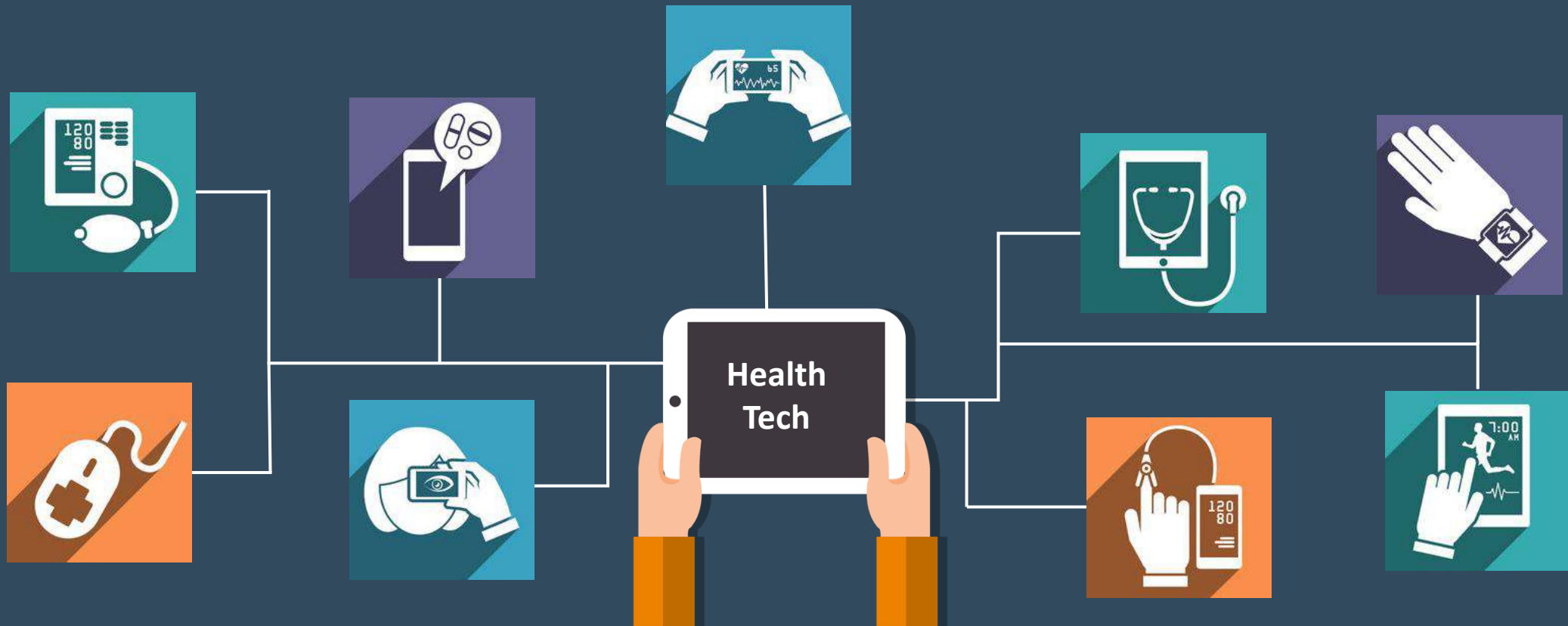


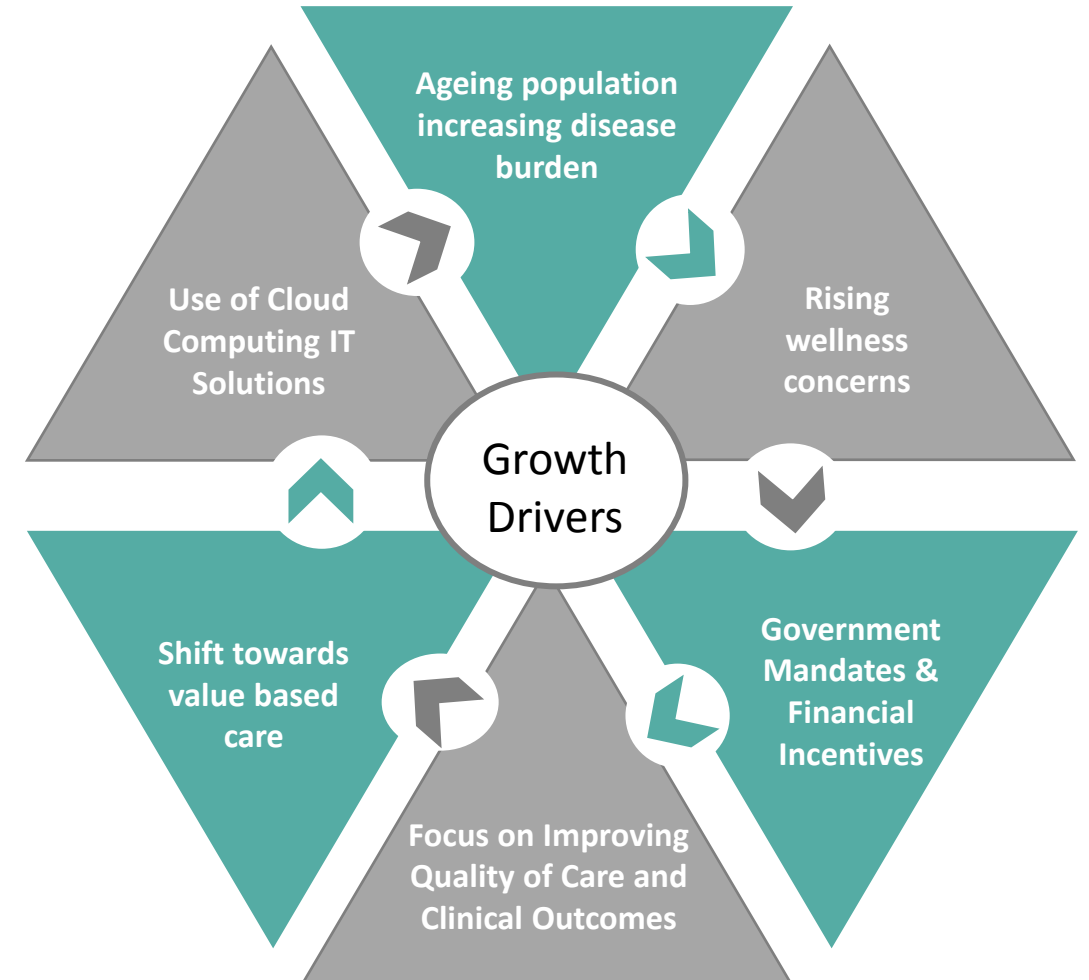
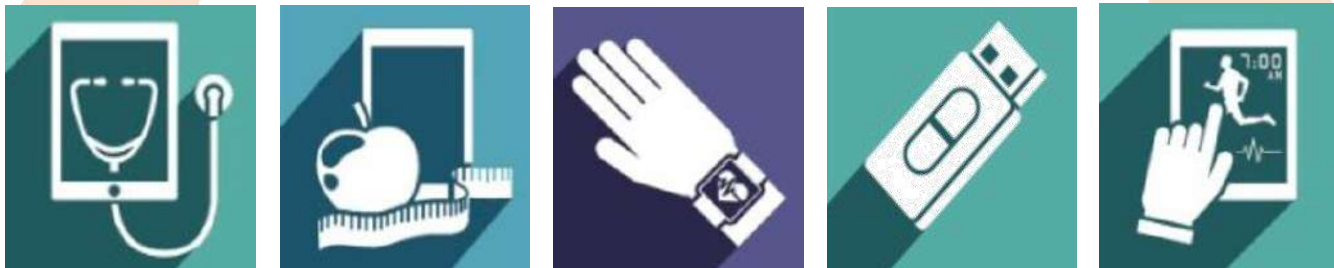
# Health-Tech Investment Report

November 2018




# WHAT IS DRIVING HEALTH-TECH?

Health-Tech, or digital health, is the use of technology (databases, applications, mobiles, wearables) to improve the delivery, payment, and/or consumption of care, with the ability to increase the development and commercialization of medicinal products.

