

# FOR CHANGING HEALTHCARE



# FOR CHANGING HEALTHCARE

## Our Vision

To help build great companies by being a preferred strategic partner and specialized capital provider across Asia

To become the investor of choice in Asian healthcare private equity by generating superior returns

To create value while benefiting the greater good of regional development

# MISSION STATEMENT

The Asian healthcare market is fast emerging as the global centre of gravity of the healthcare industry. Driven by compelling secular mega-trends, the demand for healthcare in Asia continues to grow at an unprecedented pace. The need for quality, accessible and equitable healthcare across Asia has never been greater. Populations across the region continue to expand, with an unsustainable disease burden on healthcare systems. The Asian healthcare market is responding to this opportunity, with private capital playing a pivotal role to support and accelerate the growth of tomorrow's healthcare champions.

At Quadria Capital, we believe that by empowering and partnering with leading healthcare businesses and entrepreneurs across the region, we can help patients lead better, healthier lives, build sustainable companies for the long term and drive exceptional financial performance for our investors.

We create value not just through our individual investments, but in the networks we create. By combining our deep expertise in the healthcare sector with strategic investments and operational excellence, we strive to transform and improve the availability of healthcare products and services – particularly in underserved communities where the impact is greatest.

Through fostering collaboration across our investments, we unlock opportunities, facilitate the sharing of experiences and knowledge, and form strategic partnerships that enable businesses to grow in their capacity to reach and treat patients as well as deepen their capabilities.

We were founded on the principle that responsible and sustainable investing drives both social and financial impact. And this remains central to our approach today.



Our strategy is to invest in established businesses with strong potential to secure market leadership through our hands-on partnership approach

# PHILOSOPHY

# CASE STUDY

## STRAITS ORTHOPAEDICS



10+

YEARS

average relationship with top global orthopaedics OEM customers



200k

SQFT

new manufacturing site in Batu Kawan to start serving global customers by end 2023



Over 90%+

on time delivery rate with 0% customer complain rate over in YTD 2023



### LEADERS FOR CHANGING HEALTHCARE

Today, Straits Orthopaedics is a leading orthopaedic-focused Contract Development and Manufacturing Organization (CDMO) based in Penang, Malaysia.

And it has ambitions to become one of the world's leading pure-play CDMOs operating in the global medical-devices sector, partnering with the world's most prominent orthopaedic brand owners to help them boost their agility and speed to market at a competitive cost. (See page 62 for further detail on the company.)

### Thematic Research

Before Quadria invested in the business in May 2023, we had identified the scale of the opportunity in its sector through an in-depth thematic research process lasting more than a year. This involved an extended series of focused conversations with the supply chain managers of many leading brand owners.

The program of meetings consistently highlighted the speed and extent to which the manufacturing landscape was changing, as factors such as rising costs and geo-political tensions made it increasingly difficult for brand owners to manufacture devices efficiently and competitively in Europe and the United States.

In particular, constraints around the Covid-19 pandemic had prevented workers from going into a factory environment, heavily impacting in-house manufacturing. These trends were combining to drive a shift towards outsourcing. Our respondents anticipated significant increases over the norm at the time of around 25% of all manufacturing being outsourced.

The research process also confirmed the strengthening focus on South East Asia as an emerging global centre of excellence for advanced manufacturing. Malaysia in particular stood out thanks to its relatively strong protection against geo-political issues, along with its highly skilled yet competitively priced workforce.

### A Clear Potential Winner

And Straits Orthopaedics, too, was clearly identified as a regional leader and clear potential winner in this fast-changing manufacturing landscape. It already

stood out as the region's leading orthopaedics contract manufacturer, and it clearly possessed major potential for significant further growth.

We had, of course, looked at a number of alternative options. But after a long period of discussion with the founder, Su Then Hack, it was agreed that we should take a controlling 60% interest so we could work alongside him to help fulfil his vision of cementing Straits's market-leading position on a global basis. As he put it at the time, "I'm pleased to be partnering with Quadria Capital in the next phase of our growth – its financial resources and focus on creating operational value makes it an ideal long-term partner to help us achieve our goals."

### Shared Growth and Improvement Targets

In the few months since then, we have worked together in full alignment towards a shared set of growth and improvement targets that will empower Straits to deliver against its full potential as a pure-play medical-device contract manufacturer.

One major development has been the foundation of a US-focused business development team, which is already delivering contracts from new customers. Equally exciting is the development of the company's fourth major production hub to boost headroom for future production, based on a major new site in Batu Kawan next to the flagship facility of key customer Smith & Nephew.

Development has been rapid since the Quadria investment, and the new site is due to start production before the end of 2023.

We stimulate our companies to transform healthcare through innovative technology, embark on fast-paced expansion, and create affordable healthcare solutions to address pressing challenges

# PROCESS

# CASE STUDY

## NOBEL HYGIENE

  
**800mn**  
UNITS  
Capacity addition since  
QC investment

  
**600**  
Strong field  
salesforce

  
**2x**  
E-COMMERCE  
SALES  
In Q1 (FYMar'24 vs FYMar'23)



### VALUE CREATION FOR CHANGING HEALTHCARE

As India's leading disposable hygiene products company, Nobel Hygiene is the undisputed trailblazer in the adult diaper sub-category with a 55%+ share of the retail market for its deeply entrenched and differentiated portfolio of brands including Friends, Bfit, Teddy and Snuggly.

Better yet, it is also the country's only manufacturer that has offerings across the entire landscape of adult, baby, and feminine products.

This follows its entry into the baby diaper segment, where it is now India's fourth-largest player. It has also moved into the feminine-care sector with a focus on customers suffering from polycystic ovarian disease and menopause-related complications.

As a result, Nobel is now the country's fourth-largest provider, and the largest Indian player, within the overall domestic hygiene and personal-care market. Today it has distribution across more than 220,000 retail outlets and an annual production capacity of over 1,800 million diapers and underpads. This makes Nobel a highly recognizable consumer brand in India, with evident potential to realize even greater success.

Nobel's founder and managing director, Kamal Johari, was certainly confident that, with the right investment partner, the company had the potential to achieve even more success. In what he saw as an underpenetrated market, his vision was to transform Nobel into India's largest, most innovative, and most socially responsible provider of disposable hygiene and personal care products.

It was this determination to simultaneously drive greater commercial and social value that convinced Quadria Capital of Nobel's investment potential. In particular, its status as a high-profile brand and category leader, with exceptional strengths in manufacturing and retail, closely matched Quadria's thesis of backing leaders in fast-growing and underpenetrated markets.

Today, Nobel's leadership and strong market position is evident in the fact that a year on from Quadria's investment, a new investor has come onboard at approximately twice the initial valuation.

Following Quadria's Fund II investment in 2021, Nobel is focused on initiatives designed to improve its performance across many areas, from improved market penetration and profitability to deeper positive social impact.

### Invigorating the Company through Key New Hires

Working together, Quadria and Nobel have embarked on a multi-faceted program of improvement, spearheaded by strengthening the organizational structure through the appointment of CXOs including new Chief Financial and Supply Chain Officers, as well as a Head of Sales, a Head of ESG, and other valuable sub-segment heads. They have also standardized operating procedures and updated all KPIs and targets across many roles.

### Reinforcing Market Leadership of the Indian Diapers Market

Following the Quadria investment, Nobel has launched a new manufacturing facility capable of producing 800 million diapers every year. This has solidified the company's position as a dominant disposable-hygiene business in India.

The company has embarked on an ambitious sales acceleration program with an emphasis on driving expansion in its focus sales channel, 'General Trade' retail stores. As part of this, Quadria has supported the development of a new sales acceleration program alongside an external tier-1 sales consultant, which is expected to contribute US\$20 million in incremental revenue by 2024.

As part of the program there is a sharpened focus from Nobel's 600-strong field salesforce on widening its retail footprint, broadening the SKU range offered at retail outlets, and establishing enhanced, tech-led mechanisms to track sales. Other associated actions include the development of a formalized sales training strategy and a revamped salesforce incentivization program.

### Leveraging New Channels to Accelerate Growth

Under the sales acceleration program, Quadria and Nobel also aim to turbo-charge performance by maximizing sales across newer channels.

In particular, this means a sharpened focus on modern-trade and online channels through working with key, large-scale partners. This approach has been highly successful, more than doubling the company's e-commerce sales during the first half of 2023.

### Harnessing Efficiencies through Supply-Chain Improvements

The next area of focus is improved end-to-end supply chain performance and cost rationalization across procurement, warehousing, and distribution.

This has been implemented via the engagement of subject-matter experts to carry out a detailed spend analysis and introduce measures to improve supply-chain efficiency and optimize the use of working capital.

Such interventions have been effective, rapidly driving reductions of between 8% and 10% in key procurement and supply-chain costs.

### Augmenting Governance Practices and Processes

Another area of attention is the company's corporate-governance framework. Quadria has worked with Nobel to introduce an Internal Auditor and two Independent Directors, as well as support the creation of new Board committees. Nobel has additionally upgraded its ERP system to strengthen processes across critical functions.

The team has also co-created a best-in-class ESG program that supports the company's ambitions for a positive social impact and complies with the performance standards of the International Finance Corporation (IFC). See the Nobel Hygiene company profile on page 54 for more information.

We are committed to being a trusted partner by leveraging our team's deep industrial know-how to accelerate growth

# PEOPLE

# CASE STUDY

## MAXIVISION



### IMPACT FOR CHANGING HEALTHCARE

Maxivision is one of India's fastest-growing eyecare chains, catering to the needs of patients across 42 centers in five states in the south and west of the country offering quality, affordable quality eye care services. Founded by Dr. KP Reddy in 1996 and subsequently acquired by Dr. GSK Velu in 2010, Maxivision is one of India's first operator of LASIK machine and has a long history of focusing on clinical excellence, while making quality eye care services available to tier 2 and tier 3 cities in India. The company provides comprehensive offers gamut of services across diagnosis, treatment and surgical services covering procedures such as Cataract, Laser correction, Vitreo-Retinal Surgery, Glaucoma and Squint at its centers.

Maxivision's commitment to positive social impact is therefore aligned with Quadria's own investment philosophy,

emphasizing the provision of high-quality and accessible healthcare to underserved towns.

With the goal of becoming one of India's largest eyecare network, Maxivision is the first investment from Quadria's new Fund III. Quadria's immediate focus has been on the approach and work required to broaden and strengthen the company's positive social impact on an ever-expanding number of patients requiring eyecare services across India.

The World Health Organization estimates that India is home to over 450 million who needs vision correction and an additional 12 million blind people. India has the greatest number of people per million population who are visually impaired. The greatest prevalence of blindness is among the 50+ age group, and over half the cases of blindness (62.5%) are due to cataract, implying majority of cases are reversible with the right professional care.



Increasing access to quality healthcare services through its

# 42

CENTRES

spread across India;

# 47%

of these centres are located in tier 2 and tier 3 cities



# 30%

OF ALL PATIENTS

served by Maxivision are under the government's scheme, which primarily caters to the mid-lower income population



# 40+%

HOSPITAL BEDS

during the last year

### Strengthening Positive Social Impact

Quadria Capital understands the potential of positive impact that its investment decisions can have and is working closely with Maxivision to generate sustainable impact through its business operations. By ensuring that every center consistently delivers high-quality services to its customers, Maxivision continues to be a driving force for positive change in the Indian eyecare sector.

**Accessibility:** The cornerstone of the new Maxivision-Quadria partnership is to expand coverage of high-quality services to more underserved communities by expanding in eight states across South and West India having a total population of c.600 million people. This will be achieved with Quadria's full support. The expansion will be driven by the creation of 55 brand-new centers and as well as opportunistic acquisitions of strong local eyecare practices / doctors in these markets.

**Affordability & Awareness:** Currently, with most of Maxivision's key centers covered by government and public sector undertaking schemes, the group is designed to democratize access to high-quality eyecare, more than 30% of the patients served by Maxivision are covered under these schemes. This allows patients across all income classes avail quality medical care. In addition to ensuring affordability, Maxivision also provides free eye-care check-up services in tier 3 and rural areas through a well-equipped camp service. The company has also established vision centers that help patients with diagnosis of eye care issues.

**Quality:** Committed to providing quality healthcare, Maxivision has received NABH accreditations for the key centers and will continue to build the momentum by accrediting more centers over the next 1-2 years.

### Employment Creation

With over 1,100 employees and 350 new hires last year, Maxivision offers employment opportunities that increase household income and stability. Maxivision recognises the importance of providing equal opportunities to women and minorities and has ensured representation of

women and minorities across the work-force, seen in the increasing percentage of women across the workforce every year. With over 45% workforce being represented by female employees, Maxivision hopes that this will create a strong positive impact to the families of the women employees.

The rapid expansion will also foster more employment opportunities in the communities we serve and expand into.

At Quadria and Maxivision, we are confident that this approach will further strengthen the chain's already significant positive impact on society. A large, underserved population therefore currently exists in tier-2 and tier-3 cities, which Maxivision is dedicated to serving. Expanding the network will therefore significantly improve the accessibility and affordability of eyecare for underserved segments of society as well as the impact of Maxivision in the communities it is present in.

### Collaborating to Address Immediate Priorities

Quadria is working with Maxivision towards the implementation of an Environmental and Social Action Plan (ESAP), created prior to investment as part of Quadria's due diligence process. A comprehensive measurement program is now also underway to monitor all relevant metrics springing from the ESAP's implementation.

This is complemented by aligning with the company on the right organizational structure required for the growth initiatives identified as part of the plan. Collaboratively, Maxivision and Quadria have initiated hiring for some key positions basis a comprehensive hiring plan divided into well-defined phases.

Another immediate priority is to continue and invest in the team at Maxivision by increasing the training programs as well as academic initiatives at Maxivision. This will not only further improve the immediate consistency, quality, and value of the company's service, but will also attract, develop, and retain talent to make it a truly sustainable center of excellence over the years ahead.

We invest in and build leading companies that can deliver superior financial returns for our investors

# PERFORMANCE

# CASE STUDY

# HERMINA



**45**  
HOSPITALS  
approximately  
**6,400+**  
beds of which c.40% in  
tier-2 and tier-3 cities



Serving over  
**7**  
MILLION  
patients per year  
in 29 cities across  
Indonesia



Over  
**70%**  
OF PATIENTS  
served are under  
the govt Universal  
Healthcare Program



## GROWTH FOR CHANGING HEALTHCARE

As one of Indonesia's largest and fastest-growing hospital groups, Hermina is strongly placed today to achieve significant further growth in the years ahead as it grasps opportunities presented by the rapid development of the country's healthcare market.

It's not only the group's size that sets it apart, with around 6,400 beds across 45 hospitals and more than 38 years' specialist experience in women's and children's care. Its differentiated 'doctor partnership' model is another rare and powerful driver of growth. The model opens new hospitals in partnership with groups of local doctors who already have strong patient relationships and understanding of local community needs.

