sizeable HealthTech startup presence include:
  - Gurgaon in Haryana
  - Ahmedabad in Gujarat
  - Kolkata in West Bengal



# QOQ INDIA HEALTHTECH FUNDING HISTORY (2016 – 2018)

- After recording the strongest quarter in history by value in Q3, both funding value and volume in India weakened in Q4 2018
- Driven by 3 deals of \$50M and above in value, 2018's average quarterly funding increased by 25% YoY and almost 3-fold vs 2016 to \$128.6M
- The first quarter of 2018 was the strongest of all previous years, representing 11% growth compared to Q1 2017
- Q4 2018 witnessed a halving in deal volume. Could this be an impact from the renewed concern with respect to the “angel tax”?



# INDIA DEAL SIZE DISTRIBUTION (2014 – 2018)

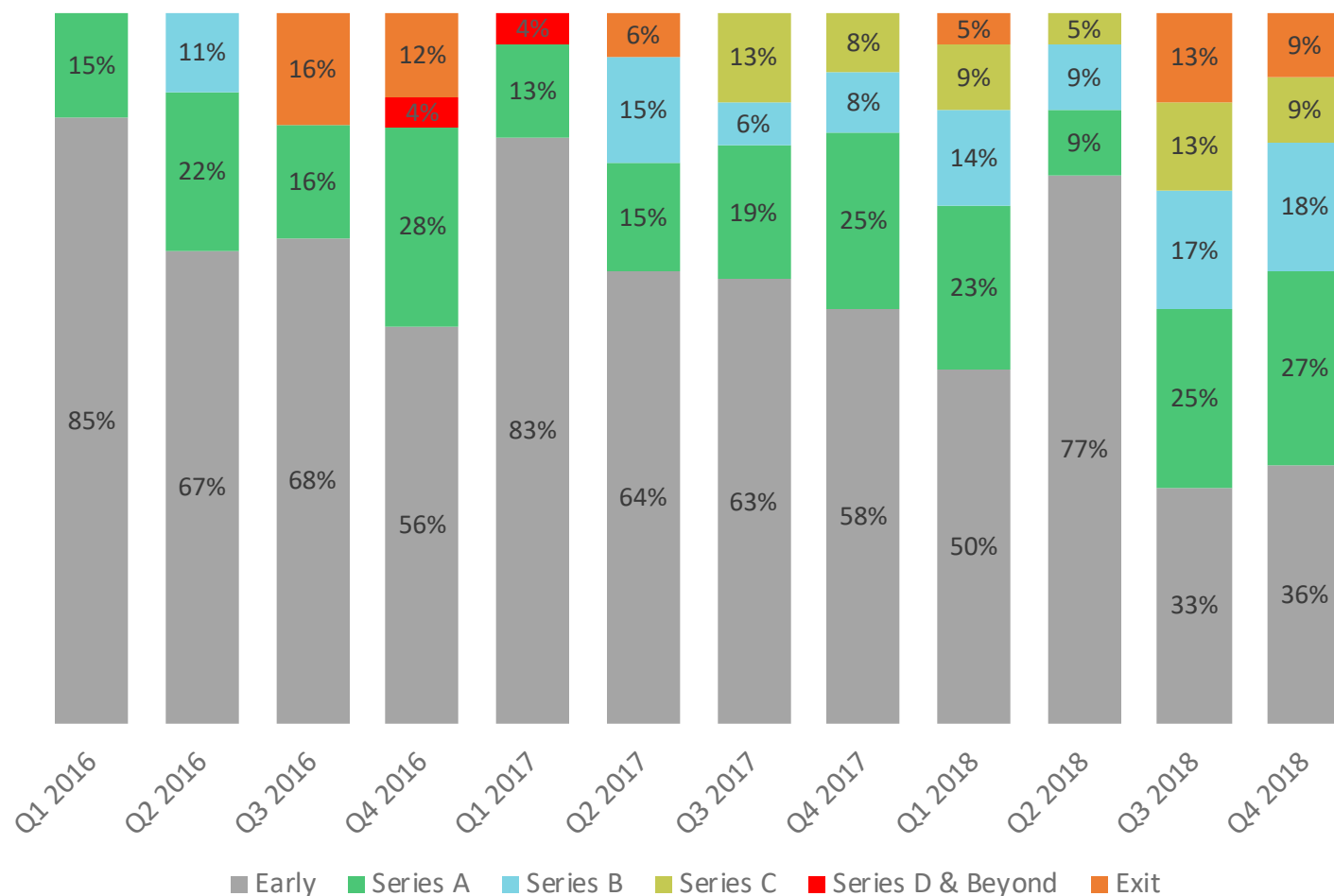
- The share of deals sized below <\$1M fell to its lowest since 2014, likely reflecting a trend for bigger ticket size in early stage funding
- In contrast, the total share of investments between \$1M and \$10M increased to almost 50%
- The share of deals ranging between \$10M and \$50M remains unchanged YoY whereas deals exceeding \$50M now represented 4% of total share
- India HealthTech's recorded its first deal larger than \$100M in 2018

	<1M	>1M	>10M	>50M	>75M	>100M
2018	18%	49%	12%	3%	0%	1%
2017	32%	30%	12%	2%	0%	0%
2016	42%	31%	3%	0%	0%	0%
2015	43%	20%	20%	2%	2%	0%
2014	20%	53%	7%	0%	0%	0%

