



Asian Healthcare Opportunity For Social & Financial Returns

August 2020

Asian Healthcare Opportunity



“We have a unique opportunity to invest in sustainable healthcare in Asia. Our businesses are making an enormous social impact on the development of communities and have the power to generate superior returns for our investors.”

This Will Be Asia's Century



Asia Is Becoming the World's Largest Healthcare Market



**USD 4.2
trillion**

Asian healthcare
market by 2024

**7 out
of 10**

New Hospital Beds
in Asia Built
By Private Sector

12%

Asian healthcare market
growth vs.
5% globally

Robust Asian
demand driving

60% of global
healthcare growth

Asian Healthcare Is Driven By Secular Mega Trends

4 of 5

Largest economies will
be in Asia by 2030

**7 out
of 10**

Of the largest cities
will be in Asia by 2025

65 million

number of annual
newborns –
size of the UK

60%

Of the world's
diabetics live in
Asia

**Two-
thirds**

Of global 65+
population by 2030

50%

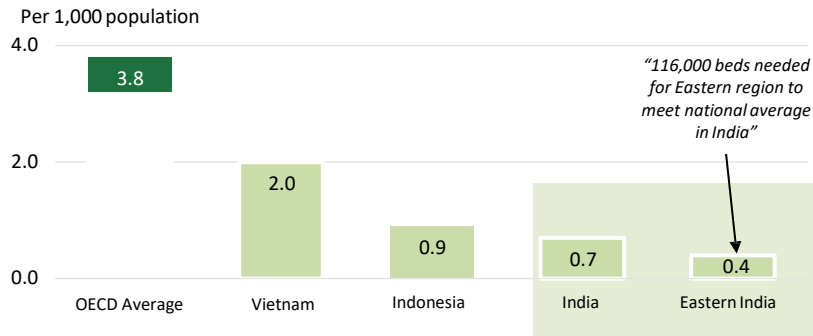
Global burden of
chronic diseases by
2030



