

HEALTHCARE SECTOR BULLETIN

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CAPITAL

HEALTHCARE TRENDS & IMPACT STORIES

Country: Malaysia

Headline: **Malaysia sharpens its focus on medical tourism**

Summary: While medical tourism in Malaysia accounts for just a fraction of overall foreign tourist arrivals, which are expected to reach 30.4m in 2016, the sector has significant growth potential.

Rising international interest in wellness and traditional therapies could also support Malaysia's efforts to raise its profile as a medical tourism destination. Having previously focused largely on core medical services, Malaysia is well placed to tap into this growing segment, according to Sherene Azli, CEO of the Malaysia Healthcare Travel Council, a state agency that promotes the development of medical tourism.

"We now know that wellness is a growing sector, especially for countries where the people have the spending capacity," she told local media in mid-January. "They are very much interested in looking at prevention, simple things like detoxification, or alternatives like traditional complementary medicine."

Post-operative medical services are expected to be another key focus area. "We want to also create a holistic health care ecosystem for our health care travellers by offering wellness packages to complement the patients' post-treatment recuperation period," Azli said.

The wide availability of halal food and prayer spaces gives Malaysia a particular edge when it comes to targeting Middle Eastern markets. Azli cited the range of halal medicines and treatment options, which are both gelatine- and porcine-free, on offer as another competitive advantage.

Link <http://www.oxfordbusinessgroup.com/news/malaysia-sharpens-its-focus-medical-tourism>

Country: India

Headline: **Battling doctor shortage, Indian hospitals offer intensive care from afar**

Summary: India's top private hospitals, seizing on a shortage of critical-care doctors, are expanding into the remote management of intensive care units around the country.

Jayant Singh, director of healthcare at Frost & Sullivan India, estimates that electronic intensive care units (eICUs) are boosting industry revenues by USD 220m a year by giving smaller hospitals the ability to treat critical patients at the hands of top flight intensive-care specialists, even if they are in another city. India's eICU beds will expand by 15-20% each year from about 3,000 now, Singh said.

With multiple computer screens inside these high-tech eICUs, doctors suggest treatment procedures after assessing medical history and real-time heart rate charts of patients in distant facilities. Hospitals charge between USD 10 and USD 30 a day to virtually monitor a patient from their eICUs, with revenues shared between hospitals and companies such as General Electric and Philips that have developed the tracking software. That comes on top of standard critical care costs of about USD 200 a day in a small city hospital.

At that price, eICUs do little to address concerns of millions of India's poor patients who often share beds or wait for days to gain admission to a public hospital. "This technology basically is not bridging the gap between the poor and the rich, but increasing access to specialized healthcare for those who can afford it," Frost & Sullivan's Singh said.

Link <http://www.channelnewsasia.com/news/asiapacific/battling-doctor-shortage/2497534.html>

HEALTHCARE SECTOR NOTABLE TRANSACTIONS

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| Country: | Singapore |
| Headline: | <i>Cordlife invests SGD 8.4m in CellResearch Corporation to enhance value proposition of Umbilical Cord Lining banking service</i> |
| Summary: | <p>Cordlife Group announced that it has extended its strategic alliance with CellResearch Corporation Pte. Ltd. (“CRC”) via an SGD 8.4m investment which will be funded by internal resources. Cordlife entered into a strategic alliance agreement with CRC in 2010 to provide umbilical cord lining (“UCL”) banking service leveraging on CRC’s technology of harvesting stem cells from the amniotic membrane of the umbilical cord.</p> <p>Mr Jeremy Yee, Executive Director and Chief Executive Officer of Cordlife said: “This investment not only aligns the strategic interest between Cordlife and CRC, but also significantly enhances Cordlife’s clinical and quality assurance capacity as we are able to leverage on reputable research institutions and top-notch research facilities. We are also exhilarated to be able to contribute to the clinical development of CRC’s advanced wound healing technology as this will further validate and strengthen our core business. With this, we are poised to capitalise on the tremendous growth opportunities of the cord blood and cord lining banking market.”</p> <p>Mr Gavin Tan, Chief Executive Officer of CRC said: “Since 2010, our strategic alliance with Cordlife has grown from strength to strength. We are delighted with this latest development as it narrows the gap between the banking of umbilical cord lining stem cells and their broader therapeutic uses. Together with Cordlife and our clinical development partners, we are accelerating the development of the Global Cord Registry and CRC’s stem cell technology to benefit patients, customers and the broader medical community.”</p> |
| Links: | http://cordlife.listedcompany.com/newsroom/20160201_195353_P8A_3N6YURPRF85NAN75.1.pdf |