\*Note: Annual totals do not add up to 100% due to undisclosed deals

# QOQ INDIA HEALTHTECH DEAL VOLUME SHARE BY STAGE (2016 – 2018)

- Quick Facts Q4 2018 deal volume:
  - 36% at Early stage, up 9% vs Q3 2018 and down 7% vs Q4 2017
  - 45% at Growth stage, down 2% vs Q3 2018 and up 32% Q4 2017
  - Nil Late stage deals for the 7<sup>th</sup> consecutive quarter
  - No IPO activity but 4 M&A transactions recorded in H2 2018
- The regulation of e-pharmacies has seemingly not impacted investor appetite in India
  - Online Marketplace category remained the most invested by volume accounting for 16% of all deals
  - Annual investment by value grew 2.2x to exceed \$160M



Note: Deals data exclude unspecified funding stage



# 2018 INDIA HEALTHTECH MOST NOTABLE DEALS

\$120M



CureFit

Series C  
July

Wellness

\$50M



DocPrime

Seed  
September

Telemedicine

\$50M



PharmEasy

Series C1  
September

Online  
Marketplace

\$35M



Netmeds

Series C  
September

Online  
Marketplace

\$30M



GoQii

Series B  
April

Wellness

# 2018 INDIA HEALTHTECH VENTURE SPOTLIGHT

cure.fit

Bangalore, India



## DESCRIPTION

- Founded in 2016 in Bangalore, cure.fit offers a wellness and lifestyle solution for fitness, nutrition, mental wellness and health.
- cure.fit is an innovative combination of engagement, coaching and delivery through a combination of online and offline channels that are seamlessly integrated to provide end-to-end proactive health management to consumers.
- cure.fit offers four solutions: eat.fit, cult.fit, mind.fit and care.fit.

## MANAGEMENT

Name / Title	Background
Mukesh Bansal (Co-Founder)	Formerly founder of Myntra
Ankit Nagori (Co-Founder, CTO)	Formerly Chief Business Officer at Flipkart

## HEALTHTECH ALPHA ASSESSMENT

Momentum	Market	Money	Impact
75	76	88	86

- With its Alpha Score composite indices >75 (see above), cure.fit has an Alpha Score of **84** indicating a venture of high maturity placing it amongst the TOP 10% of India's HealthTech ecosystem.

## PRODUCT DESCRIPTION

- cult.fit** combines online and offline fitness solutions, either at a cult.fit center or at home with the help of workout videos.
- eat.fit** delivers healthy foods to provide a nutritious, preservative-free meal from a variety of cuisines to choose from.
- mind.fit** is a one-stop mental solution that offers yoga, meditation and therapies. The offerings are designed using a scientific approach and integrate western and traditional oriental practices.
- care.fit** offers medical concierge services, telemedicine and other health services provided at cure.fit's own centers.

## HEALTHTECH CATEGORISATION & CLASSIFICATION

### HEALTHTECH CATEGORY

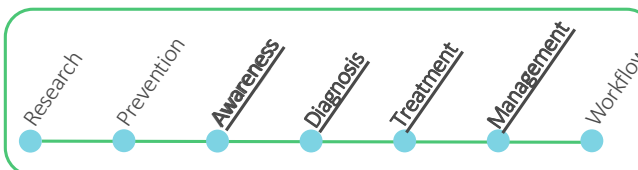


Wellness Apps



Teleconsultation

### HEALTH VALUE PROPOSITION



### TECHNOLOGIES

- Mobile Application
- Biosensors

## ESTIMATED VALUATION

\$ 718M

## INVESTMENT HISTORY

Date	Investor	Stage	Amount
07 / 2018	IDG Ventures India, Accel Partners, Kalaari Capital	Series C	US\$ 120.0M
01 / 2018	HDFC Bank, Axis Bank	Debt Financing	US\$ 10.0M
08 / 2017	Accel Partners, IDG Ventures, Kalaari Capital, UC-RNT Fund	Series B	US\$ 25.0M

## PARTNERSHIPS

- PROWL
- Happy McGarryBowen

## Competitive Landscape

➤ Fitpass



➤ Glympik





A vibrant street scene in a Southeast Asian market. In the foreground, a man in a blue t-shirt and a black helmet sits on a black motorcycle with a silver basket on the handlebars. Behind him, another person is partially visible. To the right, a woman in a white shirt and a man in a green and white striped shirt are walking. Further back, more people on motorcycles are visible, along with market stalls covered by colorful umbrellas and awnings. The street is paved and appears to be a busy thoroughfare.