## Strong Annual Growth Dynamics

This approach removes much of the risk from investing in growth by allowing new hospitals to rapidly reach break-even. It is particularly effective in a healthcare market like Indonesia's, which is expected to grow annually by around 11% over the next five years from today's value of US\$47 billion.

Several powerful drivers are at play. The demographics are very favourable: not only is Indonesia already the fourth most populous country in the world. Its population grew between 2010 and 2020 from 237 million to 270 million, and is projected to reach 299 million by 2030.

Demand for healthcare is set to grow accordingly, further driven by a confluence of factors including growing incomes, increasing volumes of chronic and lifestyle-related illnesses and the rising penetration of health insurance. Government policy, too, is a force of positive change, as shown by the successful rollout of the Universal Healthcare Program, which now covers more than 90% of the population.

## Potential for Improvement

Positive change might be underway, but there is still much potential for growth and improvement in the country's healthcare system. Following Quadria Capital's two tranches of investment in Hermina, in 2020 and 2021, the group is poised to grasp opportunities arising from programs designed to help address continuing weaknesses in Indonesia's care landscape.

For example, healthcare spend per capita is currently still among the lowest in Southeast Asia, and spend as a percentage of GDP is also less than in neighbouring

countries. As a result, the country has among the lowest numbers of beds and doctors per capita. But further moves are afoot to address the situation, including the New Positive Investment List allowing more foreign involvement in the country's businesses. Parliament has also recently approved a new Healthcare Bill, aimed at alleviating the country's acute shortage of specialist doctors.

## A Powerful Positive Impact

These and other initiatives are creating a situation that might have been specifically designed for a hospital group like Hermina. Its primary aim is to make a powerful positive impact by providing high-quality healthcare at a cost that people in the lower-to-mid income segments can afford. Today, for example, around 70% of Hermina's patients are publicly funded. And the group's expansion plans are targeted at the historically underserved tier-two and tier-three cities outside Jakarta.

The five new hospitals Hermina has opened since Quadria's investment, in fact, are all outside Jakarta, totalling some 1,500 new beds. They also provide new employment for around 2,300 local people, of whom about 1,600 are female – and the new hospital program is set to continue in the years ahead.

The group is also establishing a new network of Centres of Excellence (COEs), with three opened to date specializing in oncology, cardiology and emergency medicine. A further three are planned, all with the shared goal of further democratizing access to high-quality healthcare for high-complexity cases – at an affordable cost, and enabled by rapid organizational growth.

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# OVERVIEW OF QUADRIA'S PORTFOLIO

## KEY PERFORMANCE HIGHLIGHTS

**US\$ 3.4**

**BILLION**

AUM across **28** Companies

**230**

**MILLION**

Lives Touched

**53,000**

Employees across past and present portfolio companies

**6,544**

Doctors & Clinical Staff

**US\$ 1.9**

**BILLION**

Capital Returned to Investors

**42**

**MILLION**

Patients Served

**7,350**

Hospital Beds Managed

**30,000**

Overall Jobs Created

## Focus On Market Leaders With Exceptional Growth And Impact Opportunities

**Concord Biotech**

**#1**

in Immunosuppressant Globally

**Healthcare at Home**

One of the

**LEADING**

Out-Of-Hospital Care Players in India

**Royal Healthcare**

**LEADING**

Premium Specialty Care Group in Southeast Asia

**FV Hospital**

**First JCI**

Accredited Tertiary Hospital in South Vietnam

**Akums**

**LARGEST**

Pharma Contract Development and Manufacturing Company In India

**Hermina**

**LARGEST**

Mother and Child Hospital Network in Southeast Asia

**Nobel Hygiene**

**LEADING**

Domestic Disposable Hygiene and Personal Care Company

**Encube Ethicals**

**LARGEST**

Single-Site Topical Manufacturing Facility

**Concung**

VIETNAM's

**LARGEST**

Mother-and-baby Retail Chain

**Medibuddy**

**ONE OF THE LEADING**

Integrated Digital Healthcare Platforms in India

**Straits Orthopaedics**

**LEADING**

Orthopaedic-Focused Medical Device Contract Manufacturer

**Maxivision**

One of India's

**FASTEST-GROWING**

Eye Care Chains

# ENVIRONMENT AND SOCIAL IMPACT RECOGNITION

QUADRIA FUND I, FUND II AND FUND III



Awarded for  
**“Outstanding Action on  
Gender Diversity”**  
at the IVCA PE / VC Awards, 2023”



2017 Best Investment Fund awarded  
by BW Businessworld, one of India's  
largest business publications



Contributor and pioneer signatory  
to IFC's Ethical Principles in  
Healthcare (EPIHC)



Best for the World funds awarded  
by B Lab, a global leader in impact  
investing analytics



WINNER  
Healthcare Investor of the year  
**Quadria Capital**

Approximately

# 44

## Limited Partners

across Quadria  
Capital Fund I,  
Fund II and Fund III

# SOCIAL IMPACT

Focusing on social good, Quadria's portfolio companies exhibit strong financial performance while creating positive social impact on the communities they serve. Through Quadria's investments, our portfolio companies further our shared vision of increasing affordability and access to high-quality healthcare services and products for those who need it most.



**230**  
MILLION  
Lives touched



**MORE THAN**  
**8.6**  
MILLION  
Patients Served Since 2022



**CATCHMENT**  
**POPULATION**  
**2.3**  
BILLION



**50%**  
Female  
Employees



**6,544**  
Doctors and  
Clinical Staff



**7,350**  
Hospital Beds Managed  
Under Quadria's Network



**OVER**  
**55,000**  
Health Camps



**42**  
MILLION  
Patients Treated to Date,  
Including **8 MILLION**  
Who Are Underprivileged



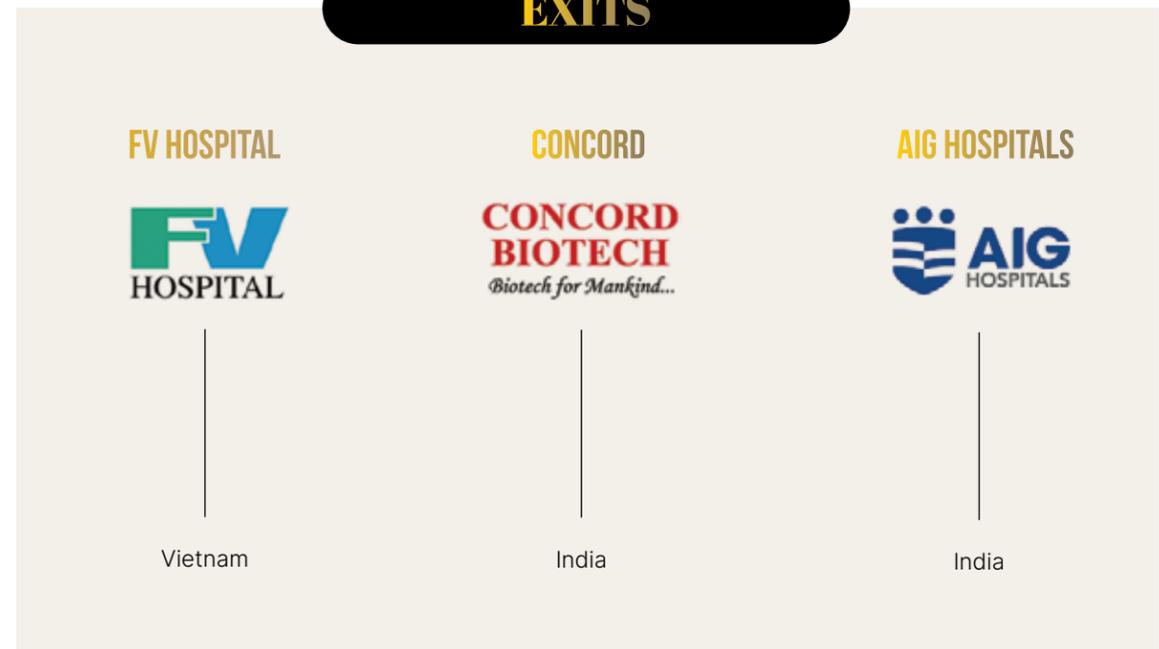
**CONDUCTED OVER**  
**2.2**  
MILLION  
Hours of Training



**NEW INVESTMENTS**



**EXITS**



# MANAGING PARTNERS' STATEMENT



As Asia's leading healthcare investor, we have the right strategy of targeting ambitious businesses that have leveraged their own high quality to achieve industry-leading positions. We have a dedicated, experienced, and specialist investment team that already has assets under management of US\$3.4 billion.



## Significant Momentum for Superior Financial and Social Performance

In the 10 years since we founded Quadria Capital, we have stayed true to our core belief that access to healthcare is a fundamental human right by helping to transform its availability and affordability across Asia's emerging regions.

In doing so, we have consistently created positive social impact by enabling previously underserved communities and individuals to access the high-quality services they need and deserve. We have also consistently delivered against our parallel aim of simultaneously delivering superior financial gains for our investors.

The year under review here, 2023 - 2024, has been no exception. There is, however, one very important factor that had an especially significant role to play during this particular year. We are living through a highly complex investment environment, in which a set of difficult geopolitical scenarios is playing out against a backdrop of uniquely testing macroeconomic challenges.

**ABRAR MIR**  
Managing Partner



**DR. AMIT VARMA**  
Managing Partner



## Healthcare: "A Gleaming Bright Spot"

Within this complex environment, there is one gleaming bright spot: healthcare. Quite simply, amid everything that surrounds it, healthcare continues to grow. It could be said that its resilience and predictability make it akin to a defensive industry.

But that would be to underestimate the power of the healthcare sector. For while defensive industries are usually characterized by stable growth, healthcare's growth rate is exceptional.

In addition, no matter how testing the general investment environment may be, this year has proven the willingness of many institutions to invest in high quality opportunities. We must here highlight two key factors that point to investor recognition of the value of outstanding healthcare businesses.

First, we have successfully exited two of our Fund I portfolio companies, **Concord Biotech** and **FV Hospital**. We remain in the process of exiting our two other Fund I assets – HealthCare at Home (HCAH) and Royal Healthcare. Second, we will raise 60% of target for our new Fund III at first close, underlining investor confidence in the future of the Asian healthcare market.

## Strong Momentum Towards Growth

We are delighted to confirm that we at Quadria Capital and our portfolio businesses are also experiencing very strong growth momentum across the board.

It is our continued focus on and deep expertise in the health sector that sets us apart. We have created a unique in-house healthcare eco-system that we apply across the entire investment cycle. We are forging strong partnerships between portfolio companies and our sector-wide contacts, helping companies introduce best practices across many areas including governance, and generating proprietary deals.

## Fund I: Two Exits Successfully Completed to Date in 2023

In particular, we have proven that we can successfully deliver significant multiples of invested capital as we exit from our investments. This clearly demonstrates the liquidity gains our investors are achieving via our

# MANAGING PARTNERS’ STATEMENT

application of this approach to our portfolio businesses, including those from Concord Biotech in one of the largest pharma IPOs in recent years, and FV Hospital in the largest transaction to take place in the Asian healthcare sector since 2019.

We believe such success further emphasizes and plays to the recognized strength of our own business. Across Fund I, returns delivered to investors amounted to a multiple on invested capital (MOIC) squarely in the top quartile of comparable investment funds.

This strength is a progressing outcome of our continued investment in our own firm. For example, the ongoing recruitment, development, promotion, reward, and retention of exceptional people and teams has seen Quadria Capital grow significantly in scale over the last decade. Our stability and growth trajectory are set to continue through the rest of 2023 and beyond as we continue to invest in the best talent we can find.

We continue to see many excellent opportunities ahead, meaning we have a stable platform on which we can build Fund III and continue to execute our considered and proven strategy. In turn, this gives us the scope to assure our continued growth and development into the future. For example, the very attractive valuation at which the Concord Biotech IPO was delivered has created very significant economic value for our investors.

During our close relationship with FV Hospital, a leading tertiary hospital in Ho Chi Minh City, it made significant progress in building centers of excellence in oncology, cardiology, and gastroenterology. It began construction of a seven-floor extension to its current complex, due to open in 2025, and its world-class cancer center achieved exceptional growth, having now treated more than 35,000 patients since 2018. We also facilitated a partnership with AIG, Asia’s leading referral center for gastric sciences, through which AIG is collaborating with FV on research projects, helping to train doctors and deliver remote consultations. The exit process was exceptionally competitive, resulting in a sale to a strong credible strategic buyer in what was Vietnam’s largest ever healthcare transaction and the largest healthcare transaction in Asia since 2019.

Our relationship with Concord Biotech, one of India’s largest vertically integrated biopharma companies, saw the company’s sales more than triple, driven by strong organic growth, capacity expansion, and focus on innovation. Today, it is a clear global market leader in creating select active pharmaceutical ingredients (APIs) that are used in immunosuppressants and oncology formulations. Having diversified to establish a global integrated formulation business, it is building its position in the formulations sector, and is seeking approvals in the emerging and regulated sectors. The Concord IPO was one of the largest pharmaceutical IPOs of recent years and resulted in the largest oversubscription for pharmaceutical IPOs seen in five years.

## Advent of Our Proprietary Impact Framework

Financial returns are far from the only basis on which we judge our performance. It is deeply engrained in our culture that our investments should help patients lead better and healthier lives. This is why we aim to make strategic investments that can transform the accessibility of high-quality healthcare products and services.

Having a quantifiable and accurate means of measuring that impact is essential. We have in the past used a measurement framework, based on models widely implemented by other organizations. However, we are determined to be best-in-class in every aspect of our operations and have recognized that this was an area for improvement.

We have therefore developed a new framework, in partnership with organizations including the World Bank, the World Health Organization, and our Development Financial Institutional (DFI) investors. This is based on the Article 9 Framework of Europe, recognized globally as the gold standard for measuring social impact.

Having this in place clearly differentiates our ability to delve deeply into a business’s performance, quantifying its impact not only on healthcare but also in areas such as environmental protection, poverty alleviation, and gender equality. We can also extend this to our supply chain, meaning that we can accurately measure the scope of Quadria’s impact in a far more sophisticated way.

Most important, it enables us to go beyond simple figures to understand how we are performing at a far more nuanced level. For example, rather than simply reporting how we have enabled the treatment of 20, or 200, or 2 million patients, we can also see and describe how well they have been treated. In addition, we can calculate the wider positive impacts of the infrastructure that has enabled that treatment – from ethical employment practices and gender equality throughout the supply chain to poverty alleviation in communities. In short, we are actively creating an ecosystem for good.

## Fund II: Exceptionally Positive Progress

During the last year, our ongoing investments were via our US\$600 million Fund II, launched in March 2020 and currently with eight active investments in portfolio companies. These have all performed strongly over the last year, and show strong growth indicators for the period ahead. As a result, the fund has to date delivered a strong fundamental performance.

We reported last year on the successful early exit of AIG, which clearly benefitted from the lessons we have learned from our experience with the Fund I portfolio. There have subsequently been no further exits from the fund.

