



Digital Health
Ecosystem Analysis & Key Trends

China

Thematic Report

Ecosystem Insights • Investment Trends • Venture Spotlight
Noteworthy Deals & Exits



EXECUTIVE SUMMARY

- **China's ecosystem is excelling in digital health readiness** and implementation, even though the macroeconomic conditions are limiting access to technology in rural parts of the country and slow acceptance due to the low cost of basic care.
- The digital health ecosystem feels threatened by governmental probes into data security and new **data privacy laws**. However, long-term, increased data security regulation could pave the way for Chinese ventures to get a foothold in international ecosystems, such as Europe, and improve overall macroeconomic conditions in China's Digital Health Readiness Index.
- Microeconomics conditions in China are ideally suited to support digital health venture growth, with more **partnering opportunities** than any other digital health ecosystem globally and an **investor-to-venture ratio** that is only exceeded by the United States.
- Globally, 11% of venture funding in digital health in H1 2021 was deployed to ventures in China, with a **cumulative H1 funding of \$2.53B**, which is a rebound to just above 2019 levels after dropping 72% in H1 2020 amid the uncertainty of the pandemic.
- **Consumer Marketplace and Wellness** clusters captured 40% and 18% of the venture funding value in China, respectively, while they only make up 8% and 5% of the venture volume.
- 40% of the disclosed **Digital Health partnerships in China** are established between ventures and Pharma / Biotech corporations, with 21% of the total partnerships focused on the Medical Diagnostics cluster.



1 Unmatched
global coverage

2 Cutting edge HealthTech
innovation solutions

3 Proven team
track record

CHINA DIGITAL HEALTH DIGEST:

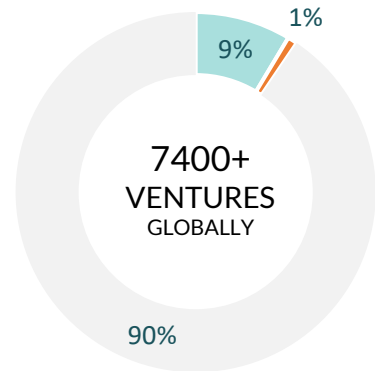
cumulative 2017 - H1 2021

510
VENTURES*

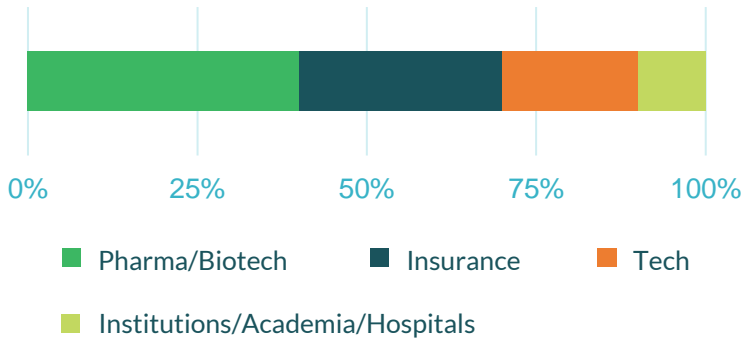
2171
PARTNERSHIPS

\$18.5B
INVESTED

Global Proportion of Ventures



Distribution of Partner Type for Chinese Ventures



- Ventures with China HQ
- Foreign Ventures Operating in China
- All Other Global Ventures

REPORT CONTENTS:

ECOSYSTEM INSIGHTS

- DIGITAL HEALTH READINESS INDEX
- MACROECONOMICS
- INTERNET HOSPITALS
- PARTNERSHIPS & REGULATORY APPROVALS

INVESTMENT TRENDS

THERAPEUTIC FOCUS

CLUSTER FOCUS

NOTEWORTHY PARTNERSHIPS, DEALS & EXITS

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