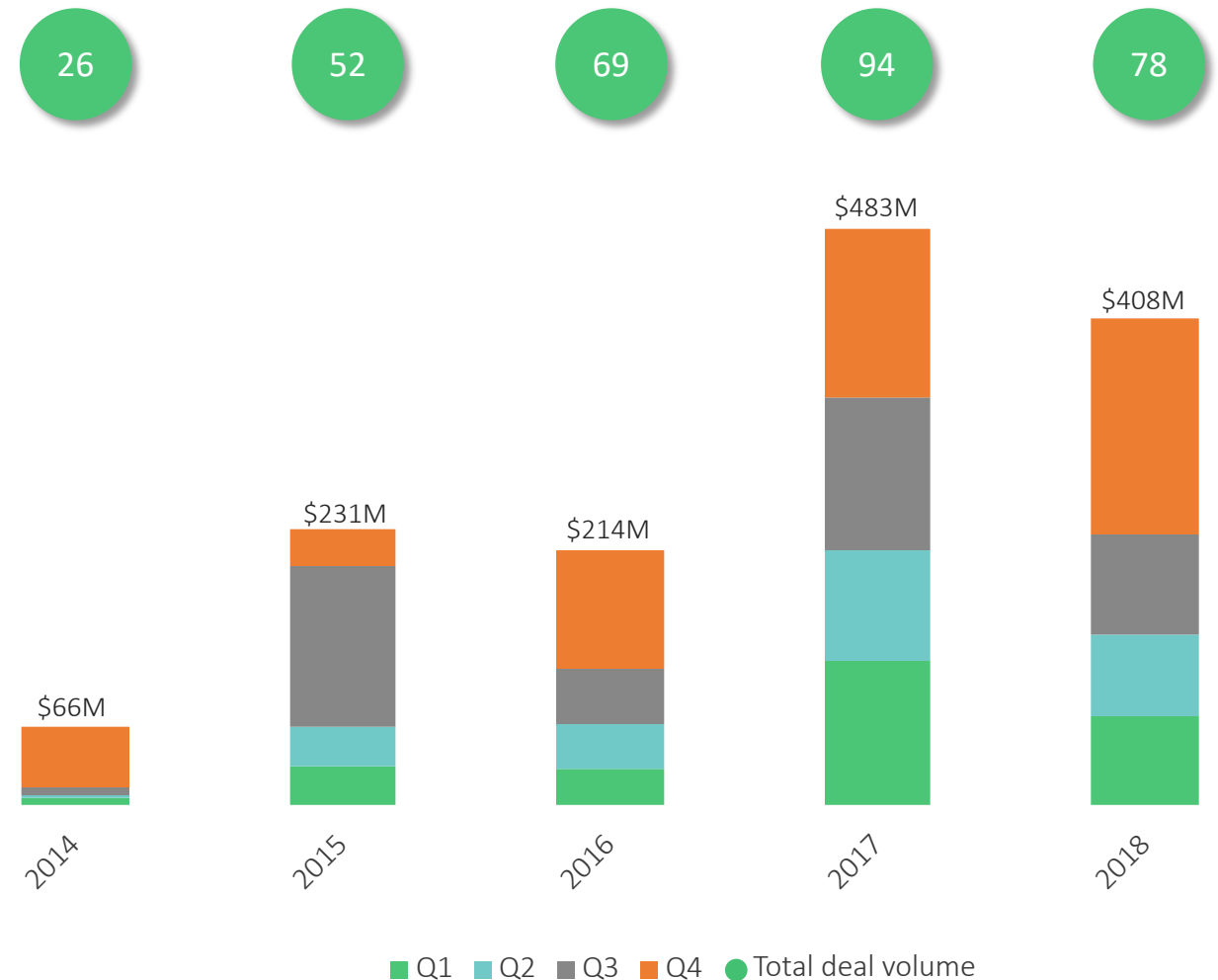
# REST OF ASIA

(Excluding China & India)

## INVESTMENT TRENDS

# YOY ROA HEALTHTECH FUNDING HISTORY (2014 – 2018)

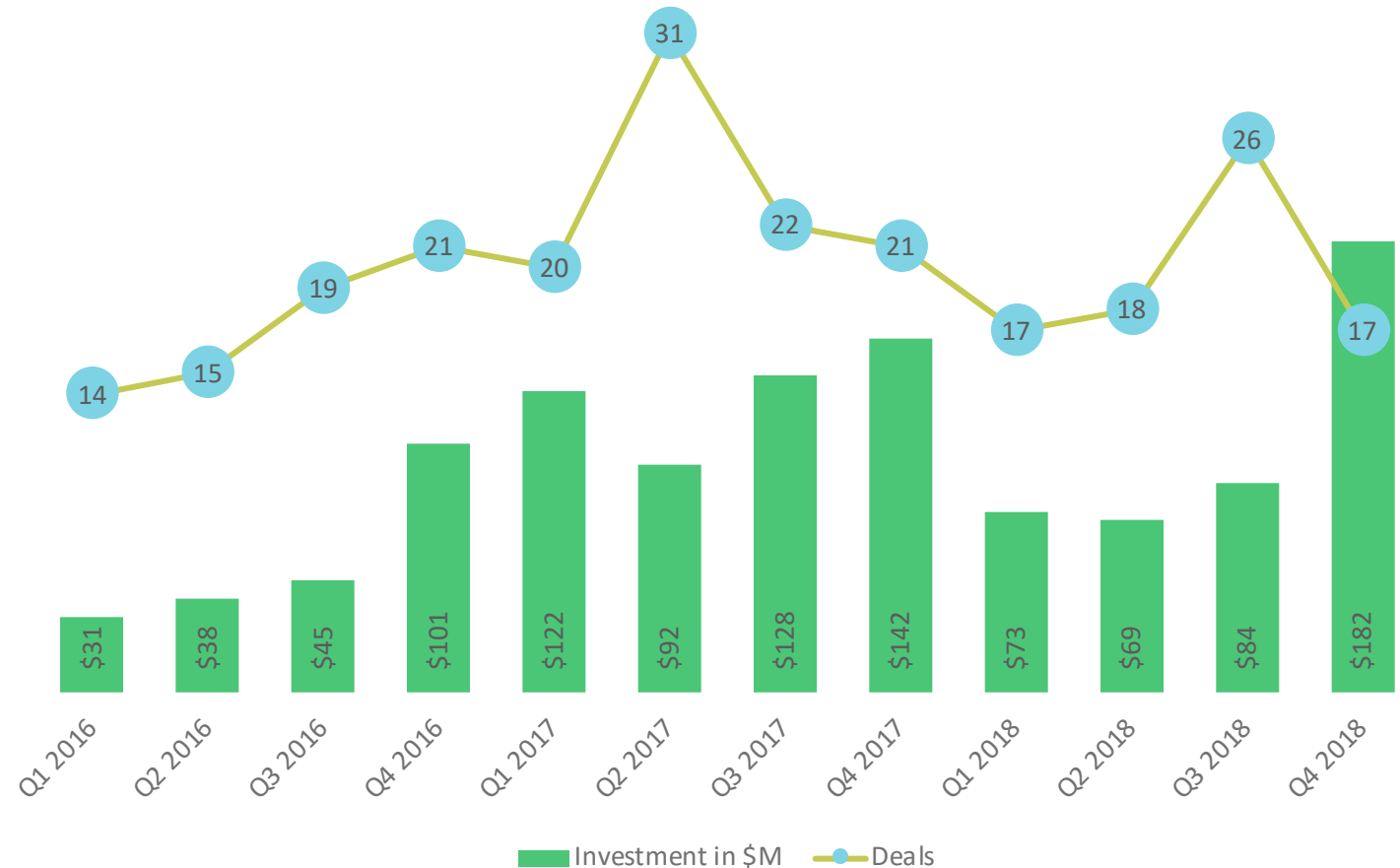
- Total funding for Rest of Asia (RoA) in FY2018 closed at \$408M, significantly behind the other sub-regions strong results and represented a 16% decrease YoY
- It should also be noted that, although RoA total deal volume in 2018 was similar to India's, RoA total deal value was 21% less. Likely to be the outcome of funds in this sub-region being smaller in size
- A silver lining however! Despite the funding slowdown in 2018, RoA breached the \$1B mark in cumulative funding since 2016