Turning to our individual Fund II companies, **Akums** is India’s largest manufacturer of generic drugs. Producing more than 50 billion units every year, 12.5% of all dosage forms sold in the country, one of Akums’ key aims is

# MANAGING PARTNERS' STATEMENT

to improve the accessibility and affordability of high-quality drugs. It focused during the year on expanding its geographic presence, growing its product portfolio, and improving salesforce productivity. It delivered revenues over the last financial year of around US\$480 million.

With the key aim of providing quality healthcare at an affordable price, **Hermina** is one of Indonesia's largest private hospital groups. Its 45 hospitals and 6,400 operating beds are in 29 cities across the country – 40% of which are underserved tier 2 and tier 3 communities. The group has recently established three new centers of excellence in cardiology, oncology, and emergency services, with plans to create three more in the near future.

**Nobel Hygiene** is India's only diaper manufacturer to have a product offering across adult, baby, and feminine disposable hygiene products. With distribution across more than 220,000 retail outlets, it has recently boosted its production capacity to over 1,800 million units. Nobel is also acting to diminish the stigma associated with the use of adult diapers. Working with Quadria, it has recently established itself as India's leading diaper manufacturer.

A leading global CDMO in topical pharmaceuticals, **Encube Ethicals** has, since our investment, also moved into India's attractive branded formulations market. With a strong position in the US and plans to file products in other developed and emerging markets, it is additionally building momentum in the generics segment. Its key focus is on further developing its CDMO leadership through a new greenfield manufacturing site in India. Encube recorded revenues of US\$130 million in the latest financial year.

Vietnam's largest mother-and-baby retail chain, **Con Cung** sells more than 10,000 SKUs through its network of over 700 stores in 45 provinces and cities. Working with Quadria, it is now focused on becoming the country's largest omni-channel platform in the sector. An essential element of Con Cung's approach is to ensure it delivers an ever-increasing positive social impact through the delivery of products, advice, and services that continuously improve healthcare for families.

**MediBuddy** is an Indian digital healthcare platform that offers consumers an integrated set of services. These range from consultations and diagnostics,

to medicines and procedures for patients including corporate employees, insurance clients, and retail subscribers. Over the last year, we have worked closely with management to help enter new segments, drive inorganic expansion, improve the customer experience, and strengthen financial performance. MediBuddy has added more than 174,500 subscribers since our investment in 2022.

Malaysia-based **Straits Orthopaedics**, our final Fund II investment, serves a global market of blue-chip medical-device companies with its portfolio of implants, surgical tools, and medical instruments. During the year, we have helped its management expand its salesforce into the US market, while developing a new flagship production facility for increased capacity and capabilities.

## Fund III: Accelerating Our Proven Strategy

As we survey the healthcare market, its resilience is clear, as are the opportunities it offers to continue a high-quality flow of deals with the potential to touch many millions of lives.

Healthcare in Asia is also growing at the quite exceptional annual rate of 12%, meaning that by the end of this decade it will be worth more than the current US and European markets combined. Quadria's portfolio businesses are growing at two or three times the rate of the industry as a whole. This, we believe, is due in no small part to the hands-on support provided by our investor population of acknowledged industry experts.

With a target size of US\$800 million, Fund III is set to be the largest of our funds to date. As we continue to witness a strong flow of high-quality deals, we believe Fund III will prove to be a powerful means of extending our proven strategy at a faster rate than ever before.

The fact that, as reported above, we raised almost 60% of our target prior to the first close of the fund is an exceptionally strong endorsement of our investment strategy. It is fair to say that such an achievement is extremely rare given the geopolitical and macroeconomic environment.

We are pleased to have made our first Fund III investment in **Maxivision**, one of India's top four eyecare chains, which has a leading position in core regions across the



Together, we will continue to deliver consistently superior returns and positive social impact throughout 2024 and for many years ahead.



country's south and west. The single-specialty private eyecare market in India is currently worth US\$2.5 billion and is growing at more than 15% a year. Maxivision has many highly visible growth avenues, including a pipeline of organic and inorganic expansion opportunities.

What equally sets it apart for us is its clear focus on providing high-quality and accessible care to currently underserved tier-1 and tier-2 cities. This gives Maxivision the potential to bring the invaluable sense of sight to millions of people who might otherwise be unnecessarily blind. The opportunity for social impact is therefore vast.

Among the deal flow we are witnessing are several opportunities with strong co-investment potential, and we anticipate discussing these with our partners.

We have also successfully closed Asia's first social loan to support healthcare investments in South and Southeast Asia. This is a revolving credit facility of up to US\$200 million, to help finance our investments in those high-quality assets that do most to improve access to healthcare across the region. The facility will help us fund our investments more efficiently, setting our portfolio companies on the path to achieving their business goals while making a tangible positive impact on society. The scheme is also the first social loan that HSBC Singapore has structured for a private-equity investor in Southeast Asia.

## Looking ahead

Having now backed 28 successful Asian healthcare businesses over more than a decade, we have a unique perspective across the burgeoning Asian healthcare market. This clearly shows us that the positive momentum enjoyed to date by our portfolio companies, our investment partners, and our own firm is set to accelerate further.

As Asia's leading healthcare investor, we have the right strategy of targeting ambitious businesses that have leveraged their own high quality to achieve industry-leading positions. We have a dedicated, experienced, and specialist investment team that already has assets under management of US\$3.4 billion. We also have a value-optimization team with an unrivalled record of delivering tangible strategic and operational value-creation.

As we stated earlier, we are now operating in a very challenging macroeconomic and geopolitical environment. Our approach is, however, highly appropriate for precisely this scenario. The companies that interest us are already in strong net cash positions and have positive cash flows that are both robust and sustainable.

They also have little or no exposure to the potential of a banking crisis, and they likewise have no exposure to events in Ukraine or Russia. They are also well-capitalized, with limited balance-sheet debt that restricts their exposure to high interest rates.

In addition, we are bolstered by our operational excellence, the ever-deepening experience, the motivation, and the commitment of our own team of exceptional professionals.

We would therefore like to thank our own people for their exceptional contribution, our portfolio companies for their vision and innovation, and our investment partners for their insight and shared experience. We are grateful to our existing investors for supporting us along the way and we warmly welcome new investors to our journey. We would also like to thank our wide and deep network of industry experts for their ongoing willingness to help us add value for companies, patients, and communities across Asia.

Together, we will continue to deliver consistently superior returns and positive social impact throughout 2024 and for many years ahead.

# QUADRIA'S PLAYBOOK

Quadria Capital's investment philosophy is a sector-based, fundamentals-driven approach in the fast-growing Asian healthcare sector. Our investment approach is "inspired ownership", where we act as meaningful strategic investors and not just as financial sponsors. Beyond achieving superior financial returns, Quadria aims to revolutionize Asia's healthcare ecosystem, by raising awareness and improving accessibility and affordability of high-quality healthcare products and services for those who need them most.

## Aligning Strategy and Purpose to Drive Performance

Key to Quadria Capital's investment philosophy is our purpose-driven value creation strategy. Entrenched with the depth and breadth of our domain expertise in Asian Healthcare, our value creation approach focuses on four key principles – Performance, Philosophy, Process and People. These four pillars create an interconnected, consistent and sustainable platform, uniquely positioning our stakeholders and portfolio companies for long-term value creation.



### PERFORMANCE

We help growth companies bolster their strengths to create a competitive moat and amplify opportunities to redefine the future of healthcare today



### PHILOSOPHY

We invest in established businesses with strong potential to secure market leadership through our hands-on partnership approach



### PROCESS

We stimulate our companies to transform healthcare delivery through innovative technology, embark on fast-paced expansion, and create affordable healthcare solutions to address pressing challenges

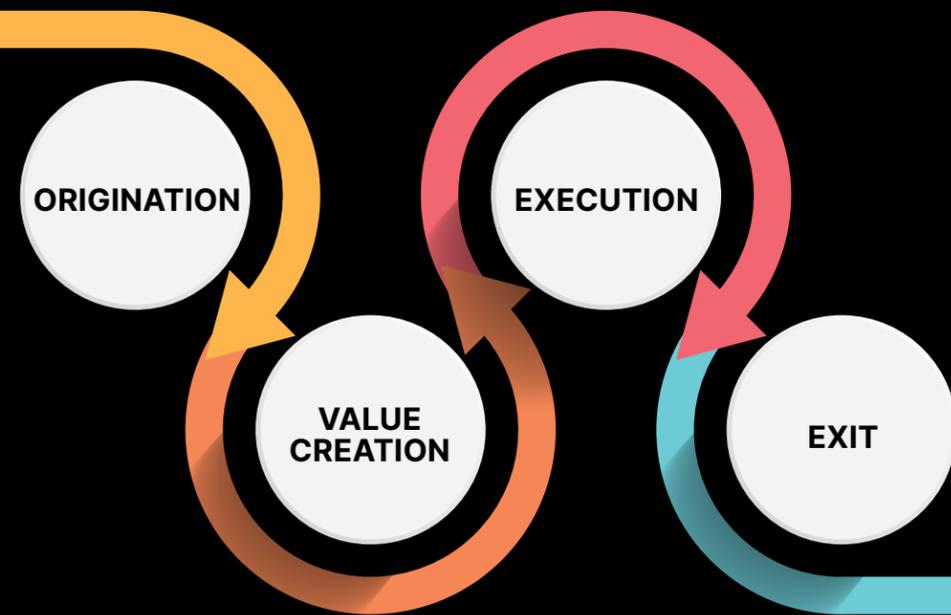


### PEOPLE

We expand the reach of our portfolio companies to transform the lives of more people by increasing access to affordable, high-quality healthcare

## Uniquely Positioned For Success

At Quadria, we take a systematic approach towards value creation, by focusing on Value Identification, Value Creation and ultimately, Value Realization. This strategy differentiates Quadria Capital from other investors across the entire investment process.



# TRANSFORMING GOOD TO GREAT

## 4 PRINCIPLES OF QUADRIA'S VALUE CREATION ROADMAP

# 01

### AMBITIONOUSLY INSPIRE

Our track record of partnering and supporting businesses creates a distinct competitive advantage in sourcing hand-picked, best-in-class companies. We target growth stage companies with the following characteristics:

- Market leaders with established brand(s), services & products
- Differentiated and defensive services or products – by way of super specialisation, niche and scalable expertise, extent of footprint, unique products or technology
- Professional management teams with track record of execution

To create meaningful strategic value for our portfolio companies, we guide them to strategically adapt their core business to changing market conditions in order to address future challenges. We support them in solidifying their market position and building resilience by rigorously identifying improvement areas to optimize productivity, human resources, and capital structure.

# 02

### DEEPLY INFLUENCE

We seek to bring tangible value to the post-investment portfolio management process by leveraging our domain expertise, operational experience and industry network with a hands-on partnership approach.

Quadria Capital energizes its portfolio companies by creating a shared vision of the company's future and rejuvenates the team with new talent. 100-day and 3-year plans are developed and agreed with fellow shareholders and management. These detailed plans lay out the necessary steps to achieve strategic and operational goals.

Quadria Capital believes that assisting portfolio companies in building a collaborative management team is its greatest value-added proposition, as management quality and competency are key determinants of success. Quadria assists portfolio companies in executive searches, recruitment, accessing its extensive network of business or government contacts and structuring appropriate management incentive programs.

# 03

### PURPOSEFULLY INNOVATE

We collaborate with the management teams to think out of the box and leverage on the company's core strengths to seize new business opportunities, create new products and drive transformation initiatives. Under our guidance, portfolio companies have expanded their playing field, capabilities and product range.

To support portfolio companies' growth plans, we augment the management team with dedicated operating partners. Collectively, the operating partners have expertise in specific healthcare subsectors across various functional areas and play an important role in driving portfolio value creation by offering on-the-ground expertise.

# 04

### POSITIVELY IMPACT

Quadria Capital's mission is to improve the world through successful healthcare investments. Responsible and impact-oriented investment is critical to our sustainable value creation strategy. Quadria formally incorporates ESG and social impact into decision-making processes.

We work with portfolio companies to identify impact goals that will increase healthcare accessibility, affordability, awareness and quality for the community. An environmental and social action plan (ESAP) is developed to ensure that any gaps in adhering to ESG practices are addressed by the portfolio company. Including the ESAP as an ongoing reporting obligation ensures portfolio companies focus on monitoring ESG compliance and increasing ESG standards post-investment.

# TRANSFORMING GOOD TO GREAT

QUADRIA'S VALUE CREATION FORMULA AT WORK

## ORIGINATION

Leveraging on our proprietary deal flow, we apply an active, fundamentals driven approach to identify and engage companies in our focused strike zone that are best positioned to emerge as market leaders:

- Brand(s), services & products with proven business models
- Solid financial and operational performance that generate strong, regular and sustainable cash flows
- Potential for margin improvement through operational enhancement
- Strong management team with successful track record
- Mission of providing affordable quality healthcare for all

STEP 1

## EXECUTION

In addition to the standard due diligence process, at Quadria Capital, we create a comprehensive due diligence procedure that is unique to healthcare businesses including:

- Assessing management
- Evaluating underlying clinical standards
- Identifying value drivers
- Creating a fully articulated bottom-up model
- Building a value creation plan

STEP 2

## VALUE CREATION

Quadria's strategy is to leverage its industry knowledge, operational experience, and extensive network to unlock and create value throughout the investment lifecycle. With a "hands-on approach", the team drives initiatives from strategy setting to frontline implementation. In every investment, we work side by side with portfolio companies to help them become more productive, efficient, and valuable via:

- Defined value creation methodology
- Dedicated group of operating partners
- Proprietary, global relationships across the healthcare ecosystem
- Realized synergies across the portfolio

STEP 3

## EXIT

Effective exit planning is an important element of every investment and we believe that exiting at the right time is critical to realize optimal value. To do this, even during pre-investment, exit timing & options are considered and planned.

We proactively manage, position, and develop portfolio companies with a well-examined strategy to groom them into attractive acquisition targets, ensuring on-track exit.

Exit opportunities include strategic sales and IPO, often at premium valuations, reflecting the underlying growth and expansion of the portfolio company.

STEP 4

## Fund I

Investment Date:  
July 2016

Country:  
India

Sector:  
Life Sciences

# Concord Biotech



## Company Overview

Today, Concord Biotech is one of India's largest and most successful vertically integrated biopharma companies. It is also a clear global market leader in creating select active pharmaceutical ingredients (APIs) used in the immunosuppressants and oncology formulations space.

In August 2023, we successfully completed the IPO of Concord Biotech and exited completely from the company, underscoring our strong momentum and the sustained demand for exceptional healthcare businesses despite complex global market conditions. Due to its specialist focus on developing and manufacturing advanced active ingredients across therapies including immunosuppressants and oncology treatments, Concord's products save countless lives across the world every year.

## Our Vision

To establish Concord Biotech as a leading global biopharmaceutical company with global leadership in fermentation-based products focused on high-growth niche therapies.



