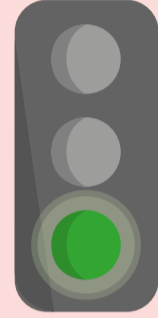


2018 REPORT CARD PREDICTIONS FOR HEALTHCARE IN ASIA


PROGRESSING UNIVERSAL HEALTHCARE – FROM FAIRY TALE TO REALITY


1

Asia continues to advance on its theme of making universal healthcare a reality. The Philippines Senate passed a Universal Health Care Bill, and India took a big step in rolling out Ayushman Bharat. Singapore inched forward with increasing coverage of Medishield Life at a more sustainable cost as well as introduced CareShield Life, one of the first long-term care protection plans in the region. Continued deficits and a bailout of Indonesia's BPJS national scheme, however, prove that this will still be a long term journey to get it right.

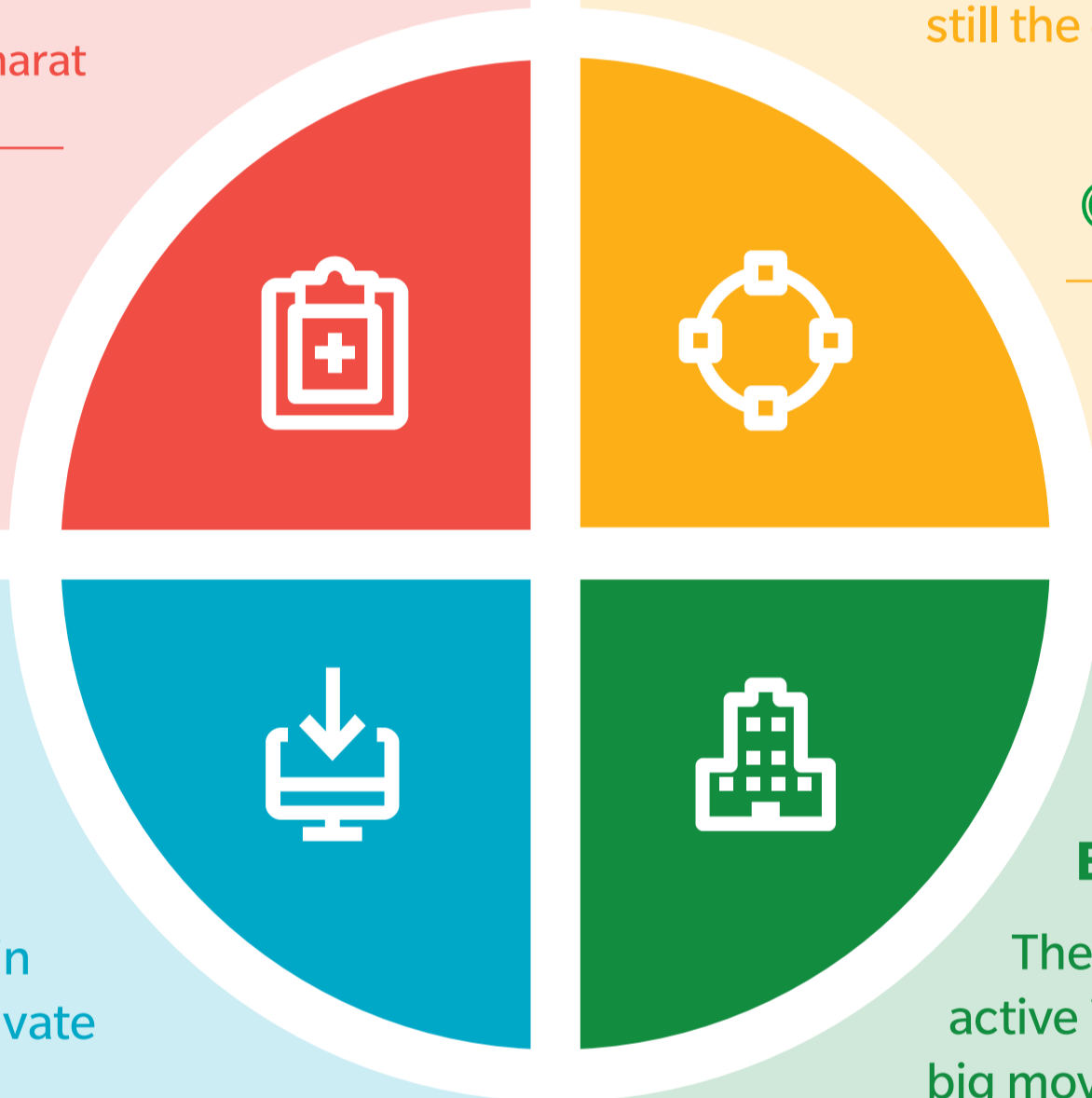


 Increased coverage of Medishield Life; introduced CareShield Life

 Implemented Ayushman Bharat

 Senate passed Universal Health Care Bill

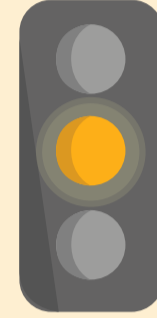
 BPJS' reach extends to 195,000,000 people



NEW PARTNERSHIPS – CONNECTING THE DOTS

2

Asian healthcare partnerships have stepped up in the last year, many driven by incumbents, such as payers and pharmaceutical companies, hoping to defend their right to play by entering new parts of the value chain through digital partnerships. However, these innovative partnerships are still early days, and time will tell where the real successes will lie.



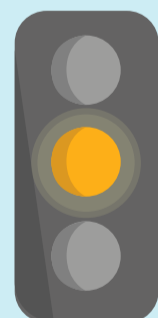
Governments have also spearheaded private partnerships – for instance, Singapore's Health Promotion Board recently called for private collaboration on projects such as the National Healthy Population Project. However, such government-initiated partnerships are still the exception rather than the rule.



DIGITAL, FINALLY – ACCELERATION ACROSS THE ECOSYSTEM

The healthcare digitalization train rolls on, with both public and private sector advancements:

- The Philippines FDA selected mClinica to create the region's first electronic national pharmacy information system
- "AI doctors" are gaining traction, with WeDoctor, Ping An Good Doctor leading the trend in China and Prudential Asia (via Babylon) announcing a new partnership to bring these solutions to the market
- We also saw more big tech companies (from Tencent to Alibaba) announce new healthcare ventures
- Digital security in health came into focus after high profile data breaches in Singapore and Hong Kong



In total we saw over **\$5 B** in digital health investment in Asia over 2018.



lead in terms of number of new announcements and investments.

4

Source: Galen Growth Asia

RETURN OF THE M&A HOTSPOTS – BIGGER AND BETTER

The healthcare M&A scene has been active in 2018. IHH Healthcare made big moves, private equity pivoted back to healthcare and we saw many cross border deals. Notable hotspots appeared across India, Singapore, Indonesia and Malaysia.

There were 154 deals valued over \$50 M USD in Asia, up from 141 deals in 2017.

Large Asian Healthcare M&A (selected):



3

Source: Dealogic