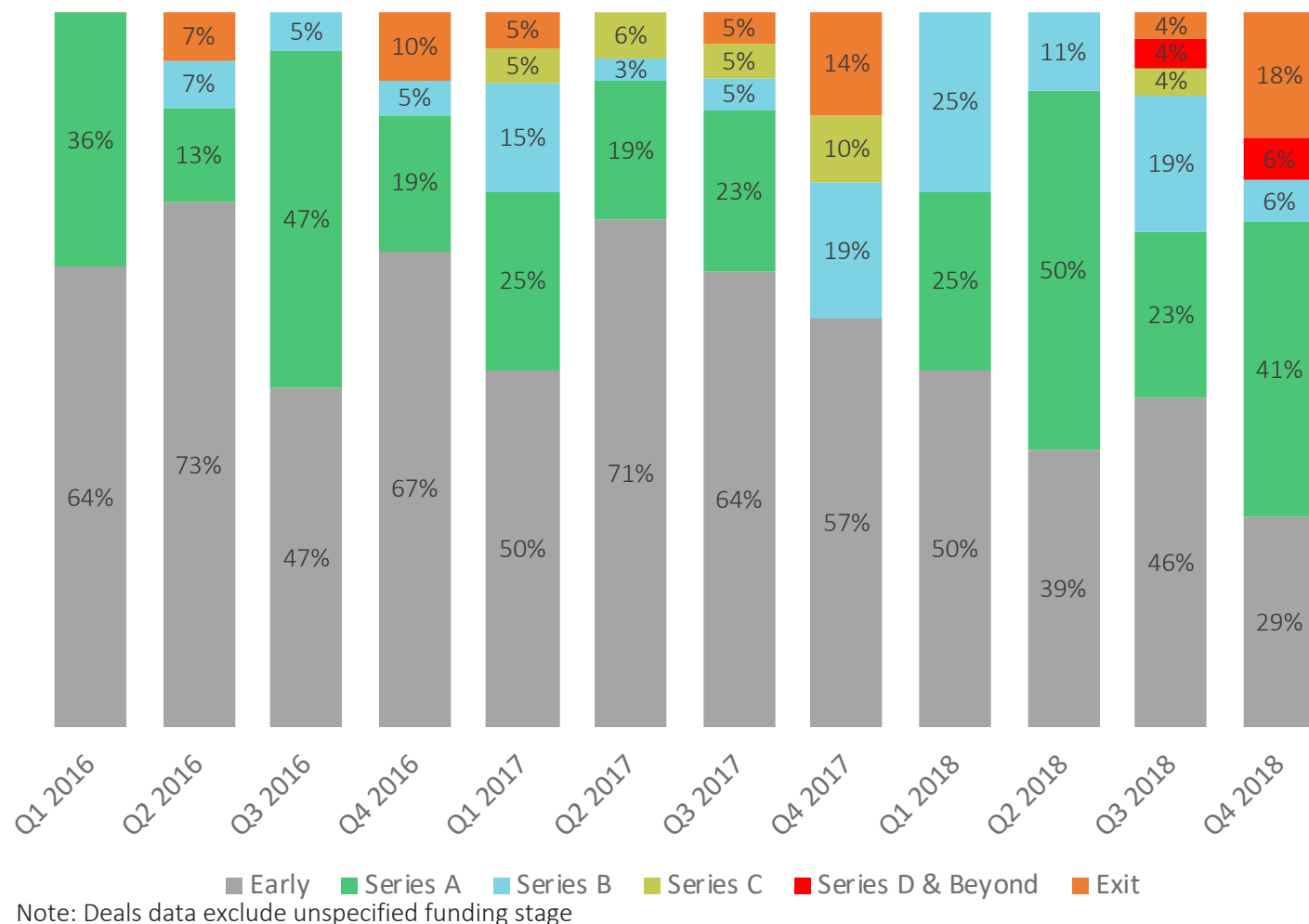
# QOQ REST OF ASIA HEALTHTECH FUNDING HISTORY (2016 – 2018)