Filed

# 43

regulated market DMFs  
and successfully commercialised  
26 products



# 3.2x

increase in sales since  
Quadria's investment



# 25%

listing day gains on IPO

It was the company's excellent record and commitment to creating the most effective and high-quality treatments that prompted Quadria Capital's investment in 2016. Quadria's healthcare expertise enabled us to catch the API trend much ahead of the curve, before it became widely popular. The partnership between the two organizations was founded on a shared vision of establishing Concord as a leading global biopharmaceutical company with a focus on high-growth niche therapies.

## Growing the Core Business

During the life of the partnership, the company's focus has been on growing its long-established presence in the API-related product areas while simultaneously diversifying into the branded formulation market. Over the course of Quadria's investment, Concord's sales have more than tripled, driven by robust organic growth, substantial capacity expansion, and a steadfast focus on innovation.

On the API front, Concord has grown its order book by 3.5x since Quadria's investment. Revenues for APIs have more than doubled, increasing at a compound annual growth rate of 17% over the last five years. And, following the opening of a new API production site that doubles the company's previous capacity, growth is set to accelerate yet further.

Doubling the previous capacity made it one of the largest single site fermentation facilities globally for small molecules. In the key molecules segment, the company increased the global market share of its Tacrolimus and Mycophenolate sodium and mycophenolate sodium products to 40% and 30% respectively.

Looking ahead, Concord is committed to expanding its anti-infective and oncology product ranges while also growing the market share of its immunosuppressant portfolio. Plans are advanced for the second phase of construction on the new API site and work underway to gain regulator accreditation from global markets.

## Diversifying into New Segments

In an equally significant development, Concord has also moved to establish a global integrated formulation business. Not only has it successfully doubled its India sales productivity in this area; following the award of four Abbreviated New Drug Applications (ANDAs) it has also launched commercial sales activities in the US. It has cleared 17 Good Manufacturing Practices (GMP) audits and submitted 226 dossiers in emerging markets. And its formulation facility has received accreditation from authorities in regulated and emerging markets including the US, EU, Japan, Korea, and Tanzania.

The company is working to build a stronger position in three discrete segments. In the domestic branded



I would like to thank Quadria Capital for its partnership and support since its investment. Its expertise in the healthcare sector and its global network have contributed to the growth of the business and helped us prepare for the public markets. I look forward to continuing to build on this momentum as we embark on this new chapter as a listed company.

Sudhir Vaid, Chairman and Managing Director,  
Concord Biotech



formulation sector, it is both strengthening its product portfolio and accelerating sales activity. And it's filing new dossiers and gaining approvals in the regulated and emerging market sectors, with particularly strong order-book growth in the LATAM and CIS regions.

## An Essential Positive Impact

As it drives sustainable growth, the company aims to make an increasingly positive impact on its communities, society, its employees, and the environment. Moving beyond mere statutory compliance, it has built a zero liquid-discharge facility and operates initiatives to reduce water usage and harvest rainwater.

And it is a leader in its communities in the fight against Covid-19, providing facilities and distributing hygiene and ration kits to areas of greatest need while providing employees with regular examinations to ensure their wellbeing.

## Exit Update

With an offering size of INR 15.5 billion (US\$187 million), the Concord IPO was one of India's largest IPOs to take place this year and the largest oversubscription for pharmaceutical IPOs in the last five years. The issue was close to 25 times oversubscribed, with the proportion reserved for qualified institutional buyers being subscribed 68 times, and that for non-institutional investors 17 times subscribed.

Ahead of the IPO, Concord successfully raised INR 4.6 billion (US\$56 million) from marquee anchor investors including the Government of Singapore (GIC), Abu Dhabi Investment Authority, Pinebridge Global, Polar Capital, Bajaj Allianz Life Insurance Company, Tata AIF Life Insurance, Max Life Insurance and Aditya Birla Sun Life Insurance etc.

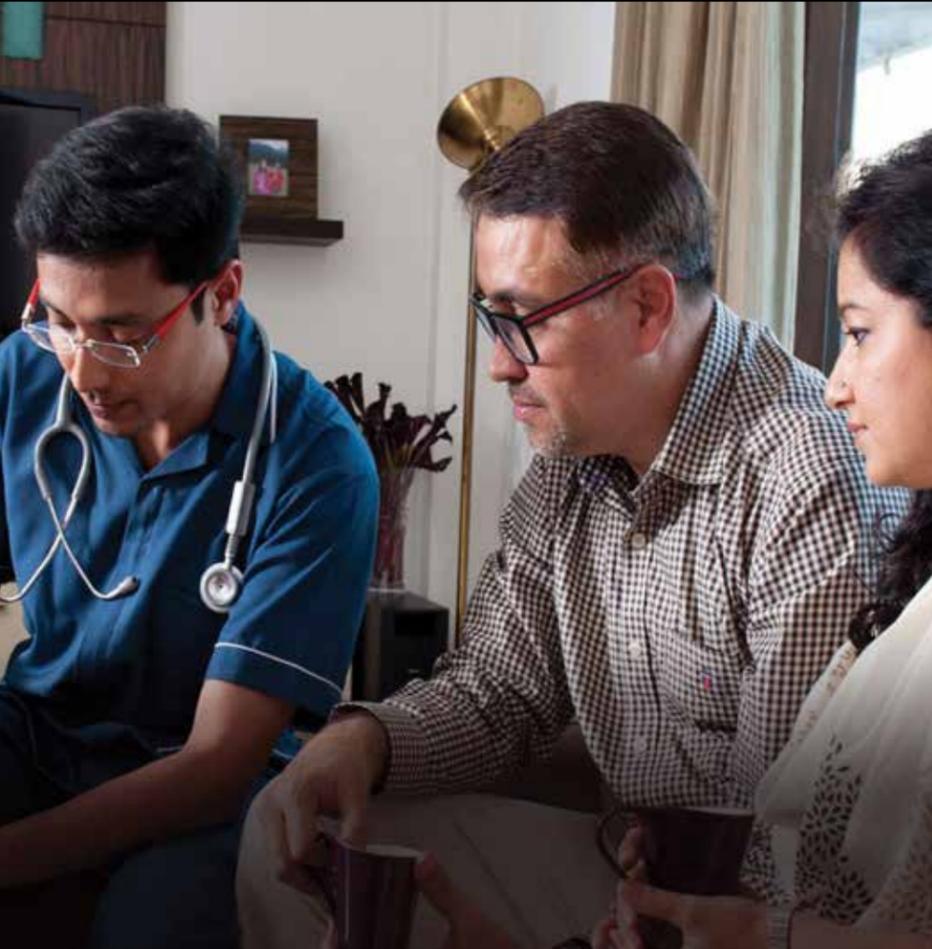
## Fund I

Investment Date:  
March 2017

Country:  
India

Sector:  
Associated  
Healthcare Services

# HealthCare at HOME



### Company Overview

With a presence across more than 70 cities in India, HealthCare at Home (HCAH) is one of the country's leading full-stack rehab and geriatric platforms, with a presence across rehab and recovery, geriatric care and chronic disease-management services. It is a leader in pioneering the phygital model, offering transition care centers, home-based care, tele-consult, and digital-enabled care.

The company's offering spans the entire spectrum of need, from creating awareness to diagnosis and intervention, post-discharge care, and rehabilitation. This broad-based role meets an extremely important social need, particularly as many patients are simply unready to fend for themselves following a stint in hospital.

### Our Vision

To develop HCAH into India's largest and most specialized integrated Out-of-Hospital care platform.



Presence across

# 70+

cities in India



# >40%

FEMALE  
staff ratio



Operates assisted living centres  
in South Africa and India

# 2,950+

BEDS

across 13 units

### Driving a Shared Vision

With stable senior management, HCAH and Quadria Capital are working towards the shared vision of helping to transform the company into India's largest, most specialized, and most preferred rehab care, geriatric care, and integrated disease-management provider. It has been a highly successful partnership.

### Leadership and Profitability

During the partnership, HCAH has made dramatic progress towards achieving its vision, with its core services business cementing clear market leadership. This is in part based on the significant growth in demand the company has driven for key services such as its Transition Care Centers and specialized nursing care. New at-home service launches, including dialysis, long-term rehab and immunology, have also made a strong contribution.

Alongside this service expansion, the company has also made key acquisitions to accelerate its development. These include the integration of a leading geriatric and rehab business operating 13 assisted-living centers with more than 2,900 beds across India and South Africa. Another major acquisition has involved a long-term in-patient rehab company with around 100 beds in two centers.

To accelerate organic growth, HCAH has also increased headcount in its business-development team to more than 70 salespeople, strengthening its focus on direct communication with physicians. In addition, it ran approximately 32,000 'health camps' over the last year to grow awareness among its key audiences.

It has also focused strongly on organizational improvement, targeting employee productivity as well as consistently aiming to improve the quality of patient care it delivers. To this end, HCAH ensures that all standard operating procedures and processes across 74 clinical policies meet the world-leading standards set by the UK's Care Quality Commission.

### Future Focus: Growth and Responsibility

HCAH is now entering a new phase of growth, with planned roll-outs of 15 new transition-care centers and the same number of assisted-living centers over the next five years. It is currently aiming to grow patient



Their support has been especially valuable in areas such as M&A and fund-raising, as well as in helping us source grant support from their limited partners, which we have appreciated very much.

Vivek Srivastava, Chief Executive Officer



volumes through increased marketing and business development to deepen its penetration of existing markets and expand into new areas.

HCAH's commitment to social responsibility and business integrity continues to guide its approach. It has launched a series of protocols that ensure all occupational health and safety risks inherent in existing and new processes are fully assessed, addressed, and nullified.

As a testament to HCAH's commitment to ESG, the company is undergoing a B Corp Certification, re-emphasizing that it meets the highest social and environmental performance standards with the right balance of business performance and purpose.



## Fund I

Investment Date:  
July 2017

Country:  
Singapore

Sector:  
Healthcare Delivery

# Royal Healthcare



## Company Overview

Following six years of partnership with Quadria, Singapore-based Royal Healthcare is today the Asia-Pacific region's leading multi-specialty healthcare group. With 40 leading specialists across 18 areas of medical expertise, bolstered by multiple visiting consultants, the clinic's patient-centric approach provides seamless access to experts in many clinical disciplines – all in the same center of excellence.

Its mission is straightforward: to give its patients the best and most personalized healthcare they will ever experience through its unique 'One Day, One Stop, One Centre' concept. The company serves more than 13,000 patients with around half coming from outside Singapore by the strength of its reputation. Royal Healthcare also grew its sales by around 20% over pre-Covid levels during the year, and is to date delivering strong profitability during 2023.

## Our Vision

To transform Royal Healthcare into the leading Pan-Asian specialist care group.



**40+**

specialists across  
18 medical specialties



**OVER  
100**

medical publications  
authored by RH doctors



Region's first  
**3T Magnetom Vida MRI**

## Leveraging an Asset-Light Model

Critically, Royal Healthcare is also structured in a way that enables it to operate at a fraction of the cost of a conventional hospital. While it can undertake everything a patient might need in its fully integrated single-site center, from initial consultation through to health screening and surgery, its asset-light model and grounding in the latest technology keeps its capital expenditure exceptionally low.

It is also fully paperless, with automated processes and integrated systems in place to help provide seamless communication to patients.

## Setting the Standard for Innovation

As Asia's first Siemens Reference Centre, it is also among the earliest users of some of the world's most advanced medical technology, including the region's only 3T Magnetom Vida MRI scanner, which is recognized for its exceptionally high-end imaging. Royal Healthcare is also pioneering the use of the FEMTO LDV™ laser for refractive, therapeutic and cataract surgeries, as well as the latest bladeless LASIK technology for treating conditions like myopia, hyperopia, astigmatism and presbyopia.

## Partnering for Success

Recognizing Royal Healthcare's exceptional quality and potential, Quadria first invested in it in July 2017. Our aim at the time was straightforward: to help it transform into Asia's leading Pan-Asian specialist healthcare group. Today we are proud of the progress we and Royal Healthcare have made together, working in close partnership to offer patients the best possible care.

Key examples include the move to the current single site in Royal Square, where the day-surgery capabilities added in January 2022 served 459 patients during the year in an immediately accretive development for the business. We have also worked closely with management on creating today's brand-first model, under which all patients are served under the unified Royal Healthcare brand.



Our partnership with Quadria has enhanced our institutional capabilities, specifically in strategy, governance and ESG. Quadria played a key role in charting Royal Healthcare's growth coupled with hands-on support on several strategic initiatives critical in navigating the challenges during the pandemic and well-positioning the business for growth going forward.

Michelle Lim, Chief Operating Officer



## Identifying and Serving Unmet Needs

We are also working closely together to understand in ever-greater detail the ways in which we can together continue to serve currently unmet healthcare needs and improve people's access to the support they need. As part of this effort, Royal Healthcare's medical professionals are helping create better healthcare awareness, writing more than 100 publications and hosting multiple health-management seminars for patients and the public.

Looking ahead, we are continuing to work together to identify and leverage further growth opportunities, including relationship-building with key opinion leaders and prominent health and wellness institutions from across the world. We expect the ongoing increase in medical tourism to be a strong growth factor in 2023 and the period ahead, and we continue to focus on offering patients across the Asia Pacific region the very best health-screening, diagnostic, medical and surgical services available to them.

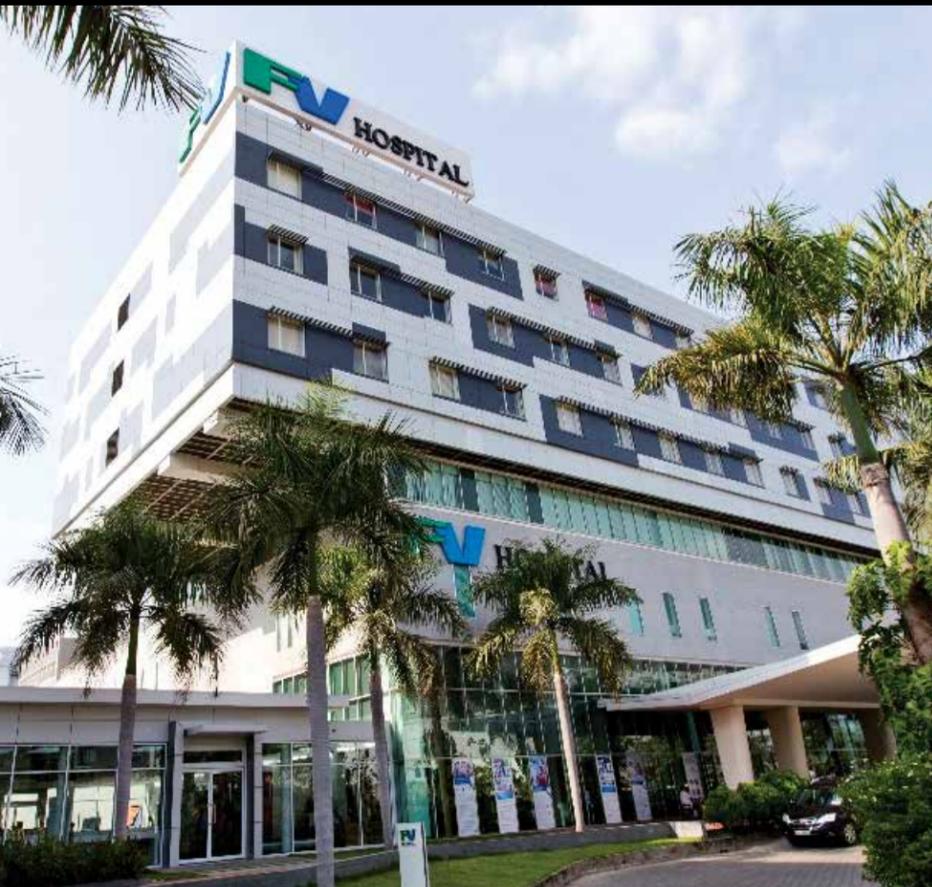
## Fund I

Investment Date:  
March 2018

Country:  
Vietnam

Sector:  
Healthcare Delivery

# FV Hospital



### Company Overview

FV Hospital (FVH) is not just one of the leading tertiary multi-specialty hospitals in Ho Chi Minh City. It is also the first hospital in South and Central Vietnam to achieve the highly prestigious and sought-after US JCI (Joint Commission International) accreditation that marks out the gold standard in healthcare.