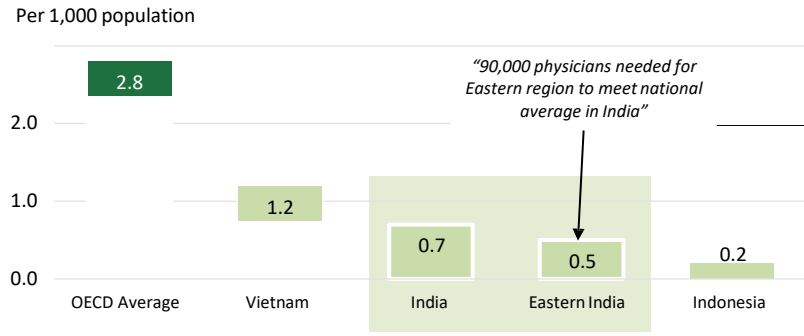
Historic Underspend in the Sector

Private Sector to Lead the Way in Bridging the Gap

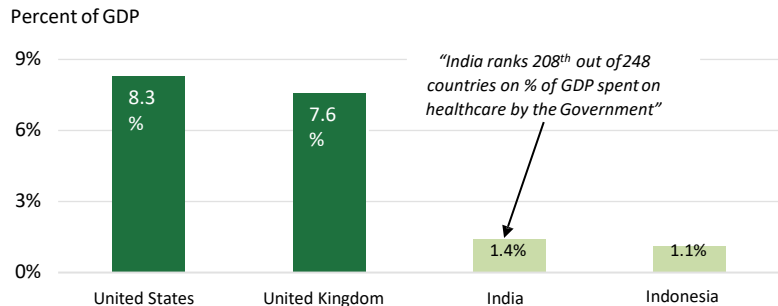
Number of Hospital Beds



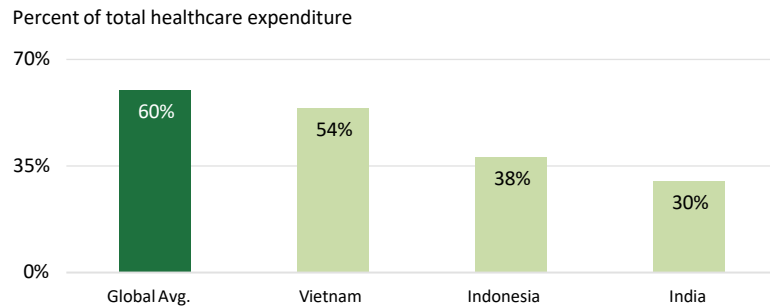
Number of Physicians



Public Healthcare Expenditure

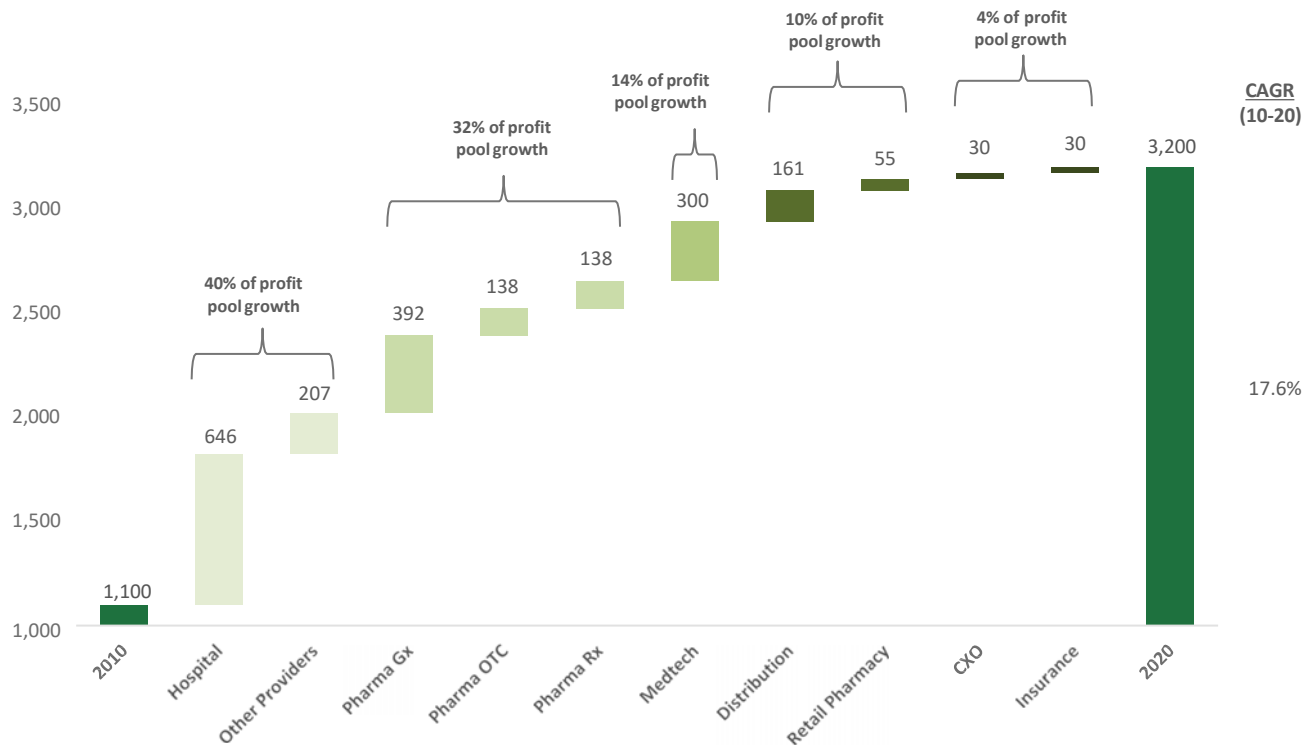


Public Healthcare Expenditure



Despite Challenges, Asia's Healthcare Is Geared For Growth Across Sectors

Asian Healthcare Expenditure Pool Growth 2010 – 2020 (US\$b)



Note: OTC includes ~60% health nutrition, other providers include outpatient services, clinics and specialist services such as obstetrics and paediatrics
Source: IMS, BMI, Espicom, annual reports, analyst reports, Bain

Quadria is Positioned as a Strategic Healthcare Investor

Active, Proprietary Approach for Value Creation



Value Add Focused Investment Process

Quadria works with portfolio companies at the onset to co-develop a value creation roadmap that is translated into a business plan that oversees the company's growth and development over the investment period