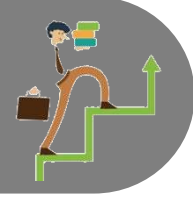


# WHY SHOULD HEALTH-TECH MATTER TO US?


**Bridging** the gap between the needs of the patients and the offerings of traditional models of healthcare services




**Investing** in technologies to bring efficiencies, reduce cost, increase access and improve care



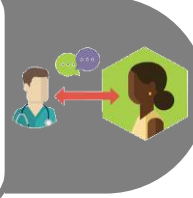
**Bringing** convenience in managing day to day healthcare and wellness needs of the people



**Accommodating** the growing healthcare requirements of the people globally



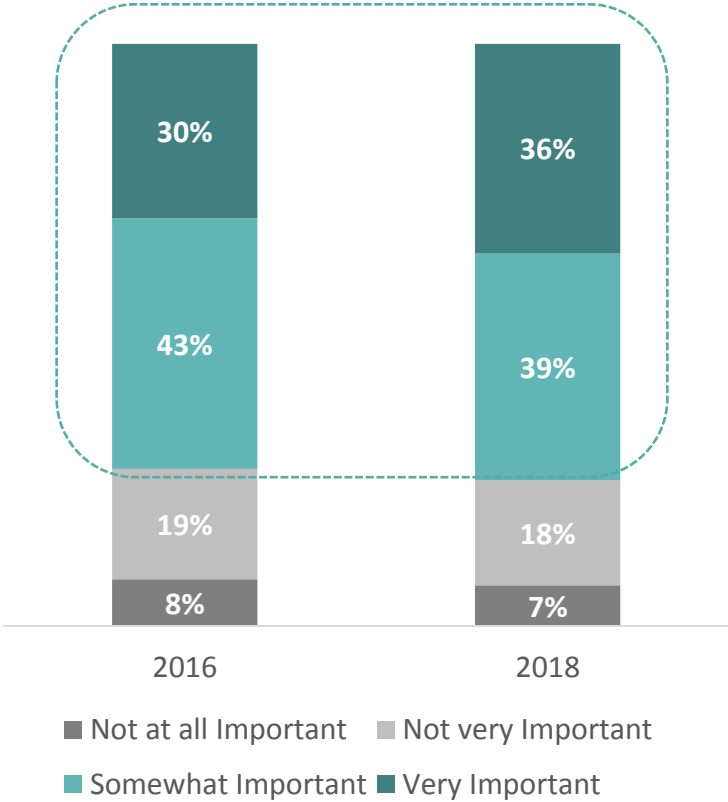
**Enhancing** the patient experience and engaging with them on a continuous basis



**Complying** with health policy and complex regulations. Regulatory changes fuelling tech's growth



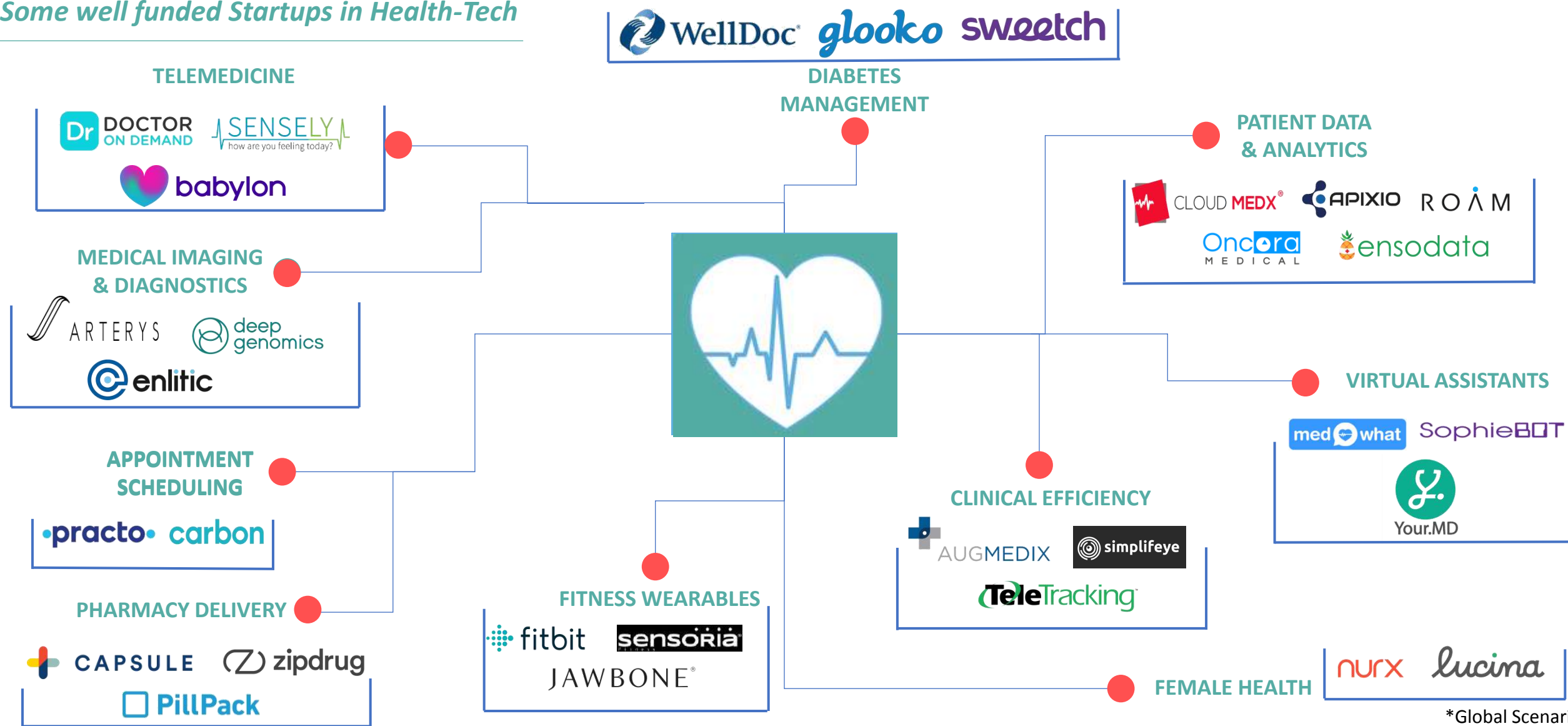
As per a survey, more than 70% of people consider the use of technology important in healthcare