When Quadria Capital made its Fund I investment in FVH in March 2018, it was with the shared vision of helping transform it into Vietnam's leading provider of tertiary healthcare.

So it has proved. Today, with a roster of more than 1,600 full-time staff that includes over 200 doctors, FVH provides clinical expertise across 36 specialist medical areas.

### Our Vision

To transform FV Hospital into the leading tertiary healthcare provider in Vietnam.

### Leveraging Quadria's Unique Ecosystem

The breadth and depth of its offering has grown significantly during the life of the Quadria partnership. As part of this, FVH has made very strong progress in leveraging Quadria and its wider network to build acknowledged centers of excellence (COEs) in oncology, cardiology and gastroenterology.

This is seen by both parties as testament to the way in which Quadria can use the unique ecosystem around its investment portfolio to both unlock effective and meaningful clinical partnerships and deliver tangible value to its portfolio companies.

The progress made by the COEs has been significant. For example, the Hy Vong Cancer Centre has grown exceptionally fast since its foundation, driven by advanced resources and a close partnership enabled by Quadria with the Bangalore-based Healthcare Global Enterprises (HCG). To date, its genuinely world-class medical team led by Dr. Basma M'Barek has treated more than 35,000 patients.

The gastroenterology center has also grown strongly following the creation of a partnership with AIG, Asia's leading referral center for the gastric sciences. Facilitated by Quadria, this has seen AIG provide significant levels of support, ranging from training doctors to providing remote consultations and collaborating on research.

And plans for growth continue apace. These include the creation of the new 'H' building extension to the current FVH complex, set to house a state-of-the-art cancer center featuring a first-class Cyberknife and PET scanner, an IVF center and a full-service gastro, hepatology and endoscopy center. Construction, which started in late 2022, is set for completion in 2025.

Quadria Capital also led the sourcing, evaluation and facilitation of inorganic growth opportunities. This led to the acquisition of ACC Chiropractic Clinic in 2022. This is highly complementary to the existing services offered at FV and significantly strengthens the value proposition of the FV healthcare ecosystem.

### Integrating ESG for Maximum Social Impact

An important aspect of Quadria's work with FVH has been to help it develop and integrate into its planning and operations a set of practical and effective ESG policies. These are shaped by the hospital's focus on making a positive impact on its community, employees and other stakeholders by delivering high-quality healthcare in a safe and supportive environment.



With its demonstrated track record in building some of Asia's largest healthcare businesses, we believe Quadria is the right partner for us to embark on the next stage of our journey.

Dr. Jean-Marcel Guillon, Chief Executive Officer of FVH



This commitment not only helped it gain JCI accreditation for the third time in 2022. With Quadria's active involvement, it has also improved access to healthcare for patients, increasing its doctor base by 25% to enhance the scope and quality of its services and grow patient numbers by 20%. As part of its community focus, during the pandemic FVH also carried out more than 75,000 PCR tests and performed over 95,000 Covid-19 vaccines. As a result of such actions, FVH is now Vietnam's leading provider of tertiary healthcare.

FVH is a strong supporter of greater gender equality, evidenced by a female staff ratio of more than 70%. Training and continuous education are also very important aspects of its approach to employment, and the hospital invested in nearly 50,000 hours of training during 2022.

### Exit Update

Having worked closely with FVH since 2018, helping it expand its reach, develop new specialist areas and attract top talent, Quadria has seen the hospital's revenue more than double and bed numbers increase by over 25%.

With FVH now at an inflection point for the next phase of growth, the group has reached a definitive agreement with Thomson Medical Group to exit its investment in FVH. While this transaction remains subject to shareholder and regulatory approval, it is expected to close later in 2023.

The exit marks Vietnam's biggest healthcare transaction to date and Southeast Asia's largest healthcare acquisition since 2020.



OVER

250,000

Annual patient visits in 2022



36

Specialties



>70%

Female staff ratio

## Fund II

Investment Date:  
November 2019

Country:  
India

Sector:  
Life Sciences

# Akums Drugs



### Company Overview

As India's largest CDMO and vertically integrated pharmaceutical company, Akums manufactures more than 50 billion drug doses every year. This is around 12.5% of all the pharmaceutical dosage-forms sold in India, a performance that drove record revenues of US\$480 million in the latest financial year.

### Our Vision

To establish Akums as a leading vertically-integrated CDMO and pharmaceutical marketing company in the world.



PRODUCES

**c.12.5%**

of Drugs Manufactured and Sold in India



**26,900**

SKUS

supplied to over **1,100** customers



EMPLOY OVER

**13,000**

people across the Group



OPERATES

**15**

State-of-the-art facilities equipped to produce all dosage forms

In addition to achieving significant commercial success, the company also plays a vital role in shaping India's healthcare landscape and demonstrates a strong commitment toward environmental sustainability and employment best practice. This led to Quadria Capital making a Fund II investment in Akums in November 2019.

In particular, the scale of its operations allows the production of generic drugs at an exceptionally low cost, translating into low and accessible consumer pricing.

### Strengthened Leadership and Corporate Governance

Quadria has supported Akums in many ways, including revamping and strengthening the organisation structure and governance mechanism. For example, Quadria leveraged its network and played a key role in strengthening Akums' management team with the appointment of seven senior executives and multiple new managers. Quadria also helped to strengthen governance by introducing high-profile new independent directors and setting up new Board committees. It also addressed areas such as stakeholder relationships and risk management through improving internal controls with new technology and engaged with the 'Big 5' auditors to enhance internal and statutory audit processes.

Another area of Quadria support includes working with the company to try and create a "talent-first" organisation by institutionalizing process to focus on talent attraction, retention and talent development. For example, for the first time in the company's history, an attractive ESOP was implemented.

### A Focus on Three Business Streams

Quadria has also worked closely with Akums on developing and improving the three business streams. First, shared efforts to enhance sales in the CDMO business have been highly successful, with the customer base growing by more than 30% over the last couple of years. Over the last year, Akums has also launched more than 6,500+ new brands and 200+ product filings, as well as acquiring new plants and obtaining EU-GMP approval for key facilities.

Second, the company is focused on achieving its goal to be one of the top 10 companies in the domestic branded formulations segment, driving significant recent improvements in scale, productivity, and profitability.



Quadria have fully leveraged their specialist domain expertise and global network to bring us help in multiple areas. Most especially, they have acted as a great sounding board at every step, enabling us to take our business to the next level.

Sanjeev Jain, Akums' Joint Managing Director



Third, the newly launched API business built a strong sales and marketing model, rapidly operationalizing plants and launching new products with the aim of growing in China, South Korea, Europe, the US, and India. Now, with 20,000 SKUs supplied to more than 1,100 customers, Akums is building rapidly on its current scale and capability across all fronts. It is leveraging the growing expertise in all business streams to tap into new growth areas in the retail and institutional segments, both in India and in developed and emerging markets across the world.

### Positive Social Impacts

Every year, Akums' manufacturing sites undergo more than 15,000 hours of regulatory audits to assure the quality of the drugs in its portfolio. Ensuring high-quality products are affordable and available to the widest possible audience is, however, just one aspect of its commitment to powerful positive impact.

The company has also implemented a range of strategies and systems to minimize its use of water and negative impact on the atmosphere. Initiatives include an industrial hygiene study designed to identify, evaluate, and control all potential environmental impacts in the workplace affecting employees and communities.

And, with 25% of its 15,000 employees being female and 75% from economically deprived areas, the company uses its D&I commitments to support economic development and living standards across its footprint.

## Fund II

Investment Date:  
Tranche 1 - Aug 2020  
Tranche 2 - Aug 2021

Country:  
Indonesia

Sector:  
Healthcare Delivery

# Hermina



## Company Overview

With 45 fully accredited hospitals, over 6,400 operating beds and more than 38 years' specialist experience in women's and children's care, Hermina is one of Indonesia's largest private hospital groups. Its scale is reflected in the financials – it has a market cap of US\$1.5 billion and delivered revenues of US\$330 million and EBITDA of US\$77 million in 2022.

## Our Vision

To establish Hermina as Indonesia's largest multi-specialty care network that continuously grows its expertise and hospital network.



# 45

### HOSPITALS

c.6,400 beds in 29 cities  
and adding 2-4 new hospitals  
and c.500 beds p.a.



# c.6.6

### MILLION

outpatient and  
c.480k inpatient  
volume served



# c.14,800

### STAFF

per FY2022 (c.+1,400 YoY),  
of which c.11,000 staff  
is female

But it was more than just the scale of its projected returns that originally persuaded Quadria Capital to make two tranches of Fund II investment in the group beginning in August 2020.

Alongside its strong financial performance, what really made the company stand out was an undeniable commitment to delivering affordable healthcare of the highest quality.

## Democratizing Access to Healthcare

As a direct result of its views on access, Hermina is the largest private hospital group in Indonesia to participate in the government's Universal Healthcare program. This keeps treatment costs 30% lower than those for private patients. With 100% of its hospitals and 70% of its patients on the scheme, this makes a significant contribution to democratizing access. And with Hermina adding between two and four new hospitals, totaling 500 extra beds, to its network each year, this route to access is growing all the time.

The rate of expansion also makes Hermina one of Southeast Asia's fastest-growing hospital groups, delivering a CAGR in revenues of around 13% over the last five years, and of 16% in EBITDA over the same period.

## Driving Growth through a Focus on Excellence

Further growth is underway following the recent establishment of three centers of excellence, in oncology, cardiology and emergency services, with a further three COEs due in the near future. The group plans to continue its hospital-opening program in the years ahead, maintaining it alongside programs to attract more private and publicly funded patients and improve operational efficiencies.

Such initiatives are taking place against a positive economic and political backdrop. The Universal Healthcare program has delivered a budget surplus in recent years and Indonesia's hospitals are expected to grow by between 10% - 15% from 2022 to 2024. In addition, approval of a new law is set to provide a pathway for Indonesia to further improve healthcare quality and access. This law will make it easier for doctors to become specialists and enable foreign doctors to practice in the country.



We believe healthcare access is for everyone, regardless of economic status. That's why we aim to provide Indonesians with quality healthcare at prices they can afford. Quadria has been a great partner in supporting and enabling our journey to build a center of excellence that provides our patients with quality healthcare

Aristo, Board of Directors, Managing Director –  
Finance and Strategic Development



## Continuing Impact on Many Fronts

Hermina's commitment to enabling easy access for all is matched by its positive impact in other areas. For example, through its environmental focus, it reduced the volume of plastic waste produced by around 42% in 2022, as well as diverting 5.7 tons of water from disposal and completing a 47,600,000 sqm tree-planting program.

On the social front, it created around 1,400 new jobs, bringing its employee base to close to 14,800, of which 11,000 are female. To maximize staff opportunity and quality, it also delivered a total of around 2.1 million training hours across 274 modules.

Hermina served around 480,000 inpatients and 6.6 million outpatients during the year throughout its network of hospitals, 40% of which are in relatively underserved tier-2 and tier-3 cities. The group also made community investments worth a total of around IDR8.4 billion, a year-on-year increase of 30%, and disbursed 94 scholarships. Hermina's long-term commitment to global best practice focuses on several key areas of governance, particularly policy benchmarking, Boardroom diversity, and risk-management policies.

## Fund II

Investment Date:  
June 2021

Country:  
India

Sector:  
Medical Supplies

# Nobel Hygiene



### Company Overview

With more than two decades of history in pioneering the adult-diaper category in India, coupled with a market share of more than 55%, Nobel Hygiene is the country's undisputed leader in this important niche. And, as India's only diaper player with strong brands across infant, adult, and feminine hygiene, it has for some years held a strong vision of becoming the country's overall market leader, with a unique focus on specific niche products within the wider diaper sector.

Nobel accelerated its ability to realize this vision in June 2021 when it accepted a Fund II investment from Quadria Capital. Since then, the company has become India's leading diaper manufacturer with distribution via more than 220,000 retail outlets.

### Our Vision

To transform Nobel into India's largest domestic hygiene and personal care provider.



# #1

Diaper Manufacturer  
in India



OVER

# 55%

retail market share  
in adult diapers



Products available across

# 220,000

retail outlets in India

It has continued to be a strong innovator in the category, as shown by the recent launch of a ground-breaking ultra-thin diaper for people who need an absorbent, comfortable but entirely discrete solution.

This emphasis on meeting the personal hygiene needs of a previously underserved segment of the population shows Nobel's commitment to tackling the challenges faced by a vulnerable community. Similarly, its range of feminine hygiene products specifically for women suffering from polycystic ovarian disease and menopause-related complications further highlights the same principle. Now it is set on further growth as the overall market leader while developing further niche important sectors.

### Driving Growth Through Matching Ideologies

Key actions since the investment include the opening of a new plant producing an annual total of around 800 million diapers. Others include important senior-level new hires, a sales-acceleration strategy targeting key sales channels, new sales-training programs, and a number of business-efficiency initiatives. Please see page 10 for further details.

### Looking to the Future

Such actions are at the heart of Nobel's future-focused growth strategy, through which it aims to further strengthen its position across its key sales channels – most particularly the core general trade sector. To achieve this, the team is concentrating on improved salesforce productivity via a range of initiatives, including the development of a more effective team structure, training, and digitization. It is also aiming to focus on key partnerships in both the modern trade and e-commerce sectors.

Increasing revenue is a key objective that Nobel and Quadria are addressing via several routes, including a competitive pricing policy, improved channel-partner management, scheme optimization, and the launch of in-demand new SKUs.



Quadria is a strong partner, helping us enhance performance across diverse business needs. Their hands-on approach and ability to understand business complexities resonates well with our own ideology. We look forward to driving Nobel's next phase of growth alongside them.