- Despite two outlier quarters, namely in Q2 2017 and Q3 2018, deal volume ranged between 17 to 22 deals per quarter for the past 2 years
- Despite lagging well behind other Asia Pac sub-regions, in terms of total funding resulting in a 16% slump, RoA's last quarter in 2018 saw its largest in history
- Q4 2018 also exceeded the previous largest quarter, namely Q3 2017, by 27%
- Despite three consecutive quarters of low deal value in 2018, quarterly funding has been trending up since 2016



# QOQ REST OF ASIA HEALTHTECH DEAL VOLUME SHARE BY STAGE (2016 – 2018)

- Quick Facts Q4 2018 deal volume:
  - 29% at Early stage, down 37% vs Q3 2018 and down 49% vs Q4 2017
  - 47% at Growth stage, up 15% vs Q3 2018 but and up 83% vs Q4 2017
  - 6% Late stage deals, up 50% vs Q3 2018
  - 2 M&As and 1 IPO in Q4 2018
- H2 2018 recorded Late stage deals for the first time in RoA, indicating that more ventures are reaching sufficient maturity
- Similarly, an uptick in Series A deal volume YoY also indicates that more Early stage startups are reaching the required maturity to scale
- Australia drove exit activity in Q4:
  - Home Healthcare provider HomeStay Care listed on the Australian Stock exchange (HSC:ASX)
  - Precision dosing and EHR company DoseMe was acquired by Tabula Rasa Healthcare, a USA healthcare business

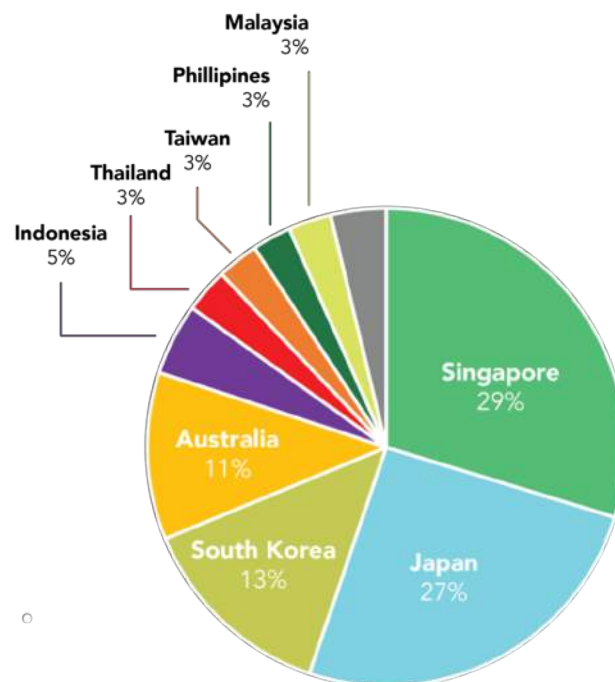
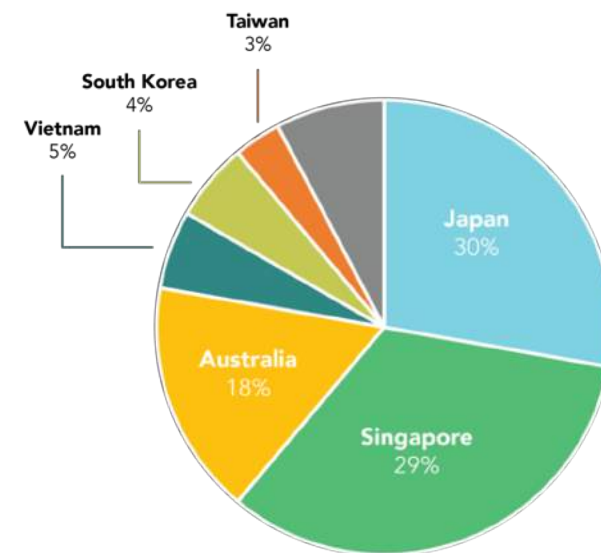


# REST OF ASIA HEALTHTECH DEAL VOLUME SHARE BY MARKET

- By deal volume share, Singapore took the lead, reaching 30%, overtaking Japan (27%) and South Korea (13%)
- 12 distinct RoA countries recorded funding deals in 2018 including Myanmar which recorded its first HealthTech deal
- Indonesia, Malaysia and the Philippines increased their deal volume share YoY