Source: Consumer survey on digital health, Accenture

# How is Health-Tech Impacting Various Healthcare Aspects?

Some well funded Startups in Health-Tech

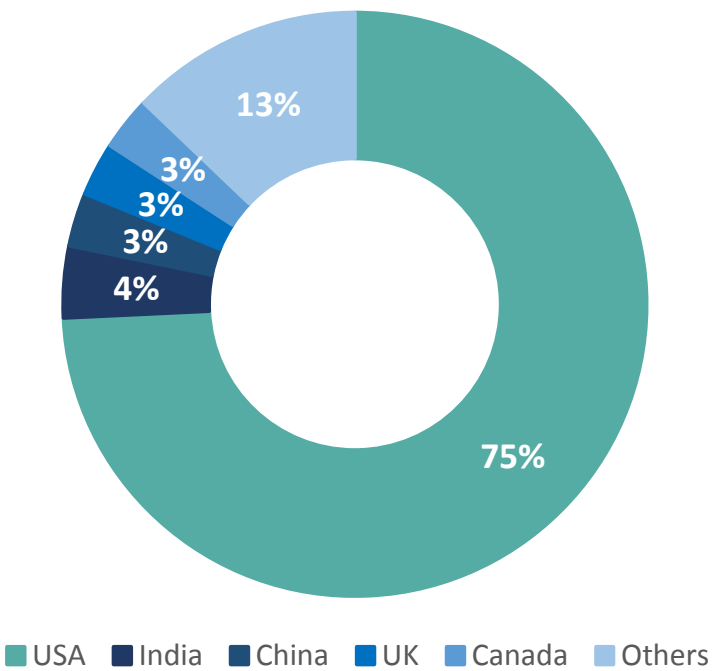


\*Global Scenario



# GLOBAL INVESTMENT TRENDS

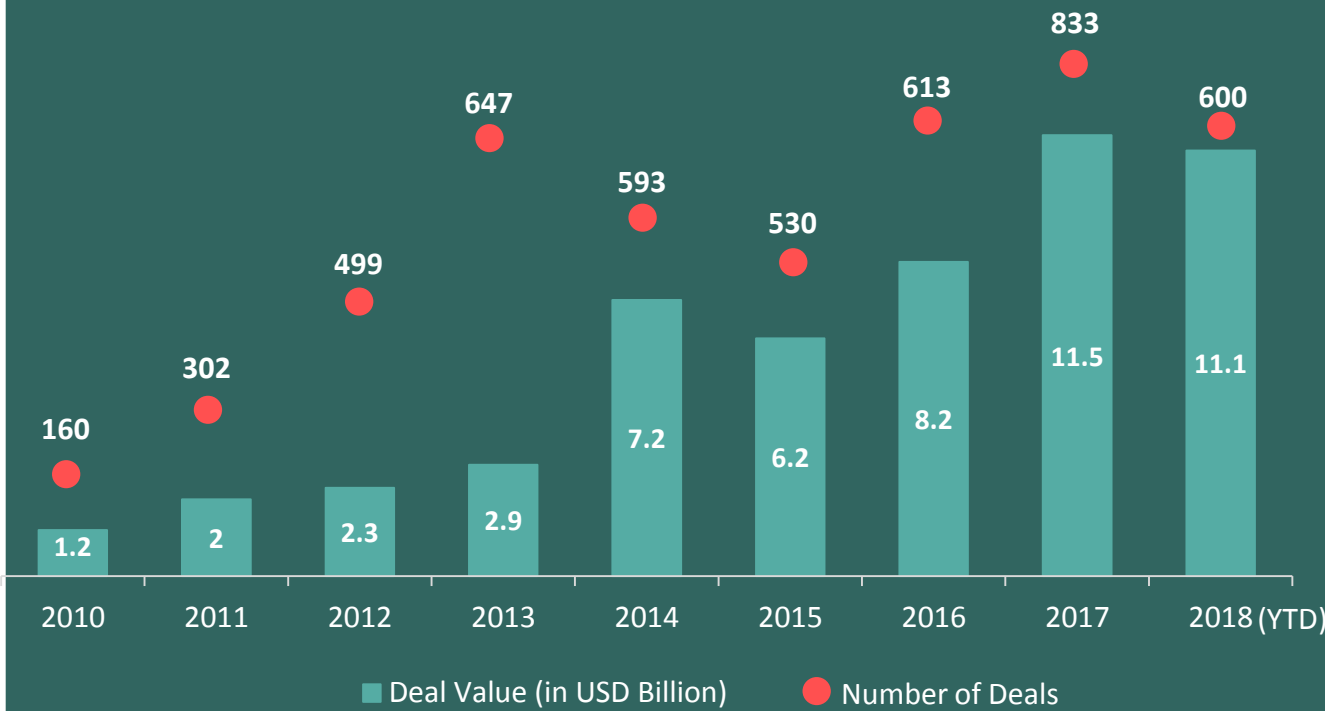
Global Deal Share



US-based digital health startups have received 75% of the global deal share since 2013. India took second with 4%, followed by China, the United Kingdom, and Canada<sup>(1)</sup>

(1) Data till April 2017

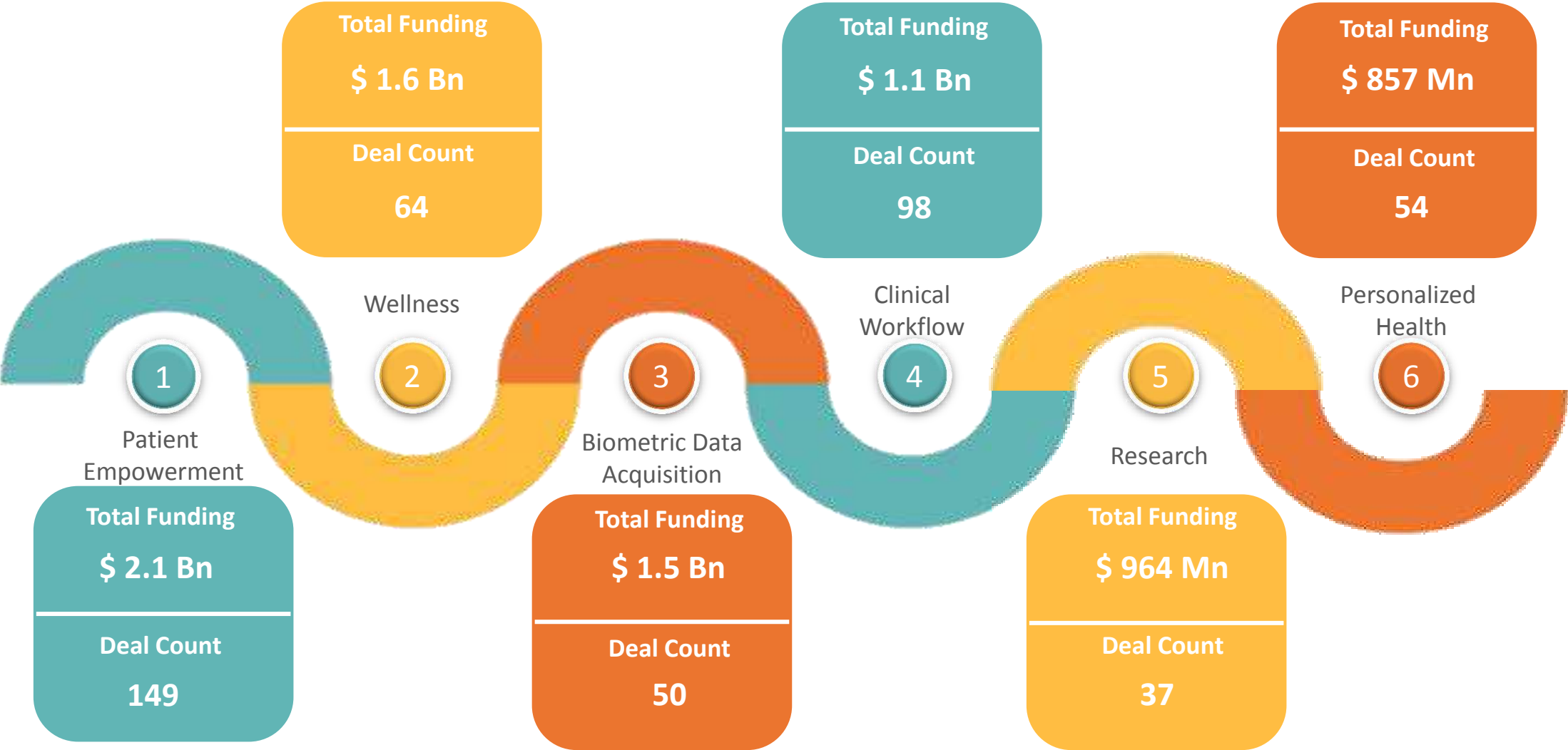
Funding Snapshot (2010 - 2018 YTD)



Deal volume in 2018 is on track, with funding surpassing 2017 funding totals by almost \$1 Bn. 2018 Q3 has been the largest quarter since 2010.

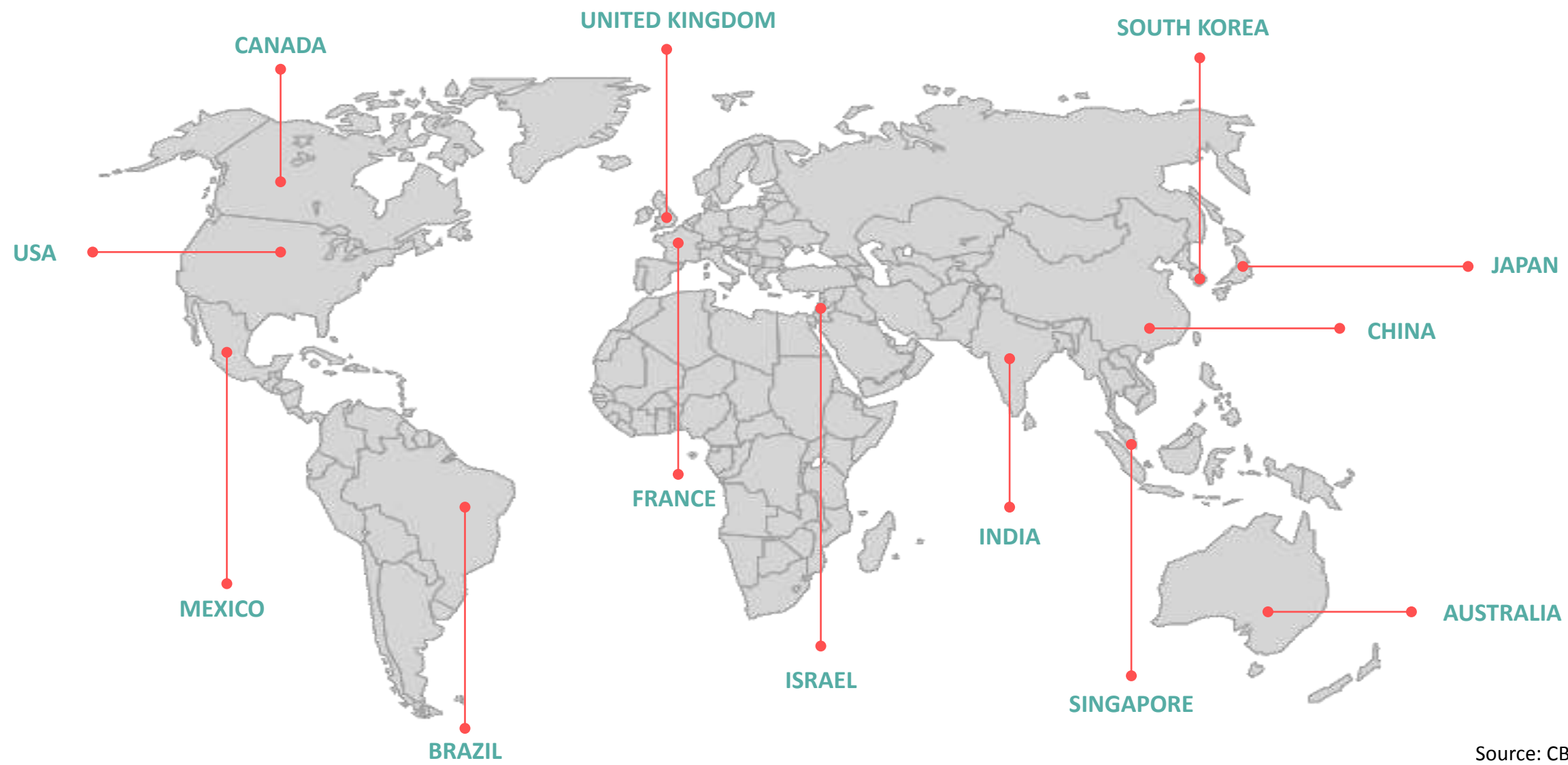
Source: CB Insights, Statista, Startup health insights