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| Country: | India |
| Headline: | <i>Dr Agarwal’s Healthcare gets USD 45m funding from ADV Partners</i> |
| Summary: | <p>Hong Kong-based private equity firm ADV Partners (ADV) has invested around USD 45m (around INR 305.7 crore) in Chennai-based healthcare company Dr Agarwal’s Healthcare Ltd (AHCL), paving the way for the exit of existing investor Evolve India Life Sciences Fund.</p> <p>A major chunk of the funds will be used to fund the expansion plans of its BSE-listed eye care hospital chain, Dr Agarwal’s Eye Hospital Ltd, in which AHCL holds about 75% stake. This makes it one of the largest private equity investments in the eye care sector in India.</p> <p>“Our Vision 2020, is to strengthen the brand and double the number of hospitals with footprints across India, Africa, Middle East and South East Asia,” said Amar Agarwal, chairman and managing director, Dr Agarwal’s Group of Eye Hospitals, the holding company for AHCL and Dr Agarwal’s Eye Hospital.</p> <p>ADV’s investment is predominantly in the form of compulsorily convertible preference shares in AHCL, a privately-held company, a statement from AHCL said.</p> |
| Links: | http://www.vccircle.com/news/healthcare-services/2016/01/29/dr-agarwal%E2%80%99s-healthcare-gets-45m-funding-adv-partners |

TRANSACTION NEWS

| Date | Headlines | Summary |
|---------|--|--|
| 25-Feb | N.C. Housing in JV talks for expansion into medical business (translated) (Source: Thunhoon) | N.C. Housing [BKK: NCH], a Thailand-based property developer, is in talks with a domestic listed medical business operator over a joint venture for expansion into the medical business, Thunhoon reported. Citing MD Somchao Tanthathoettham, the Thai-language report said the company is conducting a feasibility study with the partner. The report did not disclose the identity of the medical firm. N.C. Housing is also in talks with an unidentified Japanese investor for the joint development of an elderly care home project, the item added. The company expects to reach target revenue of THB 2bn (USD 56.04m) in 2016, according to the report. |
| 10- Feb | Biosensors/Citic PE proposed amalgamation timetable extended by SIC to 10 April (Source: Stock Exchange Announcement (s)) | The Securities Industry Council of Singapore (SIC) has extended the timetable of the proposed amalgamation between Biosensors International [SGX: B20] and its bidder Citic Private Equity to 10 April 2016. |
| 05- Feb | Fortis Healthcare stake in Escort Heart Institute & Research Centre raises to 100% from 83% after deal with International Hospitals (Source: Stock Exchange Announcement(s) (Edited)) | The India-based Fortis Healthcare [BOM:532843] stake in Escort Heart Institute & Research Centre (EHIRCL) will increase from 83.27% to 100% post a deal by its wholly owned subsidiary Fortis Hospitals with International Hospitals. |
| 04- Feb | Fortis Healthcare to acquire 51% stake in Fortis Hospotel from Religare Health Trust (Source: Company Press Release(s) (Edited)) | The India-based Fortis Healthcare [BOM:532843] on 4 February 2016 announced that its board of directors has approved an acquisition of a 51% economic interest in Fortis Hospotel Ltd (FHTL), a subsidiary of Religare Health Trust (RHT) [SGX:RF1U]. |
| 04- Feb | T&T Group eyes hospitals in Vinh, Da Nang (translated) (Source: Bao Dau tu dien tu) | T&T Group, a Vietnam-based diversified group, plans to become a strategic investor in state-controlled hospitals in the city of Vinh and Da Nang that are to be privatized, Bao Dau Tu reported on 3 February. The report, citing T&T Co-Chairman Do Quang Hien, reported that the aim for the potential acquisitions is to establish a hospital network with the core being Central Transportation Hospital, in which the group owns a 51.43% stake following an acquisition. |
| 04- Feb | E for L Aim names Maybank Kim Eng, CIMB advisors for WCI Holding IPO (translated) (Source: Kaphoon) | E for L Aim [BKK:EFORL], a Thailand-based medical equipment provider, has appointed Maybank Kim Eng and CIMB Securities as the financial advisors for the listing of its 50.17%-held unit WCI Holding in Thailand, Kaphoon reported. The Thai-language report cited E for L Aim CEO Thirawut Pangwirunrak as saying that the company plans to list WCI Holding on the Thailand bourse to raise up to THB 1bn (USD 28m) in 2016. |

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