Startup	Volume Share
Hong Kong	1%
Vietnam	1%
Myanmar	1%

2017

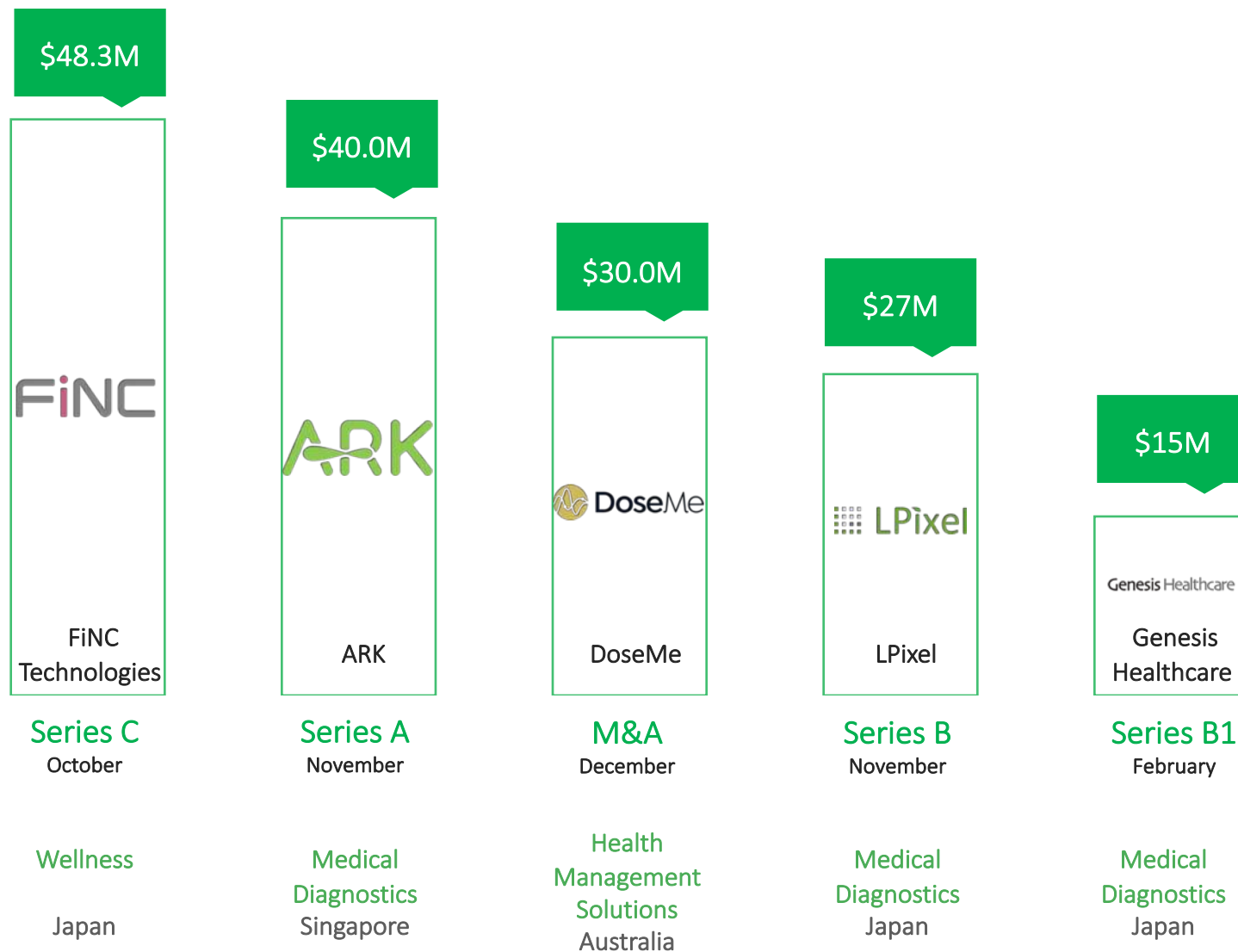


2018

Startup	Volume Share
Hong Kong	2%
Indonesia	2%
Bangladesh	2%
Phillipines	2%
Malaysia	2%
Thailand	1%

Note: Remaining volume share (grey section) is summarized in the tables

# 2018 REST OF ASIA HEALTHTECH MOST NOTABLE DEALS





# 2018 ROA HEALTHTECH VENTURE SPOTLIGHT

Halodoc

Jakarta, Indonesia



## DESCRIPTION

- Founded in 2016 in Jakarta, Halodoc provides a platform to simplify healthcare for patients in Indonesia.
- Halodoc is connecting patients with licensed doctors, insurances, labs, and pharmacies in one application. Users can benefit for 24/7 teleconsultation via chat, voice and video call, get a prescription, buy medicine instantly, and have a lab in home service.

## MANAGEMENT

Name / Title	Background
Jonathan Sudharta (Co-Founder & CEO)	15 years exp healthcare industry from sales management to business development director.
Doddy Lukito (Co-Founder & COO)	17 years exp in technology companies. Master comp eng from Carnegie Mellon
Jon Richards (CFO)	11 years exp in investment banking & biz dev. Background in HR & business administration

## HEALTHTECH ALPHA ASSESSMENT

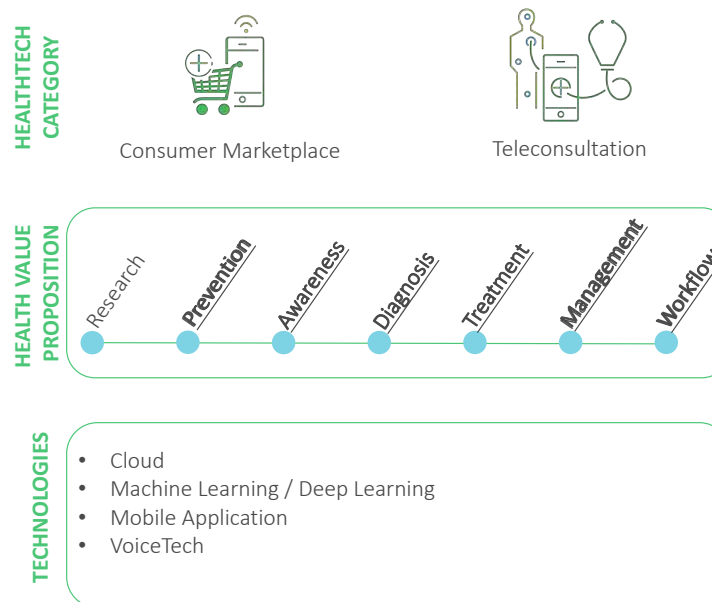
Momentum	Market	Money	Impact
71	65	59	43