# MOST ACTIVE FUNCTIONS OF 2018(YTD)



Source: Startup health insights











# GLOBAL INVESTMENT HUBS\*



Source: CB Insights  
\*As of April 2017



# KEY INVESTORS

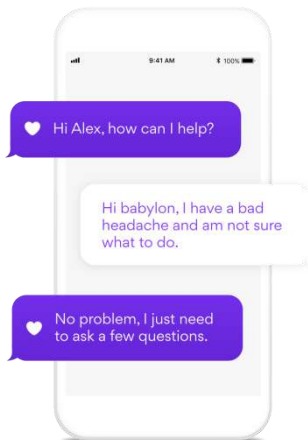
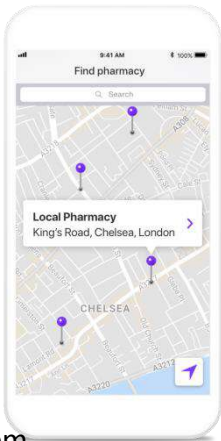
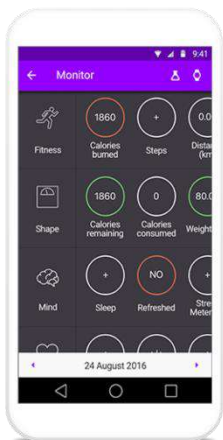
 <p>2018 Deals* : 13</p>	 <p>FOUNDERS FUND</p> <p>2018 Deals* : 10</p>	 <p>2018 Deals* : 10</p>	 <p>2018 Deals* : 10</p>
 <p>2018 Deals* : 5</p>	 <p>2018 Deals* : 5</p>	 <p>2017 Deals : 10</p>	 <p>GE VENTURES</p> <p>2017 Deals : 9</p>
 <p>2017 Deals : 9</p>	 <p>2017 Deals : 9</p>	 <p>2017 Deals : 8</p>	 <p>2017 Deals : 7</p>

\* Deals until 2018 Q3, Source: Startup health insights



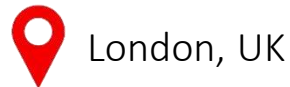
## Company Description

- Babylon delivers high quality healthcare via your mobile phone. Babylon employs only the very best doctors and provides them with rigorous industry-leading training
- During video visits doctors listen and look carefully to diagnose you or your family member and then write prescriptions or refer you to a specialist if required. Patients rate each visit to ensure quality



Source: Company website, crunchbase.com

## Headquarters



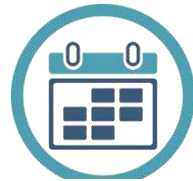
## Funding



## Features



Chat to **babylon** for fast advice on what to do next if you're feeling unwell



GP appointments are available 24/7 and can easily be arranged from your phone



Babylon lets you **track test results**, activity levels and health info



Babylon sends **prescriptions** to your front door, office or local pharmacy



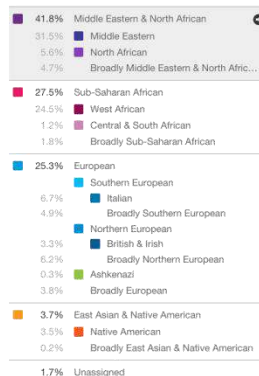
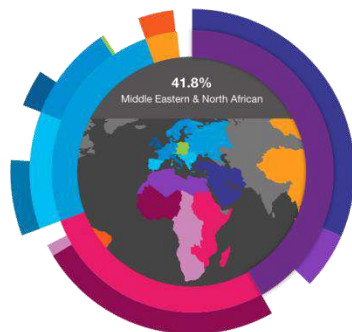
Tell others what you think

Source: Company website, crunchbase.com



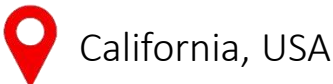
## Company Description

- 23andMe is a human genome research company enabling users to study their ancestry, genealogy, and inherited traits
- 23andMe allows its clients/users to study their ancestry, genealogy, and inherited traits. The company also markets to researchers and scientists, for whom they provide neatly categorized and easily searchable data
- The company has an API(1) to let developers build apps on top of user's genetic information

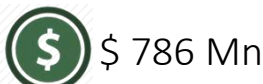


Source: Company website, crunchbase.com

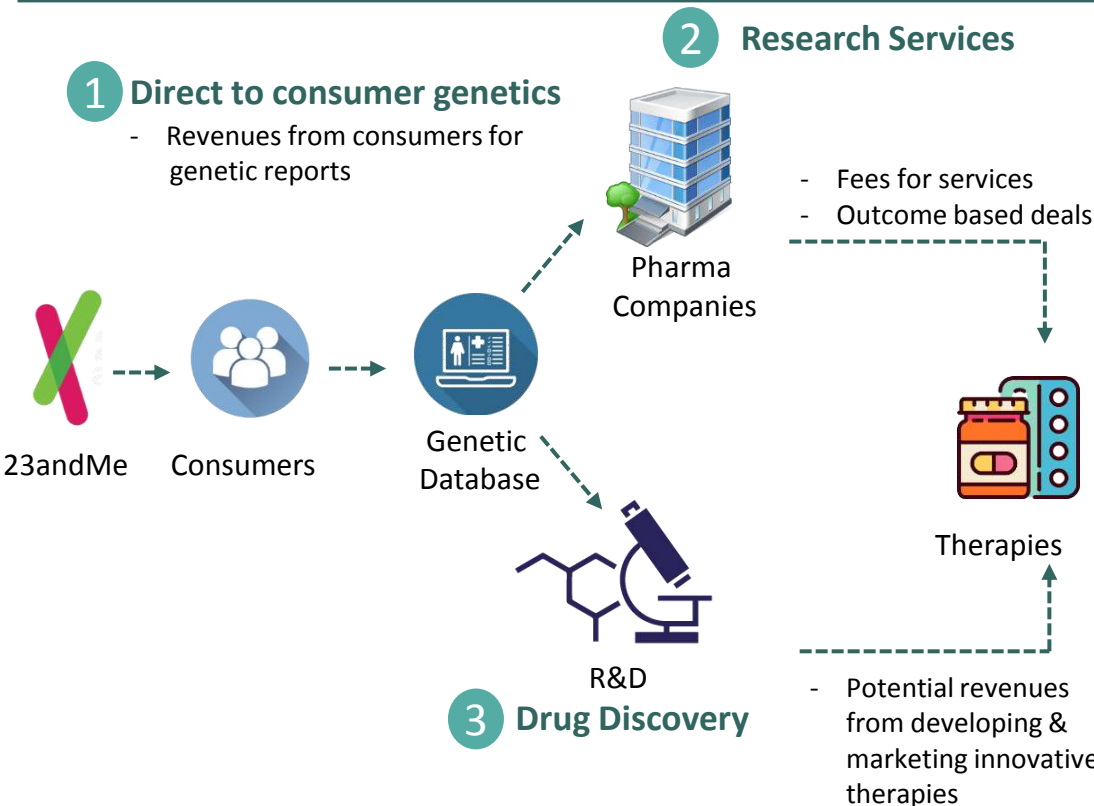
## Headquarters



## Funding



## Business Model



Source: Company website, crunchbase.com



## Company Description

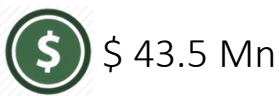
- AliveCor is pioneering the creation of FDA-cleared 'machine learning' techniques to enable proactive heart care and is recognized around the world for transforming cardiac care
- AliveCor has a device and application that will turn any smartphone into a clinical-quality electrocardiogram (ECG) recorder
- AliveCor's Kardia Pro is the first AI-enabled platform for doctors to monitor patients for the early detection of atrial fibrillation, the most common cardiac arrhythmia that leads to a five times greater risk of stroke