Operating Partners Driving Value Creation

Dedicated Operating Partners comprising of ex-senior healthcare investing and operations executives working on-the-ground alongside portfolio companies to drive value creation activities



Leverage In-house Healthcare Ecosystem

Proprietary relationships with global & regional healthcare companies, research institutions and key stakeholders to facilitate cross-pollination of knowledge, technology, best practices and commercial opportunities



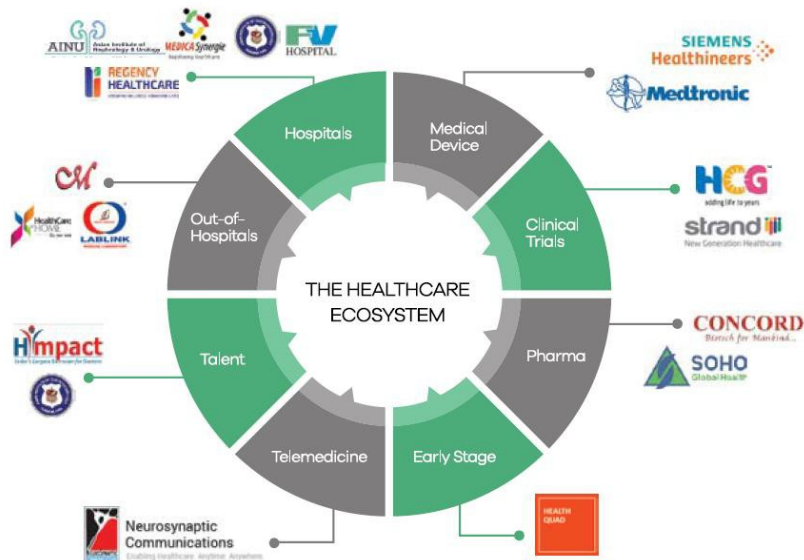
Hands-on Quadria Involvement

Quadria investment team remains active as board and executive committee members and advisors throughout the life of the investment and takes lead on specific value creation initiatives

In-house Healthcare Ecosystem

Network of Value Creation Enablers

Quadria Healthcare Ecosystem



Value Add to Portfolio Companies

- ✓ Best-in-class operators across healthcare subsectors to facilitate cross-pollination
- ✓ Top research and teaching facilities to provide world class clinical training and access to talent
- ✓ Global innovators providing access to cutting edge medical technology, techniques and medicine
- ✓ In-house early stage platform that offers access to disruptive technologies



Overview

- In October 2019, Quadria and ING Bank co-launched the world's first sustainability improvement capital call facility that links Quadria's fund financing rate to the sustainability performance of its portfolio companies
- Sustainability performance is based on key performance indicators provided by B Analytics, a data platform that measures impact for investors, fund managers and individual companies; Quadria's own ESG framework; and an independent materiality assessment
- Quadria's interest rate will go down if B Analytics' yearly assessment proves that Quadria is meeting its sustainability targets

Benefit To Investors & Community

- ✓ Lowers effective interest cost below market benchmarks that improves investors' net returns
- ✓ Limited downside with no recourse to the fund's investments or investors
- ✓ Additional cost savings can be further reinvested in portfolio companies to further access to affordable healthcare products and services



Accessibility

- Target markets have <1 hospital bed & doctor per 1,000 people (compared to global average of 5 beds and 3 doctors)



Affordability

- 90% of healthcare paid out-of-pocket
- Over 2.6 billion people live below \$2 per day



Awareness















- 70% of Asia's population live in rural areas
- 60% of diabetics undiagnosed in Indonesia



Quality

- 65% of healthcare covered by informal providers in India
- Diverse, fragmented private sector results in low quality

Quadria Focuses on Profit with Purpose by Addressing Key Sustainable Development Goals