- All Alpha Indices but Impact show a score that is >50 and an combined Alpha Score of **61** which indicates in the upper quartile and among the TOP 5% of Indonesia's HealthTech ecosystem.
- In its competitive landscape Halodoc shows the highest maturity

## PRODUCT DESCRIPTION

- Patient can browse doctors from GP to specialists and request consultation. When consultation begin, user can choose to consult via chat or request call or video call. As part of consultation, user can receive medicine recommendations
- Patient can browse variety of medicines and medical device OR simply upload their prescription to buy. Once purchase confirmed, medicine will be delivered to patient doors step in 1 hour
- Patient can select lists of lab package and get blood sample taken from places they have selected and see result in app.

## HEALTHTECH CATEGORISATION & CLASSIFICATION



## ESTIMATED VALUATION

\$120M

## INVESTMENT HISTORY

Date	Investors	Stage	Amount
11 / 2016	Clermont Group, Openspace Ventures, GO-JEK & GDP Venture	Series A	US\$ 13.00 M
04 / 2016	Openspace Ventures, GO-JEK & GDP Venture	Seed	undisclosed

## PARTNERSHIPS

- Go-Jek
- Bli-bli
- Prodia

## Competitive Landscape

- Atoma Medical
- Medigo





# KEY INFORMATION





# IMPORTANT INFORMATION

## What we define as HealthTech

**HealthTech** defines the intersection between healthcare and technology and is also sometimes referred to as **digital health**. We recommend reviewing our taxonomy on slide 49 for further details.

HealthTech does not include Biotech, such as protein research or pharmaceuticals, and also does not include MedDev, such as devices that are implanted into the body.

## What information do we track

Galen Growth Asia tracks a comprehensive inventory of key data points ranging from company demographics, funding and valuation to in-market capabilities on a continuously growing and curated list of HealthTech ventures drawn from all markets in Asia Pacific. We recommend reviewing our venture spotlights for further insights.

## Key Terms / Definitions

- The report's base currency is USD
- Early stage includes all deals up to & including Pre-A stage
- Growth stage includes all deals at Series A, B & C stage
- Late stage includes all deals at Series D & beyond stage
- Exits include all Pre-IPO, IPO and M&A deals

## Where do we source our information

Galen Growth Asia collates its data from primary research, public domain sources (press releases and news), proprietary analytics and from its unique network. The information is:

- Both disclosed and undisclosed by nature.
- Continuously updated with the latest data
- Curated from both direct and indirect verified sources
- Augmented with our proprietary algorithms

Each HealthTech Alpha Index and Score is calculated using proprietary algorithms and data points drawn from our carefully curated HealthTech Alpha database.

## Important Information

This report is provided for informational purposes only and was prepared in good faith on the basis of public information available at the time of publication without independent verification.

Galen Growth Asia does not guarantee or warrant the reliability or completeness of the data nor its usefulness in achieving any particular purposes.

Galen Growth Asia shall not be liable for any loss, damage, cost or expense incurred by reason of any persons use or reliance on this report.

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# ABOUT HEALTHTECH ALPHA

Galen Growth Asia has built the most comprehensive Asia HealthTech database and analytics, HealthTech Alpha, which tracks important information and data points about the growing Asia startup HealthTech ecosystem, vital to monitor its pulse.

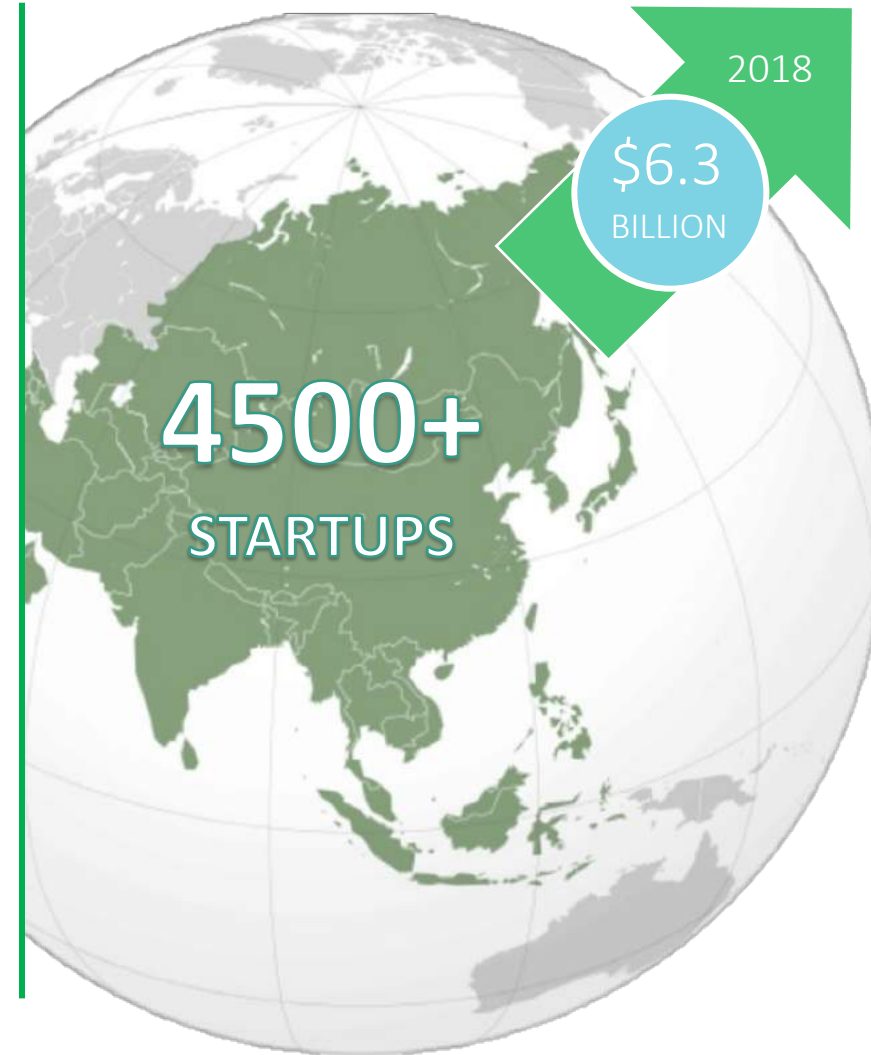
HealthTech Alpha contains a significant and growing proportion of the region's HealthTech ventures and, for each one, highly relevant data points including funding and other key business performance information.