## Headquarters



## Funding



## Features



**FDA Cleared** - Kardia is the most clinically validated mobile ECG available



Smaller than a credit card, Kardia allows you to **capture a medical-grade ECG anywhere, anytime**



Kardia's app-based service enables you to **proactively care for the health of your heart**. You can relay your diagnosis and exercise patterns to your doctor



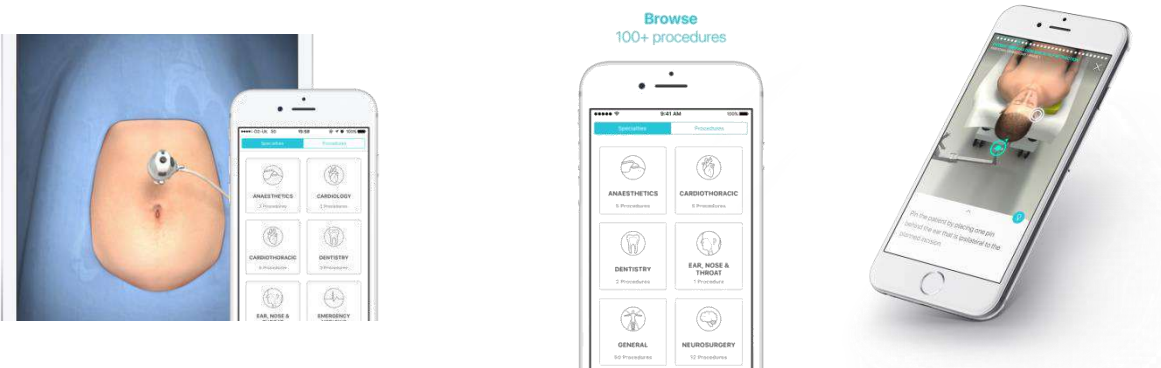
Kardia offers **instant ECG analysis and consultations** with board-certified cardiologists

Source: Company website, crunchbase.com

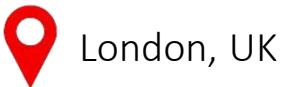
## TOUCHSURGERY

### Company Description

- Touch Surgery is an interactive mobile surgical simulator that guides you step-by-step through every part of an operation, and every decision that's made along the way
- Using sophisticated technology, Touch Surgery is creating accurate and valuable surgical content, disseminating the best techniques and procedures to improve the quality of surgery worldwide
- It is an excellent platform for medical practitioners to discover the latest procedures authored by leading specialists