Mr. Kamal Johari, Founder and MD



### Enhanced Societal Impact

Also high on Nobel's agenda is the need to deliver better positive societal impact by bringing its products to people in currently underserved areas. The company aims to achieve this by strengthening its presence in India's tier 1 and tier 2 regions with the goal of gaining 70% penetration.

It is also working to improve comfort and affordability for customers, as well as running campaigns to address any stigma surrounding the use of adult diapers.

Such external gains cannot be achieved without internal change. Nobel is therefore taking action on many fronts, including the institutionalization of an Environmental and Social Management System. It is delivering 4,500+ hours of technical, quality, and EHS training for senior management and executives. And it is implementing an in-depth Environmental Social Action Plan for the better internal control of ESG systems.

Nobel's progress since the Quadria investment has been impressive, catching the eye of a major new investor which has recently come into the company at double the valuation in play at the time of Quadria's investment two years ago.

## Fund II

Investment Date:  
June 2021

Country:  
India

Sector:  
Life Sciences

# Encube Ethicals



### Company Overview

Encube Ethicals is a globally recognized CDMO, specializing in developing and manufacturing complex 'topical' dermatological and pain-management drugs that are applied to and via the skin.

Production of topicals is a notoriously complex and difficult process, and Encube's technical excellence combined with its tight focus on R&D, innovation and quality has made it a top-ten player by volume in the US. The company's main production site in Goa is one of the world's largest single-site facility for manufacturing topical pharmaceuticals, with an annual capacity of 400 million units.

Above all, Encube's quality is evidenced by multiple products successfully launched in the highly quality conscious and extremely demanding US market.

### Our Vision

To establish Encube as an integrated global leader in topical drugs.

It was to help accelerate Encube's already steep growth trajectory that in June 2021 Quadria made a strategic Fund II investment with the shared aim of establishing the company as an integrated global leader in topical drugs. According to CEO Mehul Shah, "Encube aspires to be the global standard for topical pharmaceuticals. With Quadria's support, Encube is amplifying its manufacturing capabilities, accelerating product pipeline, and enhancing global reach. We are committed for a healthier tomorrow with quality, affordability, and innovation for patients and consumers worldwide."

### Cementing its CDMO Leadership

Encube is a global leader in topicals CDMO, with over 20 years of industry expertise, a prized list of marquee customers and 350+ SKUs. With Quadria's hands-on support, progress since the investment has been rapid on several fronts. For example, to further build its leading position and drive growth in topicals CDMO, Encube has built traction with customers in several previously untapped geographies. These include Taiwan, Japan, Canada, Australia and states in the Gulf Co-operation Councils.

Encube has also opened a new hormonal manufacturing block, where a recently hired expert team is working on adjacencies such as hormonal and transdermal products. The company is also commencing construction of a new greenfield manufacturing facility in Central India to de-risk from the single manufacturing site. All the above actions, plus plans to move into the over-the-counter (OTC) sector, are designed to maximise the untapped potential in the company's long-established CDMO business.

### Expanding into Generics and Branded Formulations

In the two years since Quadria's investment, Encube has also successfully carved a niche in the US generic topicals market, leveraging its high-quality and low-cost manufacturing capabilities to establish top-three positions for most of its products.

Already with 40+ US-approved topical products, the company now aims to expand its range through developing complex solutions using its strong R&D team and relying on M&A activities for high-volume, low-cost products. The company recently submitted a US abbreviated new drug application (ANDA) for a drug device combination product targeted at women's health. It is also implementing plans to build on its US approvals to launch products in other markets and is working on several projects for global licensing.

Encube has also bought Soframycin, a leading topical brand from Sanofi, to enter the Indian branded formulations markets under the leadership of a specially hired senior management team. Under this segment, it has expanded its institutional sales business and had started work on new wound-care products and brand extensions.



We are very pleased to be working on our growth journey with Asia's largest private healthcare investor. I'm certain that matching our capabilities to our strategy focused on the topicals segment will position us best to create and deliver value.

Mehul Shah, Chief Executive Officer



### Strengthening Internal Capabilities and Social Impact

With Quadria's support, Encube has strengthened its senior management with key appointments including a new COO, Head of CDMO Business Development, and R&D leader. It is also expanding into a new R&D facility in Mumbai. And it's partnering with German tech business Korber to support improved manufacturing, compliance, customer support and efficiency processes.

As this work evolves, Encube remains committed to the welfare of its employees and the communities where it operates.

To this end, the company continues to implement all the elements relating to a robust ESG system and positive social impact that were identified at the time of Quadria's investment. For example, a range of initiatives improving environmental efficiency are in place at its plants, alongside a state-of-the-art fire-prevention infrastructure. The Goa plant, meanwhile, discharges no liquid externally and recycles all wastewater. It was also built using non-toxic and environment-friendly materials including low volatile organic compounds (VOCs) that are not harmful to humans or the wider environment.

The company also constantly measures its performance across many areas of good practice. For example, more than 20 third-party audits took place in the last year, relating to customers, regulation, quality certification and multiple EHS factors. No instances of non-compliance were identified.

Through its Soframycin business, Encube promotes access to and affordability of wound care products to tier 2 and 3 cities in India and low-income population groups serviced by government-owned Primary Health Centres (PHCs), where Multinational(MNC) pharmaceuticals do not reach.

Encube is also committed to inclusivity and maintains a gender ratio of 24% across its plant and R&D-centre employees. Its 1,100+ people each also received an average of 145 hours' training during the last financial year.



WORLD'S  
**LARGEST**

Single-site topicals manufacturing facility



**400**  
MILLION

Units topical capacity



**40**

Topical generic products  
approved in the US

## Fund II

Investment Date:  
December 2021

Country:  
Vietnam

Sector:  
Associated Healthcare  
Services

# Con Cung



### Company Overview

With a massive network of around 700 stores across 45 of Vietnam's 64 provinces, Con Cung is by far the country's largest mother-and-baby retail chain. The company offers over 10,000 product SKUs spanning the seven categories of milk, diaper, food and nutrition, family care, baby care, fashion, and toys and books.

Despite scale of this sort, the company believed that it offers significant untapped potential – a view shared by Quadria Capital, which during December 2021 made a Fund II investment in the business. The vision shared by the two founders was clear: to establish Con Cung as Vietnam's dominant omnichannel platform catering to the well-being of the country's mothers and children.

### Our Vision

To establish Con Cung as Vietnam's dominant omnichannel platform catering to the well-being of mothers and children.

  
**45 / 64**  
PROVINCES

  
**~700**  
stores

  
**66%**  
Female Workforce

### Merchandising and Store Portfolio Optimisation

Since the time of the investment, the chain's growth trajectory had been steep with around 200 new store openings in 2022, growing the employee base to around 4,300, of whom 66% are female. The combined team recognized early that now the focus needed to be on category optimization, enabling Con Cung to differentiate itself from competitors and to drive its long-term growth. This involved expansion of the nutrition section, including milk, baby and family foods, minerals, vitamins and supplements, as well as the launch of new exclusive products and own brands.

Another key focus area was on upgrading the store concept, with a particular emphasis on the demands of young parents. Since 2022, alongside convenience stores, the company has launched larger superstores and super centers. These feature a wider product portfolio and more comfortable shopping experience, with super centers also providing a coffee shop and a children's playground as well as nutrition advice and consultancy for young mothers.

### A Focus on Omni-Channel

In parallel, the founders have also been focused on executing the omni-channel strategy, with the aim of improving shoppers' online-offline experience and increasing their overall lifetime value. Working closely together, they have improved online sales channels for enhanced customer stickiness, with a focus on complementary digital content, communities and new services.

In early 2023, the company upgraded the mobile app with features such as live streaming and cross-selling of ancillary services. They also officially launched on platforms including Shopee and Lazada, and are currently targeting a first TikTok livestream later in 2023.

### Strengthening Strategic Financial Management

The external initiatives are complemented by significant enhancements in internal operations, including the recruitment of new personnel across various departments. In late 2022, Quadria Capital worked closely with the company's founders to bring on board a highly experienced Chief Financial Officer (CFO) tasked with strengthening the strategic finance function.

### A Continuing Growth Trajectory

Con Cung is well-placed to build on the impressive revenue CAGR of around 45% it has achieved over the last three years. Its focus now is on enabling customers



Our strong technology background has already helped us to capture the fast-growing internet economy and shift to online shopping. Now is the time to leverage our market leadership, both expanding the store network and developing the omnichannel model to generate a truly differentiated experience for our customers.

Minh Nguyen, Con Cung's Co-founder and Chairman



to shop wherever, whenever, and however suits them, whether offline or online, 24/7, or instore, via home delivery, livestreaming or by ordering online and picking up from a store.

And now, with over 2.6 million yearly active users on the app, attention is on big data and AI to better understand the customer journey for enhanced engagement and value-added services. Simultaneously, major change is underway to build a strong backbone around supply chain, operations and finance. Action includes the adoption of a new finance system for better reporting and analysis, alongside enhanced governance with the creation of new Remuneration & Nomination, Finance & Accounting Committees.

### Positive Social Action

Quadria has helped Con Cung formalize its ESG policies too, and a program is underway to track relevant metrics and impact. Positive progress is also being made in delivering the Environmental and Social Action Plan agreed at the time of the investment.

Specific actions targeting materials risks include new supply-chain and contractor-management procedures, as well as environmental and social assessments. In parallel, HR policies on factors including non-discrimination, forced labor, and human rights have also been updated.

The company is also focused on the development of its workforce, delivering around 43,000 hours of training over the last year on topics including HR policies, human rights, and occupational health and safety.

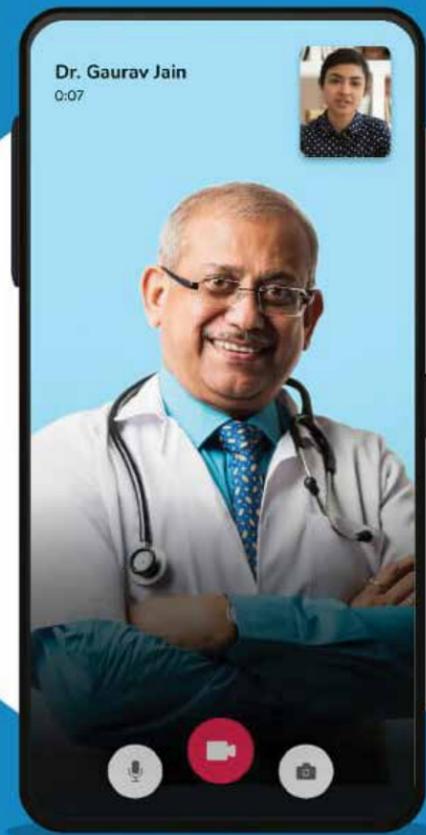
## Fund II

Investment Date:  
February 2022

Country:  
India

Sector:  
Healthtech

# MediBuddy



### Company Overview

MediBuddy is a digital healthcare platform accessible through mobile app, website, and offline channel through which users can get a personal consultation with a doctor across any specialist healthcare need, from gastroenterology to cardiology, dermatology to oncology and more. This is one key element of a service portfolio that also includes the delivery of pharmaceuticals, diagnostics, and medical procedures.

With its core focus on offering corporate-funded employee health packages, MediBuddy is India's largest enterprise-focused healthcare platform. In a new approach to market, the company is now also seeking to carve out a separate customer pool through a range of channels, including as an element of insurance schemes or as a standalone retail product.

### Our Vision

To establish MediBuddy as the largest digital healthcare platform in India.



## 174,500+

new subscribers post Feb 2022



## 1.3x

RAMP UP

in transactions run rate  
over Mar 2023



## 56,000+

doctor network  
as on Mar 2023

Empowering a new population from communities in tier-2 and 3 regions that have historically been underserved with high-quality healthcare is an essential aspect of the MediBuddy mission. Access to quality healthcare is available via the app at a far lower cost than through traditional private channels, and at a higher quality and with greater convenience than those available via India's overall health system.

It was to help achieve MediBuddy's vision of becoming India's largest digital healthcare platform that Quadria Capital made a Fund II investment in the business in February 2022.

### Streamlined Access for Underserved Communities

The value of the addressable health-tech market in which MediBuddy operates is currently assessed at US\$3 billion, and is expected to grow at a 30% CAGR over the next three years. And, with its differentiated offerings and multiple routes to market, MediBuddy is well-positioned to grasp the growth opportunities ahead of it.

### Entering New Market Segments

Quadria has therefore been working closely with the management team on a range of growth programs, including a focus on new market segments. Initiatives include targeting potential new financial services partners seeking to enhance their products by attaching health packages offered by MediBuddy. Quadria has also leveraged its vast network of existing healthcare relationships to help MediBuddy widen its service portfolio by entering segments including home collection, diagnostics and surgery.

### A Focus on Inorganic Expansion

Since the Quadria investment, MediBuddy has also embarked on a program of inorganic expansion with the acquisition of vHealth, a market leader in affinity-led sales. Quadria, which introduced this opportunity and helped the company execute the transaction, is now working closely with MediBuddy to create a wider acquisition pipeline across several healthcare segments and customer channels.

### A Better Customer Experience

Further focus areas include improving customer experience and therefore through reduced wait times, seamless booking, and cashless offline consultations booked through its platform, to create a wider care pathway for users.

### Strengthening Business and Financial Performance

As a result of all these initiatives, MediBuddy has added close to 175,000 new subscribers since the Quadria



Quadria Capital has been a valuable advisor and a strong partner to us as we chart out innovative strategic initiatives. We are confident that our partnership with Quadria will propel MediBuddy into its next phase of growth as we endeavour to drive access to quality healthcare for a billion Indians.

Satish Kannan, Chief Executive Officer



investment. It has also ramped up its transaction run rate by 1.3 times during the current financial year and built its doctor network to more than 56,000 in the same period.

In parallel with this fast-paced expansion program and with Quadria's support, the company is seeking to improve profitability by driving higher margins through an improved service mix, better cross-selling and expansion across the value chain.

### Future-Focused Growth

With profitable growth at the top of the agenda, MediBuddy aims to expand its customer pool and improve engagement with existing subscribers. It is also focused on further growing its service portfolio, including by more acquisitions, to offer holistic primary care and a range of specialized services including mental healthcare and chronic disease management. And it is encouraging current subscribers to use the company's offering to consolidate their use of online and offline healthcare services.

### Collaboration for Enhanced Positive Impact

MediBuddy is also concentrating on meeting its goals of improving access for all by offering more than 40% of its pharmacy deliveries and health check-ups in underserved non-metro cities. In addition, it prices its healthcare offering at a discount of between 20% and 60% of other service providers to enhance affordability. And it aims to constantly improve the quality of its services through constant audits and by maintaining a digital health register.

In a particularly important focus, the company is working to improve its gender diversity by ensuring that 65% of hires in the last year were female.