Quadria Impact	Select Outputs				
<p>Accessibility</p>	<ul style="list-style-type: none"> No. of patients treated No. of new drugs introduced Extent of addressing unmet medical need Impact on local communities 	<p>1 NO POVERTY</p> 	<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	
<p>Affordability</p>	<ul style="list-style-type: none"> Hospital beds reserved for low income Total discounts to needs-based patients Participation in schemes for the poor % profits for social healthcare initiatives 	<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>10 REDUCED INEQUALITIES</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 	
<p>Awareness</p>	<ul style="list-style-type: none"> Resources spend on preventive health Increase access to diagnostic services No. of doctors / clinical staff trained No. of health screening camps 	<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>4 QUALITY EDUCATION</p> 	
<p>Quality</p>	<ul style="list-style-type: none"> Local and international accreditation Regular clinical audits and reviews Patient feedback / grievance mechanisms Compliance with international ESG standards 	<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>5 GENDER EQUALITY</p> 	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 

Opportunity for Social and Financial Returns

Investment Process Aligned to Maximize Impact

Pre-investment

Due Diligence By Third Party Specialists Against

150+

Impact And ESG Performance Criteria / Benchmarks

Investment

Identified Performance Gaps Addressed By

ESG / Impact Action Plan

With Specific Timeline And Targets

Monitoring

Ongoing Monitoring And External Audit Through

Annual GIIRS⁽¹⁾ Certification & ESG Review

Post-Exit

Established

Impact & Governance Framework

within portfolio companies to ensure impact intent maintained after Quadria's exit



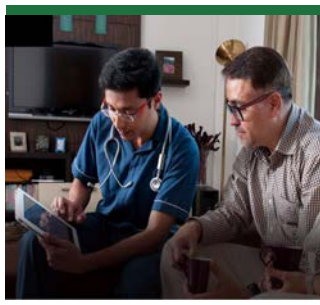
Note: (1) Refers to Global Impact Investing Ratings System

Building Scale



- Maximize volume through Hub & Spoke Model
- Expand healthcare access beyond the Metropolis
- Economies of scale to lower costs
- Enhanced profitability and shareholder value

Single-Specialty Model



- Lower cost of care provision
- Improve quality of life outcomes
- Greater patient satisfaction
- Create healthcare awareness through education & technology

Out of Hospital



- Expansion into Tier II / III cities
- Individualized, high-end care
- Cost efficient care provision
- Improve patient comfort and satisfaction

Business Model Innovation



- Scalable, asset-light “hospital without a hospital” model
- Higher margins with lower cost
- Business model supports regional expansion
- Differentiation by best-in-class clinical expertise

SOHO GLOBAL HEALTH



One of Indonesia's
Largest Pharma
Businesses

QUADRIA
CAPITAL

OVERVIEW

Region: Indonesia

Sector: Lifesciences

Investment Date: March 2015

INVESTMENT THESIS

- One of Indonesia's largest integrated pharmaceutical manufacturing and healthcare distribution companies
- High quality professional management team with deep local and international pharma experience
- Operational improvement through reshaping principal portfolio, optimizing working capital and expense rationalization
- Strong balance sheet to drive growth plan focused on new product development, in-licensing and domestic acquisitions

SOHO GLOBAL: GROWTH PLAN & QUADRIA VALUE ADD

2015 – 2017 Improve Operations

- Reshape PPG principal portfolio
- Working capital optimization
- Expense rationalization
- SAP Implementation

2017 – 2018 Focus on Topline Growth

- Accelerate product in-licensing programme
- Internal new product development, extensions and OTX-OTC switches
- Domestic brand acquisitions

2019 – 2020 Establish Market Leadership

- Leading integrated pharma and healthcare distribution company
- Robust topline growth and defensible margins
- Corporate governance and systems in place
- Well-positioned for exit

Quadria Value Add

- Operational efficiency initiatives
- Partners for strategic value (e.g. Stryker, B. Braun, J&J)
- 20 products in-licensed and another 15 in discussions
- Partnership with Gilead for Hepatitis B drugs
- Help identify and evaluate 4 potential acquisition targets
- Supporting execution of 2 opportunities

Medical Specialists Asia



Asia's Leading
Specialist Clinic Group

QUADRIA
CAPITAL

OVERVIEW

Region: Southeast Asia

Sector: Associated Healthcare

Investment Date: June 2017

INVESTMENT THESIS

- Asia's leading multi-specialty care platform with core expertise in cardiology, interventional radiology, ENT, gastroenterology, orthopedic and ophthalmology
- Team of 13 highly regarded specialists across 11 specialties and over 100 affiliate doctors, led by renowned interventional cardiologist
- Established multi-specialty care brand in Singapore with strong referral network including target network of 300 GPs by 2018
- Innovative, asset-light business model to bring high quality, affordable healthcare in developing regions