Galen Growth Asia collates its data from primary research, public domain sources (press releases and news) and from its unique network.

The information is both disclosed and undisclosed by nature. It is:




- Continuously updated with the latest data.
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- Augmented with our proprietary algorithms.

THIS REPORT  
IS POWERED  
BY  HEALTHTECH  
ALPHA





# ABOUT HEALTHTECH ALPHA

				Remarks
No. of HT ventures captured	1600+	300+	1000+	
No. of HT deals captured	1330	300+		
Total funding tracked (since 2010)	US\$22B	US\$2B		
No. of investors captured		350+		
<b>Funding Deal &amp; Financial Profiling</b>				
Investors	Yes	Yes	Yes	eg. Sequoia
Stage	Yes	Yes	Yes	eg. Series A
Valuation	Yes	Yes	No	
Future Valuation	Yes	Yes	No	
Financial Statements	No	Yes	No	eg. P&L
<b>Business Model Profiling</b>				
Commercial Partnerships	Yes	No	No	eg. Lilly
Value Proposition Mapping	Yes	No	No	eg. Patient Acquisition
TA Mapping	Yes	No	No	eg. Oncology
HT Capability Categorisation	Yes	No	No	eg. Telemedicine
Enabling Tech Classification	Yes	No	No	eg. Biosensors
Geographic Mapping	Yes	Yes	Yes	eg. Jakarta, Indonesia
<b>Other</b>				
Management Team	Yes	Yes	Yes	eg. CEO Name
Incorporation Status	Yes	Yes	Yes	
Contact Details	No	Yes	No	HTA protects privacy of the team
<b>Venture Indices</b>				
Social Media	No	Yes	Yes	eg. Website traffic
Biz Maturity	Yes	No	No	eg. Operating model momentum

# OUR MARKET COVERAGE

Our analysis of HealthTech investments tracks activities across 23 distinct markets in Asia Pacific.

*Due to lack of data, not every market is featured in this report.*

We are continuously monitoring markets that are not listed here.



# OUR HEALTHTECH TAXONOMY

## Health Services Search



- Medical Concierge
- Medical Tourism

## Health Management Solutions



- EHR / EMR
- Physician / Clinic
- Hospital
- Pharmacy

## Online Marketplace



- Consumer Marketplace
- Professional Marketplace
- On-demand Lab Tests

## Medical Diagnostics



- Medical Imaging
- Diagnosis Tools
- Liquid Biopsy

## Research



- Drug Discovery
- Next Generation Sequencing
- Genomics Related Research
- Clinical Trials

## Patient Solutions



- Digital Therapeutics
- Patient Self-Diagnosis
- Disease Management

## Telemedicine



- Teleconsultation

## Online Health Communities



- Patient Health Forums
- Physician Networks
- Other HCP Networks

## Remote Monitoring



- Home Healthcare
- Devices

## Medical Education



- HCP Education
- Health Information Platform
- Consumer Education

## Payments & Insurance



- Health Claim Management
- Medical Payments

## Population Health Management



- Corporate Health
- Integrated Solutions

## Wellness



- Wellness Apps
- Wearables
- Smart Equipment
- Wellness Information Platform
- Genomics Related Applications

## Veterinarian



- Health Forums

## Others



- Social Enterprise
- HCP Job Board
- Software Provider
- Contamination Management



**Snehal Patel**

CEO – MyDoc

Chairman & Co-founder



**Gavin Teo**

General Partner – B Capital

Board Director



**Maarten Kelder**

SVP – Zuellig Pharma

Board Director



**Rosaline Koo**

CEO & Founder – CXA Group

Board Director



**Julien de Salaberry**

**CEO & Founder & BoD**

HealthTech Thought Leader, Investor, Speaker & Author  
20 years experience in healthcare with focus on organic  
and inorganic growth in mature and developing markets



**Helene Champoux Belec**

**COO**

Commercial Leadership, Investor Relations  
15 years in commercial and financial roles with  
focus on deal structuring and execution, Go-To-  
Market & communication strategy



**Dario Heymann**

**CRO**

Data & Research Specialist  
5+ years experience in R&D with focus on drug  
discovery and cancer research



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