## Fund II

Investment Date:  
May 2023

Country:  
Malaysia

Sector:  
Medical Technology

# Straits Orthopaedics



## Company Overview

Malaysia-based Straits Orthopaedics is a rarity in South East Asia's medical-device manufacturing sector. As a pure-play orthopaedic medical device contractor that is not distracted from its core specialism by work in areas from mobile phones to automotive parts, it has developed unrivalled niche expertise over the 20 years since its foundation.

As a result, it is not only among Asia's largest CDMOs, but it is also a truly global exporter of its specialist orthopaedic products. It employs a growing workforce of around 1,200 people and operates from three manufacturing hubs in Penang.

## Our Vision

To build a design-and-development enabled pure-play medical device CDMO platform in Asia, with the ambition to partner global medical device brand principals and help augment their global supply chain and accelerate their speed to market by complementing their production footprint.



Establishment of  
US Business  
Development Team



Completion of new site in  
**Batu Kawan**  
is on track to be operational  
in 4Q 2023



**c.70%**  
of FY2023 orderbook  
is secured per May 2023

## Single-Minded Focus

It was this single-minded focus on orthopaedic-focused implants, surgical tools and leading medical-device companies that helped persuade Quadria to add Straits Orthopaedics to our Fund II portfolio in May 2023.

Our market analysis also showed that potential clients are increasingly seeking to outsource manufacturing in order to focus on innovation, and see Asia as a key strategic location for supply-chain partners. Our insight further highlighted the potential for strong, long-term customer relationships based on quality and consistency rather than cost. And third, Straits's focus on advanced and highly regulated Class II and Class III medical devices, which carries a higher EBITDA margin, makes Straits a much more compelling investment than other manufacturers that produce commoditized Class I products.

Now, in close partnership with the company founder and CEO Su Then Hack and minority investor Apex Healthcare Berhad, we are committed to delivering our shared vision of building Asia's leading specialist CDMO platform.

This in turn will build ever-stronger partnerships with leading medical-device brand owners from across the world. By strategically complementing their production footprint, Straits will help such players improve their global supply capabilities and accelerate their speed to market with advanced new solutions.

## An Ideal Long-Term Partnership

Our relationship has started well.

At the time of the investment, Straits was already in a strong commercial position having secured around 70% of its target 2023 orderbook early in the year. This has become stronger yet since then as we work in partnership to institutionalize our vision.

To do so, the Quadria team is working closely with operating partners across contract-manufacturing industry for strategic guidance and insight on operational best practice. We are also liaising closely with company management in balance-sheet optimization, investigating options including interest-rate hedging and sustainability-linked loans.

## Increased Scale and Capability

But it is in the area of increased operational scale and capability that recent developments have been most significant, creating ever-stronger growth momentum and enhanced capabilities. These include the establishment of a new US salesforce and business-



Straits Orthopaedics has a long history of being the contract manufacturer of choice for our customers around the globe, and we are now looking to cement our market-leading position and institutionalize our vision. I am pleased to partner with Quadria Capital in the next phase of our company's growth. Quadria's financial resources and focus on operational value creation make the firm an ideal long-term partner to help us achieve our goals.

Su Then Hack, Chief Executive Officer  
of Straits Orthopaedics



development team, which is already landing contracts from new customers and further strengthen existing relationships.

To prepare for the acceleration in demand that this and other initiatives will drive, a new flagship production facility is being built on the island of Batu Kawan to improve the company's heat-treatment and sterile-packaging capabilities. The site is on track to start operations and secure new licenses from late 2023. According to Su Then Hack, "Such initiatives clearly illustrate how we are partnering to drive the key next phase in the company's development."

## Improving People's Quality of Life

Straits Orthopaedics' scale, capability and determination to have a positive impact underpin its ability to make world-class orthopaedic devices that improve the quality of life for people across the world.

This quality is underlined by its certification by the US Food and Drug Administration (FDA). It is also reflected in an approach to governance and responsibility that ensures its commitment to standards of environmental, employment and social behaviour that aim to exceed global best practice and risk-management standards.

## Fund III

Investment Date:  
July 2023

Country:  
India

Sector:  
Healthcare Delivery

# Maxivision



## Company Overview

Today, Maxivision is one of India's largest and fastest-growing eyecare chains, with a presence in Southern and Western parts of India. But what most clearly differentiates it from its competitors is that many of its 42 centers are focused on the tier-2 and tier-3 cities, where access to high-quality, affordable eyecare has historically been limited.

With a long history of clinical excellence, Maxivision aims to democratize the right to sight through a comprehensive range of diagnostic, treatment and surgical services addressing conditions ranging from cataracts to glaucoma and squint.

## Our Vision

To establish Maxivision as India's top eye care chain with an established presence in over 8 states.



# 2<sup>nd</sup>

## LARGEST

Eye Care Chain in South India



# 42

## CENTERS ACROSS 5 STATES

in India



Focused on

# Tier 2 and 3

## CITIES

in India

## Impressive Growth Record

The Company already had an impressive growth record before being identified as the right candidate for Quadria Capital's first Fund-III investment in July 2023. This established it as a front-runner in India's fast-expanding market for specialist eyecare, with a well-defined pipeline of opportunities for further organic and inorganic growth.

It was Maxivision's unwavering commitment to addressing the healthcare needs of underserved geographies and Quadria Capital's resolute belief in the potential of single-specialty healthcare that tipped the investment decision in Maxivision's favor.

Now, the two parties are working together to establish Maxivision as India's leading eyecare chain within the next five years, increasing its coverage from five to eight states.

## Focused Collaboration

Since the investment was made, the two parties have been working hard to make the vision a reality. Early projects include a focused collaboration on strategy development and operational best practice. A comprehensive hiring plan is now in place to strengthen the company's expertise even further, alongside a new academic development program to encourage heightened capabilities and maximize the retention of top talent.

A tight focus on procurement, covering expenditure analysis, supplier management, strategic sourcing practices, standardized processes and more is delivering immediate returns. A pricing improvement of around 12% for some materials was achieved within the first few months of implementation, and a standardized approach to launching new centers and integrating acquisitions is set to drive scalability and deliver new efficiencies.

Another key area of focus is on strengthening Maxivision's technology landscape, with the aim of improving operational efficiency through a comprehensive digital strategy and roadmap.



The Indian eyecare market is growing fast, at more than 15% a year. Our strong brand, expertise, partnership model, and commitment to powerful social impact means that with Quadria's investment and deep sector expertise, we'll help to meet the fast-growing demand for high-quality, affordable, and accessible eyecare across India.

V.S. Sudheer, CEO of Maxivision



The combined team's immediate attention is on the seamless integration of new centers within the company's IT infrastructure.

## Drivers Accelerating Positive Change

Looking ahead, three primary acceleration drivers are at the heart of Maxivision's focused expansion strategy.

First, improved margins for enhanced financial performance, achieved through new operational efficiencies and streamlined procurement. Second, gaining scale through strategic expansion driven by the identification and integration of suitable practices and private chains. And third, the opportunistic acquisition and swift integration of large chains in non-adjacent geographic markets for accelerated growth and market penetration.

But, all the while, Maxivision's history as a force for positive impact is a dominant factor in its onward development. For more information on the company's social impact, please see the case study on page 14.

# INTRODUCING FUND III

## Our Largest-Ever Fund

One of the most important highlights of 2023 came with the launch of Quadria Capital's Fund III, which will be the source of our investment finance over the next few years.

Set to be our largest ever fund, we will raise 60% of our target at first close. This is an extremely positive outcome that we believe expresses investor confidence in the future of the Asian healthcare market. We also believe it reflects positively on our ability to identify high-quality opportunities, support value creation in our portfolio companies, and create strong returns for our investors.

Equally important, we will continue to focus on identifying Asia's most exciting and progressive healthcare businesses whose growth and success will have the greatest positive impact on society and people's lives – today and in the years to come.

## Our Investment Pipeline

We are currently considering around \$2 billion worth of potential opportunity represented by companies under active evaluation. As we do so, we continue to consider the five essential trends — localization, consolidation, outsourcing, consumer health, and digitization — that we believe make the Asian healthcare

sector an attractive prospect for investors, particularly those who are most focused on making a positive social impact.

In making our selections, we aim to focus on investments that will drive exceptional financial performance and build sustainable companies, all while helping patients lead better, healthier lives.

## Investing in the Sense of Sight

This is why we were so excited to make our first Fund III investment in July. This was in Maxivision (see case study on page 14 and company profile on page 64), one of India's fastest growing eyecare chains.

Maxivision's focus is on delivering affordable, high-quality eyecare across five states in south and west India. In doing so, it is fulfilling an essential social need, bringing the sense of sight to millions who would otherwise be blind due to conditions like cataracts and glaucoma.

And, with India's eyecare sector forecast to grow by more than 15% a year up to 2029, we believe our first investment is set to drive significant financial returns. As such, it is an ideal investment for Fund III.

# INDUSTRY OUTLOOK



We are extremely confident in the continuing growth of the sector in which we specialize. And we believe our in-depth experience of this sector makes us the right partner for any investor aiming to leverage its full potential.



It is widely reported that Asia is set to become the epicenter of the global healthcare industry, with multiple sources describing the extraordinary projected growth statistics that are set to revolutionize the sector in the years ahead.

In last year's Quadria Capital annual report, we highlighted the \$US4.5 trillion opportunity awaiting investors as the sustainable growth rate for the Asian healthcare sector rises to 12% per annum. This will serve to close the gap in healthcare spending between countries in Asia (where it currently stands at around 3% of GDP) and those developed countries where it already represents more than 12% of GDP.

### Closing the Spending Gap

These statistics are particularly meaningful when you consider the scale of the upcoming change that is involved. Today, countries in Asia account for close to 60% of the world's population, nearly 5 billion people, and more than half of the world's chronic disease burden. In closing that spending gap, healthcare expenditure in Asia is forecast to grow to exceed that of the US and Europe combined by the end of this decade.

In our view, this makes healthcare in Asia not only one of the most attractive investment opportunities in the world today. It is also the most socially significant, with the potential to radically improve the quality of life of those millions of people whose communities have been historically underserved due to many years of under-investment.

### At the Heart of Positive Change

What is of primary interest to Quadria Capital, our portfolio companies and our investor partners is the extent to which we are already positioned not only to capitalize on this opportunity but also to democratize access to healthcare across the region. Positive change is underway, and we are at the heart of its delivery.

Our existing expertise in funding, supporting, and helping to scale large Asian healthcare businesses is unrivaled. Add to that our international infrastructure, our global network of strategic relationships, our access to supportive capital, and our record of success, and you have a clearly sustainable and highly experienced driver of positive change.

# INDUSTRY OUTLOOK

## The Factors Accelerating Growth

There are a number of key factors driving acceleration. First, the Asian healthcare sector is growing fast, as the burgeoning population, rising income levels and prevalence of chronic disease continue to pressurize the existing healthcare infrastructure. This is generating increased demand for capital as governments increasingly collaborate with private sector organizations, which in turn is enabling private-equity investments in Asian healthcare to outperform equivalent investments made elsewhere.

The second key growth factor is the sheer scale of the Asian population, which contributes to the continent being home to 55% of the world's population aged 65 and over. As life expectancy continues to rise in the years up to 2030, driven by factors such as rising incomes and better access to medicines, that proportion is expected to rise to 60%. That equates to nearly 600 million people, close to double the entire population of the US.

Third, the demand for healthcare in Asia continues to grow as factors like urbanization, sedentary lifestyles, stress, and poor diets have led to the rise of non-communicable diseases (NCDs). Shockingly, the 575 million patients in Asia who are living with cardiovascular diseases or diabetes represent more than 1.7X the population of the United States.

And fourth, Asia is significantly underinvested in healthcare, as is shown by the gap in GDP spending between developed countries and those in Asia. As a result of that gap, Asia has less than 2.8 hospital beds per 1,000 population, while OECD countries have close to five per 1,000.

## The Key Trends at Play

We previously reported on three trends that were shaping the main investment opportunities in the Asian healthcare sector. These were:

- **Localization:** domestic players are best positioned to benefit from the healthcare sector's predicted 9–11% annual growth up to 2027, due to the growing demand for proven, high-volume and fit-for-local offerings. They are also best positioned to benefit from increased penetration of government financing models
- **The consolidation and institutionalization of healthcare:** until recently the Asian healthcare sector has been highly fragmented, with leading hospital and diagnostics chains holding under 10% of their countries' healthcare delivery and diagnostics markets. This is expected to change significantly, driven by consumer demand, funder influence and healthcare providers looking to scale
- **Outsourcing:** pharmaceutical CDMOs, of whom there are many large examples in Asia, are set to gain from international pharmaceutical companies outsourcing those key elements of production that do not match their preferred strategic approach.

Two further trends have strengthened their influence on the Asian healthcare sector over the last year.

First, initially driven by the Covid-19 pandemic, is the growing influence that customers are having over how they receive healthcare. Research has shown that healthcare delivery is being reinvented in the Asia-Pacific region and trends that were starting just before the pandemic took solid hold over the past two years. Healthcare consumerism, digital integration, and telehealth evolved rapidly out of necessity, and it became clear there were consumers' desires for convenience, value, and experience were previously unmet.

The growing importance of digitization is of particular significance, as South-east Asia is a global leader in digital maturity with 75% of the population being regular internet users. We believe this cultural shift towards the empowered consumer will also play strongly to the region's brightest young healthcare businesses.



The second new development which we believe will become increasingly significant has been heralded by the decision of the Indonesian government to make it easier for foreign doctors to practise in the country. This move is in recognition of issues with the current system, under which there are around seven doctors for every 10,000 members of the country's 270 million+ population. (By contrast, Australia has 41 doctors per 10,000 people.)

This, we believe, is highly indicative of a willingness at government level to enable necessary change for improving healthcare delivery across the population. This may result in the opening of more hospitals, possibly in those remote non-metropolitan regions where there is an acute shortage of physicians.

As such, it has positive implications for positive societal change as well as significant financial returns.

## In Conclusion...

The Asian healthcare market continues to be both dynamic and complex, covering multiple countries with operating conditions that differ from one another in many significant ways. At Quadria Capital, our specialist experience, unrivaled track record of investment success, and widespread network of expert partners make us the region's outstanding specialist private equity firm.

We are extremely confident in the continuing growth of the sector in which we specialize. And we believe our in-depth experience of this sector makes us the right partner for any investor aiming to leverage its full potential.

# THE YEAR AHEAD

As we look forward to the year ahead of us, it is clear once again that we are approaching an exciting time at Quadria Capital.

There are obviously some significant obligations that await us. First, finalizing our highly successful exits from our remaining Fund I portfolio companies, all of which have delivered market-leading returns on investment capital.

Next, managing our exceptionally strong line-up of Fund II portfolio companies, who between them represent the peak

of Southeast Asia's regional excellence across multiple features of the healthcare landscape.

And third, focusing on raising the next tranche of our new Fund III, following a highly successful first close in May 2023. We will also seek to build on our first Fund III investment, made in leading Indian eyecare chain Maxivision, as we continue to identify well-capitalized and innovative regional healthcare leaders that are best placed to deliver against our parallel aims of profitable value enhancement and sustainable social improvement.