**MSA:
GROWTH PLAN &
QUADRIA VALUE ADD**

**2017 – 2018
Cement Domestic
Position**

- Leading interventional cardiac procedures
- Expand 9 to 11 specialties
- 50 GP network to reach 300 by 2018

**2018 – 2019
Expand Regionally**

- Regionalize via asset-light implants
- Focus on priority markets
- Cambodia diagnostics facility
- Strategic acquisitions

**2020 – 2021
Asia's Leading
Multi-specialty Network**

- Implant across ASEAN
- Strong top-line trajectory, profitability and diversified business model
- Corporate governance for IPO

Quadria Value Add

- Siemens Asia Reference Centre
- Support new Royal Square, Novena center
- Pilot implant into Quadria network
- Supported acquisition of 3 clinics
- Supporting execution of 2 acquisitions
- Establish corporate governance
- Structure management incentive

FV HOSPITAL



The Leading Private Hospital
in South Vietnam

OVERVIEW

Region: Vietnam

Sector: Healthcare Delivery

Investment Date: July 2017

INVESTMENT THESIS

- Rare opportunity to enter the emerging and fast-growing private healthcare delivery sector in Vietnam via an established player
- Attractive sector fundamentals driven by a young, increasingly urbanized population with rising affluence and an overburdened public healthcare sector
- JCI accredited hospital with an excellent clinical reputation well positioned to develop into a regional tertiary healthcare provider
- Dedicated and localized management with 15 years of seasoned track record and a clear vision for growth



**FV HOSPITAL:
GROWTH PLAN &
QUADRIA VALUE ADD**

**2017 – 2018
Enhance Clinical
Offerings**

- Centres of Excellence
- New cath-lab and oncology centre
- Improve surgical mix

**2018 – 2019
Establish Hub-and-Spoke**

- Opportunistic acquisitions
- Access medical patients from Laos, Cambodia and Myanmar

**2020 – 2021
Emerge As National Leader**

- Best tertiary care in Vietnam
- Highest quality care
- Diversified and fast growth

Quadria Value Add

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Implant model for cardiac care • Partnership with AIG for Gastroenterology • Leverage HCG for Oncology | <ul style="list-style-type: none"> • Proprietary acquisition pipeline • Expansion via clinics network • Supporting expansion strategy | <ul style="list-style-type: none"> • Strategic procurement • Data analytics • CFO & Internal Audit Officer hiring |
|--|--|--|

LABLINK



One of Southeast Asia's
Leading Pathology Chains

OVERVIEW

Region: Southeast Asia

Sector: Lifesciences

Investment Date: Mar 2018

INVESTMENT THESIS

- Positive growth outlook for ASEAN pathology market; 7% to 12% CAGR over 2017-22 for targeted countries
- Established scale and track record with Lablink emerging as one of the largest pathology players in Malaysia
- Scalable business model (25 hospital labs, one central reference lab); robust financial metrics (RoE over 28%)
- Unique proprietary deal via decade long connect with Lablink parent, Quadria entry valuation at over 50% discount to market

**LABLINK:
GROWTH PLAN &
QUADRIA VALUE ADD**

**2018 – 2019
Enhance Testing Offerings**

- Introduce high-end molecular, oncology and genomics tests
- Harness technology for clinical and operating excellence

**2019 – 2020
Expand Geographical Reach**

- Organic expansion in Malaysia
- Inorganic growth in three key Southeast Asian markets

**2021 – 2022
Emerge As Regional Leader**

- One of the largest pan-Southeast Asian lab players
- Comprehensive test menu offering high-end tests
- Diversified business with low dependence on parent

Quadria Value Add

- Centre of excellence partnership with Strand Lifesciences
- Harness Quadria relationships with global firms
- Quadria's proprietary acquisition pipeline in Southeast Asia
- Leverage Quadria's network for third-party lab management contracts
- Help in execution of business plan, made with Quadria's help
- Help hire and retain high quality talent

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