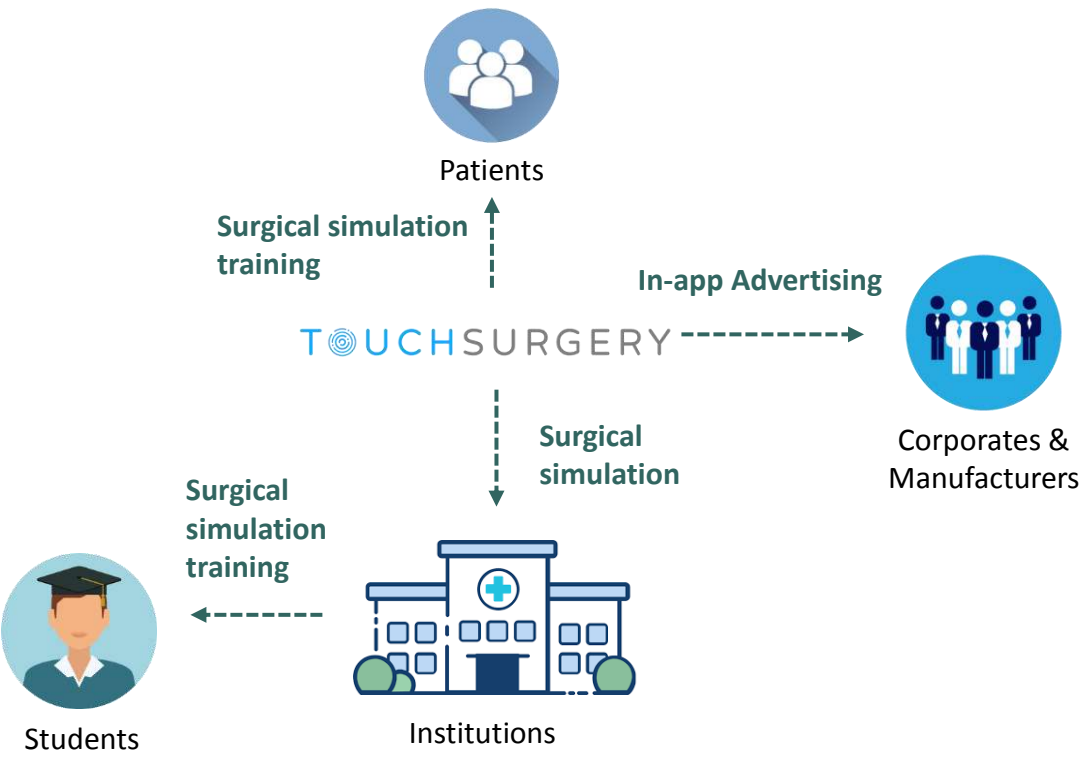
### Headquarters



### Funding



### Business Model

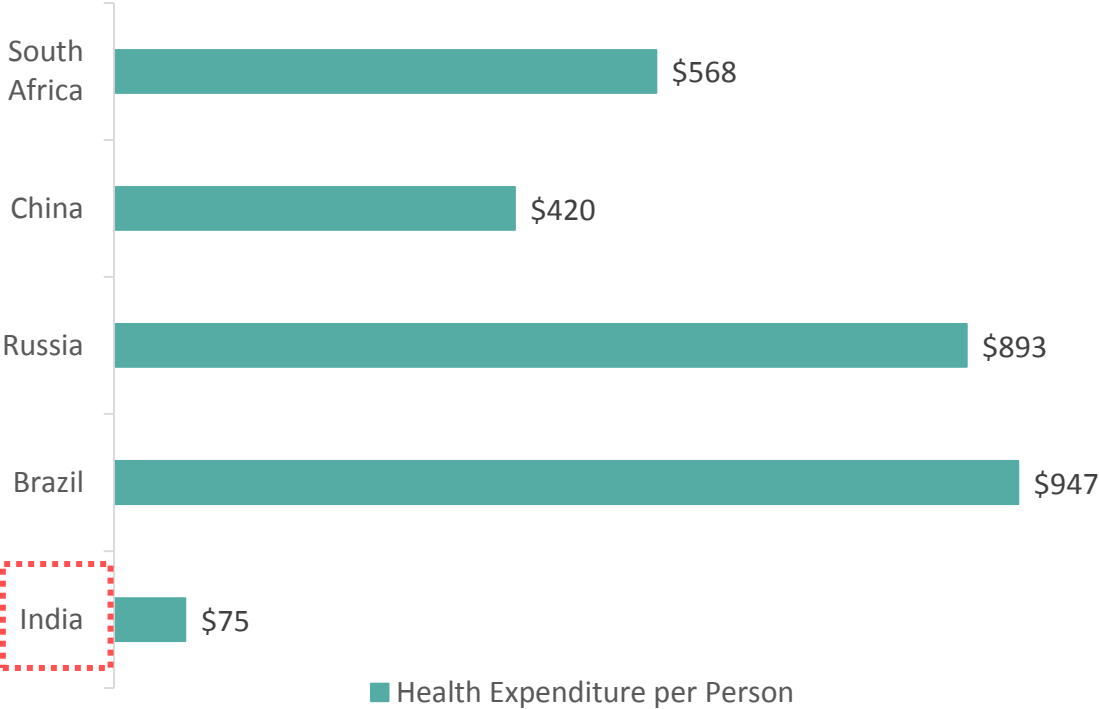


Source: Company website, crunchbase.com



# INDIAN HEALTHCARE

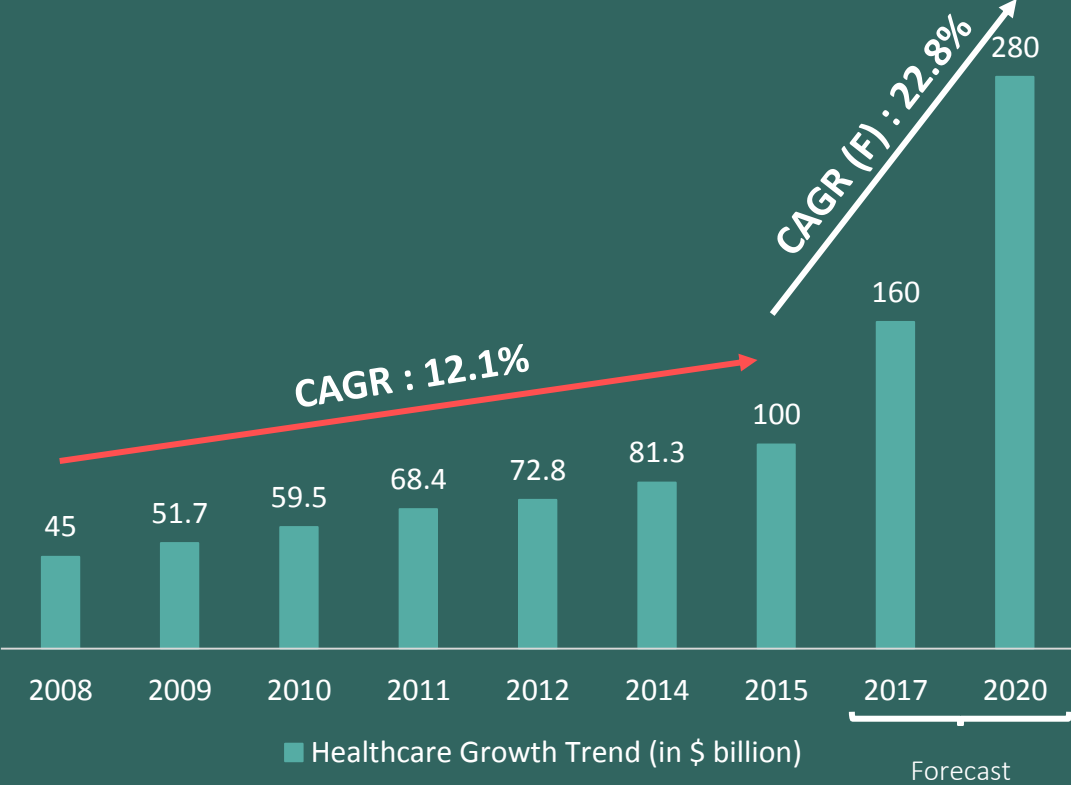
## An Opportunity to Grow



Among the BRICS and few other industrialized nations, India spends the least on health per capita. Out of the \$75 expenditure, most comes from private spending of households

Source: WHO Reports

## Healthcare Growth Trend (in \$ billion)



Although the healthcare sector in India is growing rapidly, accessibility to affordable healthcare remains a distant dream for a majority of the population. The number of healthcare personnel along with the infrastructure required is significant, to satisfy the needs of the growing population

Source: Livemint.com



# GAPS IN INDIA'S HEALTHCARE

## Quality



Less than 1% of India's hospitals are accredited

**27 JCI**  
accredited healthcare  
organizations

**347** accredited and  
**500 NABH**  
applicant hospitals  
in India

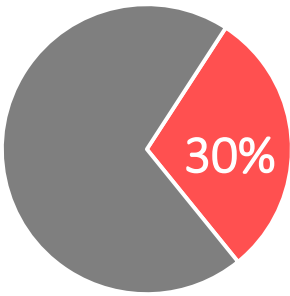
**1,165 NABL**  
accredited medical  
laboratories

## Affordability



**30%**

Indians fall below the poverty line each year because of healthcare expenses.



Public Expenditure  
on healthcare

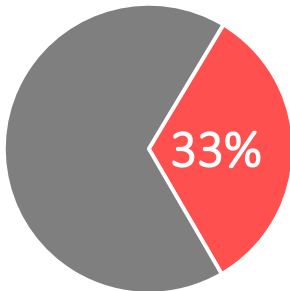
India only spends 4.7% of its GDP on healthcare cumulatively, with just 1.4% from the public sector, which is among the lowest in the world.

## Accessibility



**70%**

India's healthcare infrastructure is limited to the top 20 cities



Percentage of  
Rural Doctors

There is great disparity in the availability of skilled resources between rural areas and urban areas

NABH: National Accreditation Board for Hospitals & Healthcare Providers; NABL: National Accreditation Board for Testing and Calibration Laboratories; JCI: Joint Commission International

Source: PWC Reports



## Electronic Health Record Standards for India

The Ministry of Health and Family Welfare has notified Electronic Health Record (EHR) Standards Version 2016 for India in December 2016 with an intent to bring standardisation and homogeneity, interoperability in capture, storage, transmission & use of healthcare information across various Health IT systems

## National eHealth Authority (NeHA)

A regulatory body, tasked with overseeing the digitisation of health information. Additionally, NeHA is responsible for setting up electronic health exchanges for interoperability and devising a certification framework for EHR products

## Integrated Health Information Program (IHIP)

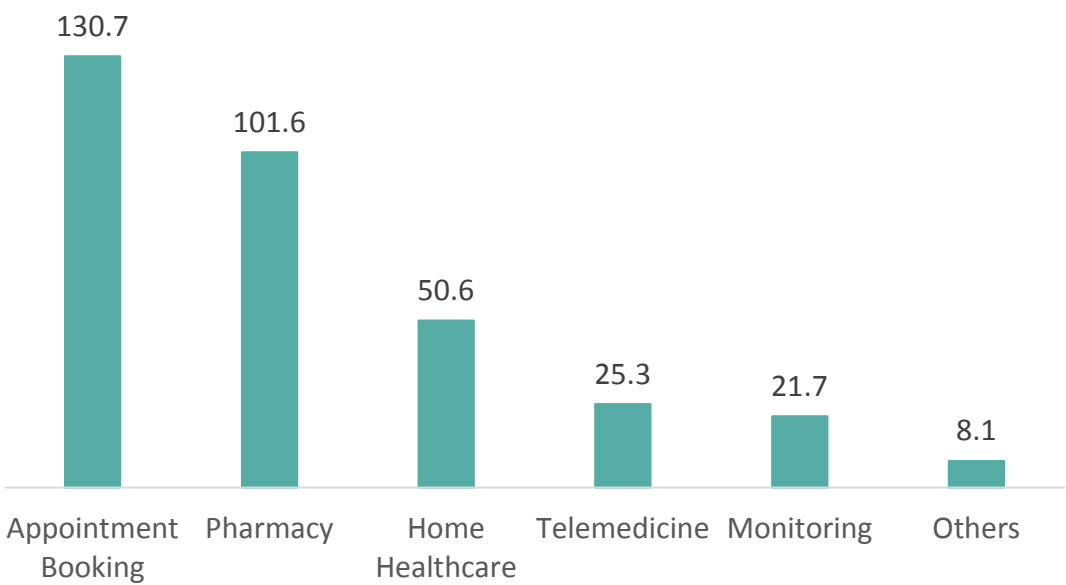
To provide interoperability of various EHR systems already implemented, an Integrated Health Information Platform (IHIP) is being setup by the Ministry of Health and Family Welfare (MoHFW)

## mHealth

The government is working with various organisations, to provide intuitive and interactive modes of communication, treatment, data transmission, and retrieval to doctors/hospitals and patients using mobile apps and websites.

# INDIA'S HEALTH-TECH MARKETPLACE

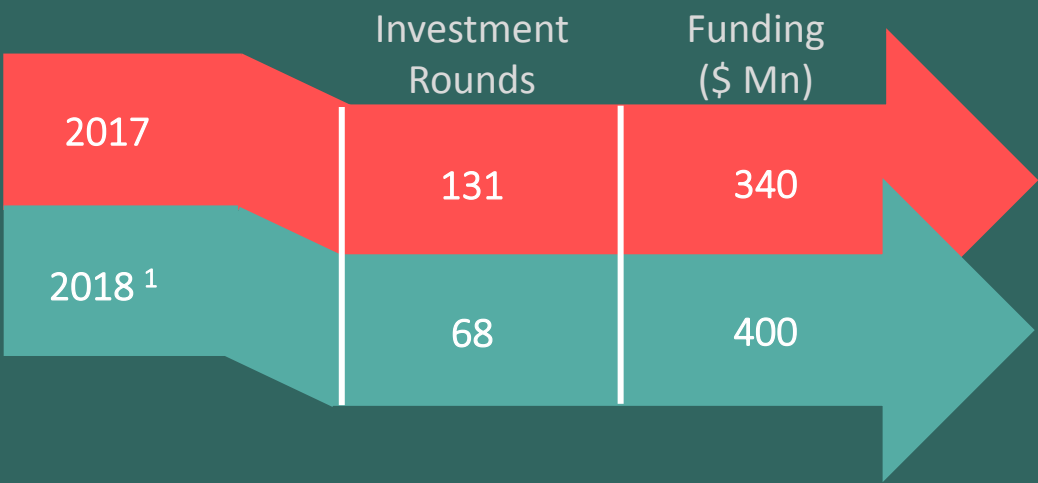
Funding in start-up types (2009–16\*, \$ Mn)



Investment in Indian healthcare start-ups is gaining traction; it witnessed 84 per cent of the total funding during 2015–16, since 2009

\*Data till April 2016. Source: Financial Express

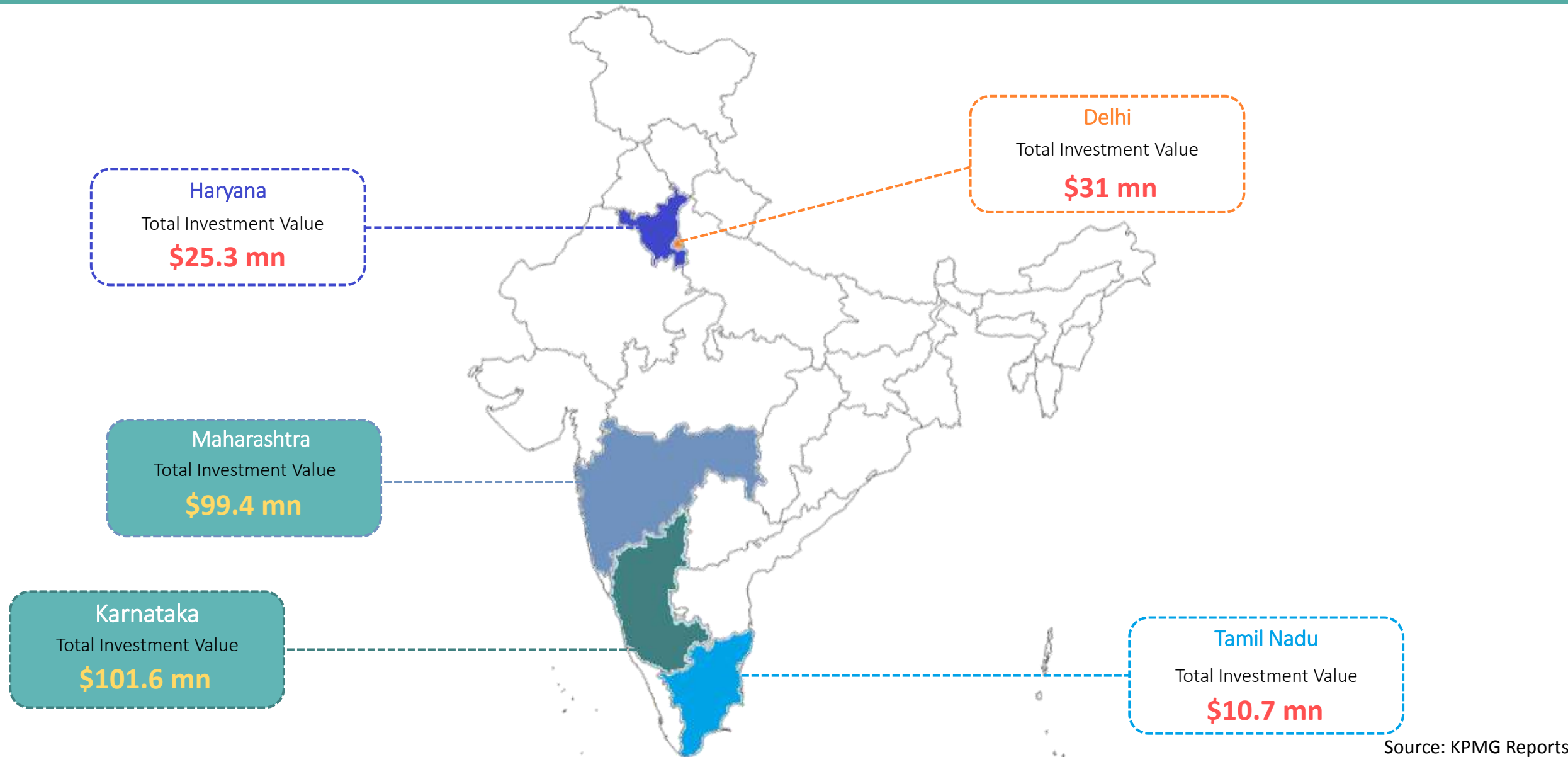
## Latest in Health-Tech



From the beginning of 2017, \$565.2 million has been invested in India's health care ventures in 25 rounds. In the same period, \$730 million has been raised by health tech ventures in 199 rounds<sup>1</sup>

1: As on 4<sup>th</sup> September 2018, Source: Traxcn Technologies, Inc42

# TOP FUNDED STATES IN INDIA (2012-16)



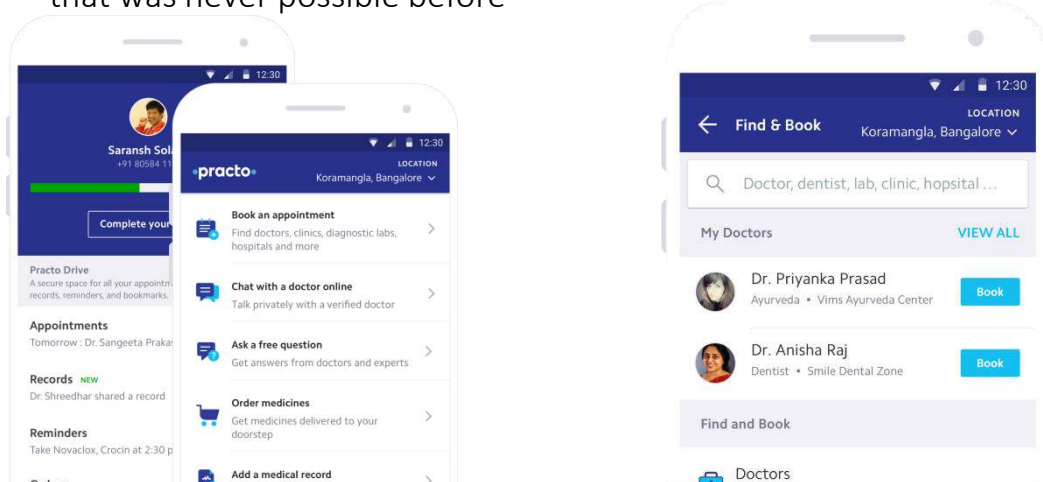
Source: KPMG Reports

# INDIAN HEALTH-TECH: CASE STUDIES (1/4)



## Company Description

- Practo is the place which connects people to everything that they need to take good care of themselves and their families, assessing health issues, finding the right doctor, managing records securely, and finding new ways to live a longer healthier life
- Practo provides a definitive platform for them to build their presence, to grow their practice or business and to engage their patients in a way that was never possible before



## Headquarters



Bangalore,  
India

## Funding



\$ 234 Mn

## Acquisitions



## Key Investors



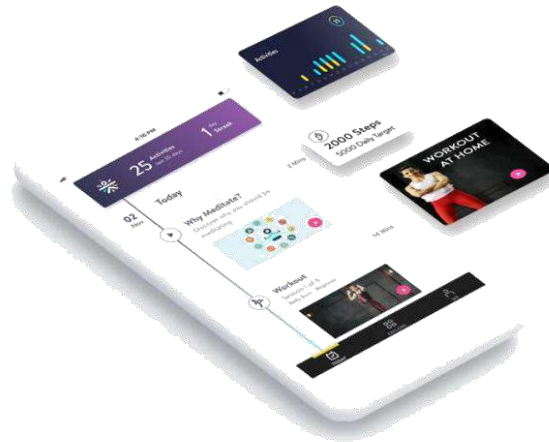
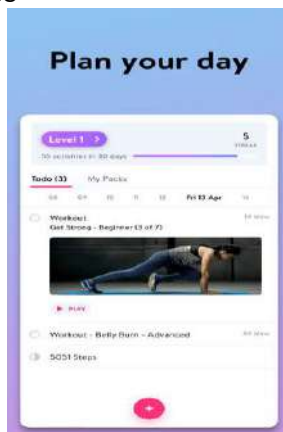
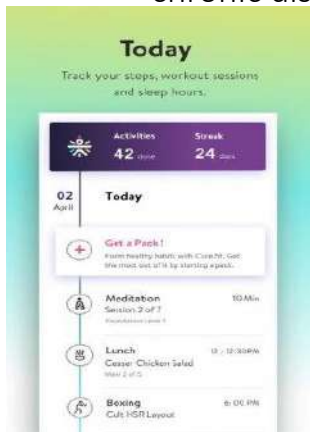
Source: Company website, crunchbase.com

# INDIAN HEALTH-TECH: CASE STUDIES (2/4)



## Company Description

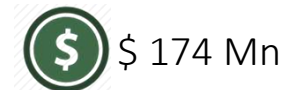
- CureFit is a health and fitness company. CureFit will be an innovative combination of engagement, coaching and delivery through a combination of online and offline channels
- Both experiences, seamlessly integrated will provide end-to-end proactive health management to consumers. Through this solution, consumers will be able to enjoy better quality of life, reduce the probability of falling sick and significantly reduce risks for long term chronic diseases



## Headquarters



## Funding



## Acquisitions



## Key Investors



Binny Bansal,  
Flipkart co-founder

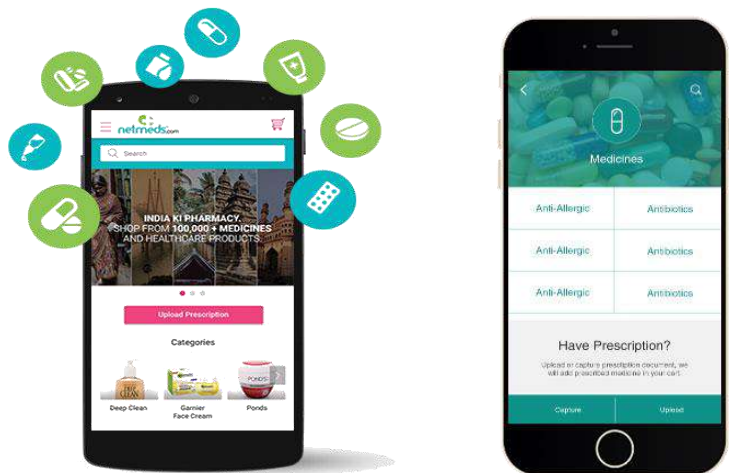
Source: Company website, crunchbase.com

# INDIAN HEALTH-TECH: CASE STUDIES (3/4)

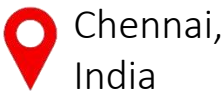


## Company Description

- NetMeds lets users order their medicines via its portal and mobile app by uploading their prescriptions. A team of qualified pharmacists verifies the prescription for validity and prescribes the appropriate dosage accordingly
- Netmeds offers the low-priced generic alternatives to most medicines. Because generic medicines provide the same therapeutic benefits as brand-name medicines, you can expect significant savings by opting for the inexpensive generic substitutes



## Headquarters



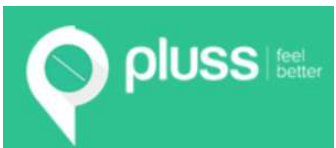
Chennai,  
India

## Funding



\$ 99 Mn

## Acquisitions



## Key Investors



**OrbiMed**  
Healthcare Fund Management



**Tanncam**  
Investment



Source: Company website, crunchbase.com



## Company Description

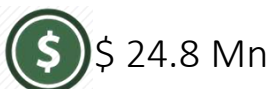
- SigTuple builds intelligent screening solutions to aid diagnosis through AI-powered analysis of visual medical data
- Sigtuple is building an artificial intelligence (AI) platform called Manthana which helps them analyse visual medical data efficiently. Manthana has enabled them to work on five major high-volume, screening processes of the healthcare industry – analysis of peripheral blood smears, urine microscopy, semen, fundus & OCT scans and chest x-rays



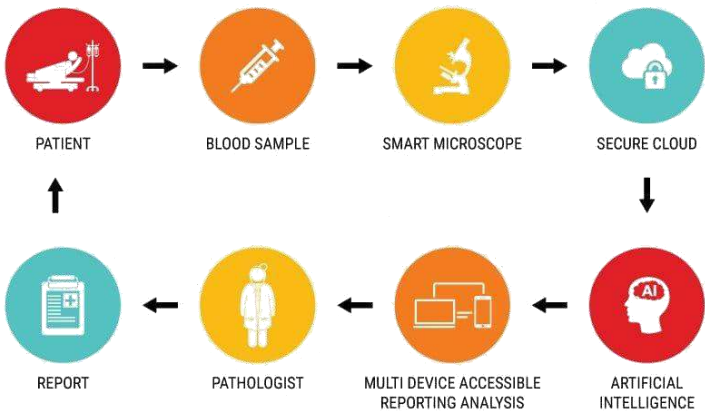
## Headquarters



## Funding



## How it Works?



## Key Investors



Source: Company website, crunchbase.com, biztor.com



# EVER INCREASING LIST OF STARTUPS



\*Indian Scenario



# CONCLUDING REMARKS

01

Investments in the Health-Tech sector in India in the last few years have largely gone towards Consumer Tech (B2C) segment. *The first wave of investments focused mostly on marketplaces and aggregator of products & services and telemedicine consultations.*

02

Going forward, *we expect to witness more investments flowing towards segments like Deep tech (B2B segment), Wearables, Research (R&D), etc.*

03

Significant market *opportunity is also expected to arise in the relatively under-explored healthcare “enabler” space* (i.e., healthcare services like finance, insurance and pharma distribution).

04

Over the last 5 years, Indian Healthtech sector attracted 2<sup>nd</sup> highest investments globally even though it has the lowest per capita spends on healthcare amongst BRICS nations. Hence, with growing per capita spends, *India is expected to become an even more attractive investment destination going forward.*



# ABOUT TRANSJOVAN CAPITAL

TRANSJOVAN CAPITAL is a premier new-age Board Advisory firm, focused on providing advice to clients pertaining to Corporate Strategy, Mergers & Acquisitions (M&A), Joint Ventures (JV), Capital-raising (Equity & Debt) and Organization Development.

With offices in New Delhi and Mumbai, the Firm is a preferred Board-advisor to emerging as well as established corporates. The Firm’s team has advised clients spread across SMEs, large Indian Conglomerates, Institutional Investors, Fortune 500 Corporations, Government Authorities and New Ventures.

- The Firm has received top industry recognition, some of them being:
- 'Fastest growing BFSI Companies in India' - 2016
  - 'Most Promising M&A Advisory Companies in India' - 2015
  - 'Most Promising Financial Consulting Companies in India' - 2014

Select Team Credentials:

- ✓ Advised on 100+ assignments for clients in the areas of corporate strategy and finance.
- ✓ Collective deal experience of USD 1+ Bn in the transaction advisory space.
- ✓ Access to 200+ PE/VC/Corporate investors
- ✓ Advised 4 of the top 10 largest Indian conglomerates in the areas of M&A advisory and business strategy.
- ✓ Advised across various geographies in India (i.e., Metros, Tier-II & Tier-III locations, etc.).
- ✓ Advised on India entry strategy and JV advisory to various MNCs.
- ✓ Extensive relationships with major Financial Institutions, Private Equity funds and various Institutional Investors - in India and globally.

For more info about the company, you may refer to: <http://www.transjovancap.com>

For any business inquiries, you may email at: [info@transjovancap.com](mailto:info@transjovancap.com)

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Rachit Kapoor	Analyst	<a href="mailto:rachitk@transjovancap.com">rachitk@transjovancap.com</a>