These are the three key areas on which our exceptional team of committed professionals will focus on during the year. We aim to strengthen the team yet further, with the appointment of the best talent we can find and the continued development of our people at every level of Quadria Capital.

The single biggest change we aim to make during the year is the launch of our new office in Ho Chi Minh, Vietnam. This will substantially improve our regional coverage and give us enhanced access to the wealth of opportunity that awaits us and our

investors in this country, home to many of the most exciting and innovative healthcare businesses in Southeast Asia.

This is an especially promising development for Quadria, which underlines our faith in the quality of opportunity that lies ahead for our people, investors, region as a whole, and especially the patients and communities who stand to benefit from the democratization of access to high-quality healthcare that we are committed to delivering.

# INTRODUCING OUR NEW IMPACT FRAMEWORK

During 2022, we started on a journey to refine and improve our proprietary impact framework, and then apply it to the way we operate. This is now the first time that we have used the new framework on which we anchor our impact approach in a Quadria Capital annual report. It is fully explained in our 2022 Impact Report, but here we provide an outline of its structure and purpose as it builds upon the Impact Circle legacy approach that we used until last year.

Our new framework naturally has the same aim as the Impact Circle. Namely, this is to enable the assessment of all our investments by helping us understand their potential to generate positive change for health systems in four key areas: accessibility, affordability, quality, and awareness.

This is an essential aim for Quadria, as our investment strategy means we only consider enterprises where positive impact is an intrinsic part of the business model, meaning they aspire to improve their performance across all four areas.

In this way, we ensure that our investment approach is closely aligned both with our commitment to driving meaningful social impact and the belief that access to healthcare is a fundamental human right. As a result, every Quadria investment involves a substantial impact component.

## A More Nuanced Approach

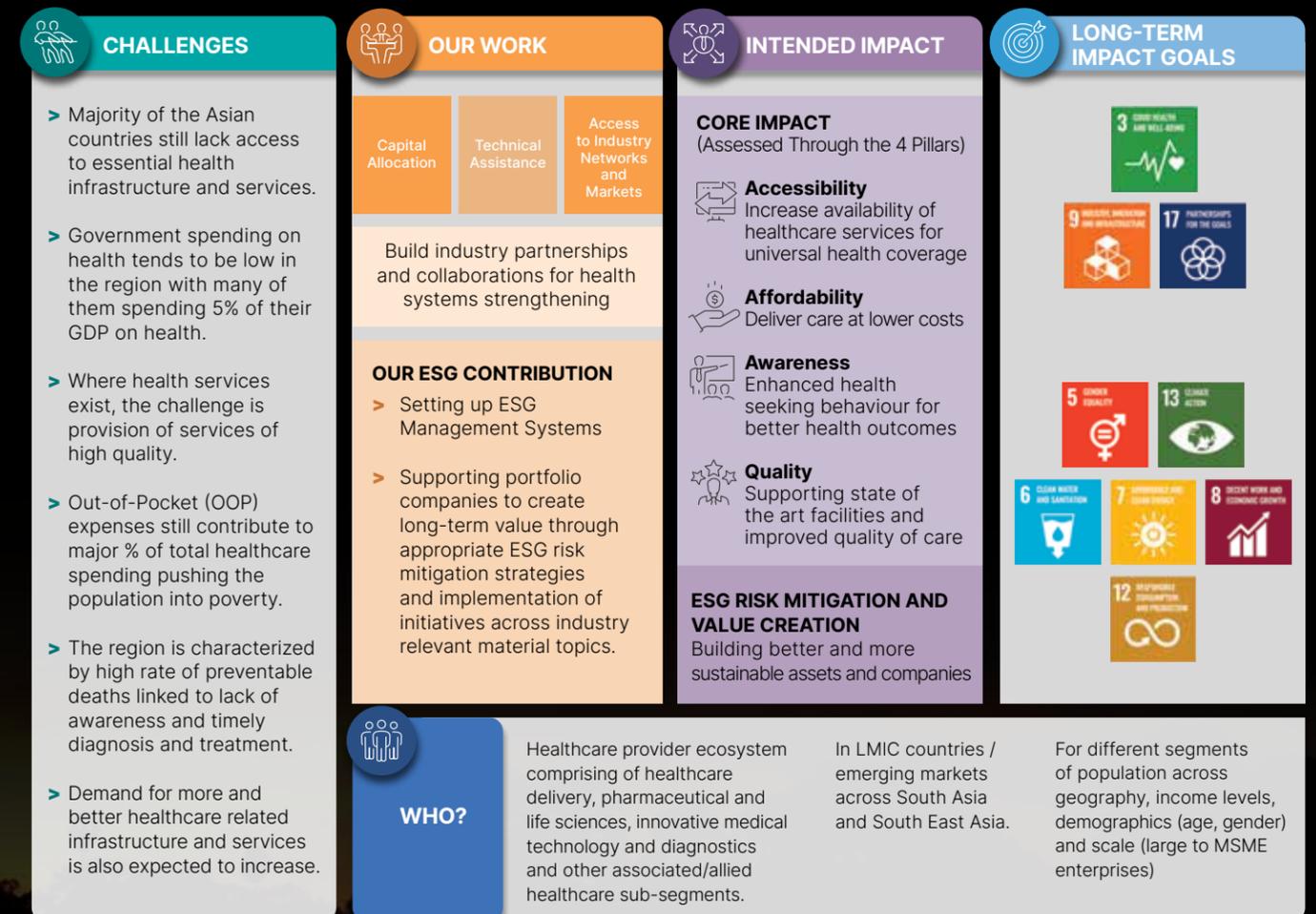
In 2022, we decided to refine our approach to gain a more precise and measurable picture of our performance against our impact and ESG ambitions. While retaining the four essential pillars, we incorporated a number of more nuanced features and industry practices, including:

- aligning our approach with the five dimensions of the Impact Management Project - What, Who, How Much, Contribution, and Risk
- achieving a deeper linkage with SDG target indicators
- mapping our KPIs to IRIS+ indicators to measure the impact of our investments.

# IMPACT THESIS (TIER I)

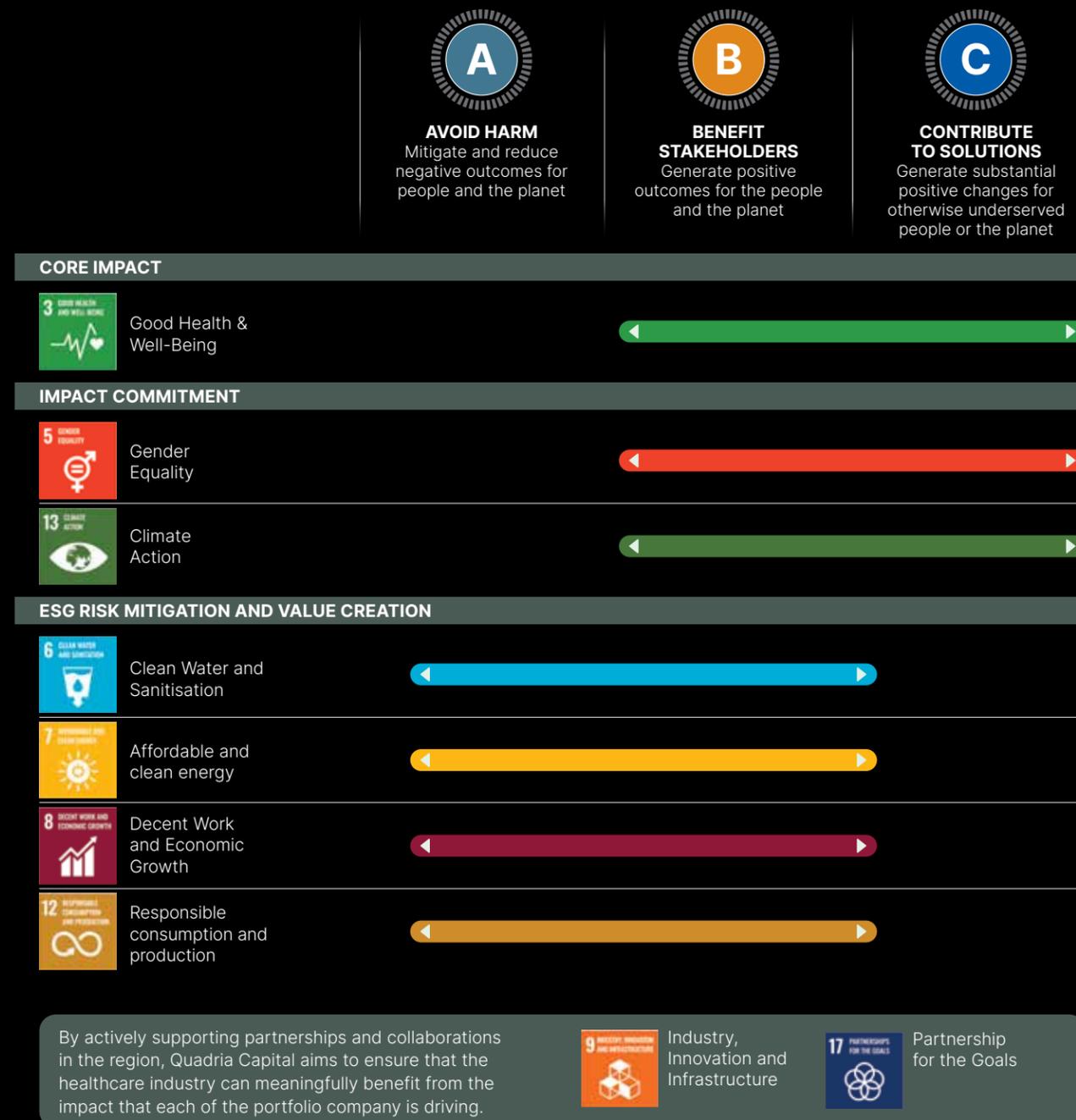
We operate a three-tiered approach to impact and ESG.

Tier I ensures we invest in healthcare businesses that generate a positive impact and contribute to the accessibility, affordability, and quality of healthcare products and services.



# ABC INVESTMENT APPROACH TO THE SDGS (TIER II)

Under Tier II, we actively support partnerships and collaboration to ensure that the healthcare industry as a whole can benefit from each portfolio company's positive impact. The 'ABC' of impact helps us to connect the high-level intentions to the more granular dimensions of impact and data categories, which helps to measure and manage impact.



# OUR ESG AND IMPACT APPROACH FOR OUR INVESTMENTS (TIER III)

In Tier III, we take an integrated, end-to-end approach to ESG and impact-related considerations. We assess each portfolio company prior to investment across the impact pillars to calculate an overall impact score at that time and an anticipated impact score at exit. This approach helps us determine the impact eligibility

of prospective portfolio companies. Thresholds have been defined as part of the scorecard that helps Quadria determine the impact eligibility of the prospective companies. In addition, we have now fully integrated our ESG assessment with the impact-evaluation process.

	PRE-INVESTMENT (SOURCING & DILIGENCE)	INVESTMENT & OWNERSHIP	EXIT
<b>ESG ORIENTATION</b>	<ul style="list-style-type: none"> <li>&gt; ESG screening (as per exclusion list)</li> <li>&gt; Third party ESG due diligence</li> <li>&gt; Identify ESG risk areas opportunities</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Collect, monitor, track and manage KPIs and performance against the 100-day action plan on a quarterly basis</li> <li>&gt; Include ESG covenants in shareholder agreements ESG 100-day action plan</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Endline ESG performance - actual v target KPI performance</li> <li>&gt; Documenting lessons learnt and best practice as a feedback loop for future deals</li> </ul>
<b>IMPACT ORIENTATION</b>	<ul style="list-style-type: none"> <li>&gt; Generate an impact score (at the time of investment and anticipated at exit) and ascertain pre-impact eligibility</li> <li>&gt; Qualitative assessment of the impact thesis</li> <li>&gt; Conduct impact diligence for further validation of data</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Agree on impact KPI and metrics</li> <li>&gt; Include impact covenants in shareholder agreements</li> <li>&gt; Collect, monitor, track and manage KPIs and metrics on a quarterly basis</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Endline impact performance - actual v target score and KPI performance</li> <li>&gt; Documenting lessons learnt and best practice as a feedback loop for future deals</li> </ul>

## Continuous Learning, Evolution, and Improvement

We are not standing still. Because we constantly contribute to and learn from frameworks in place across the broadest industry landscape, our new framework is continuously gaining from the best emerging and established standards and initiatives. This in turn is consistently guiding and governing how we deliver against our ESG and impact commitments.

We are very excited by the development and application of this new framework and believe it will play a crucial part in solving the core challenges facing the Asian healthcare market today.

# IMPACT CASE STUDIES

## ACCESSIBILITY



### AKUMS

To improve access to high-quality healthcare while reducing the burden on under-resourced public services, Quadria Capital helps ensure many of its portfolio companies target regions and demographic segments that are currently under-served with the solutions they offer.

Akums is India's largest CDMO and vertically integrated pharmaceutical company. Its scale is impressive, with:

#### The Impact Opportunity:

The company focuses on making its affordable, high-quality drugs available in underserved regions in India and elsewhere. Its product portfolio of more than 4,200 formulations includes medicines targeting acute and chronic conditions. In recent times, it has launched more than 200 generic drugs each year.

With Quadria's support, over the last year Akums has broadened and improved access to its products through:

- growing its customer base by 29% with the addition of 254 to its existing 875-strong roster
- increasing its reach through the development and launch of more than 6,450 new products
- expanding its Active Pharmaceutical Ingredient (API) business, operationalizing plants and launching new products in India
- increasing production of generic SKUs to enable better access to affordable drugs in emerging markets
- gaining approval for key plants by international authorities including EU-GMP, US-NSF, MOH Cambodia and NAFDAC Nigeria.

#### Key Impact Statistics



**19,000+** Drug SKUs sold in India over the year



**500+** drug SKUs sold in the same period in emerging markets



**300+** products filed

## AFFORDABILITY



### HERMINA

At Quadria Capital, our investments are always informed by the need to democratize healthcare access across South and South East Asia. That's why many of our portfolio companies target lower-income populations, by being early adopters of government Universal Health Coverage (UHC) schemes such as Indonesia's JKN and India's Ayushman Bharat Yojana.

Hermina is one of Indonesia's largest private hospital groups, with 45 hospitals and more than 38 years' experience in women and children's care. It is committed to delivering affordable healthcare at scale, with:

#### The Impact Opportunity:

Indonesia has an underserved healthcare system. Patients can struggle to obtain hospital beds and access to doctors. This can lead to poor health outcomes, especially for new mothers and their babies. As the country works to expand its infrastructure to achieve universal health coverage, Hermina is filling the gap by providing the population with access to high-quality affordable healthcare delivered by more than 4,300 doctors and specialists in 45 hospitals. Its recent contribution includes:

- being Indonesia's largest private hospital group to service Universal Healthcare patients; with all Hermina's hospitals participating in the scheme, patients pay between 25% and 65% less for healthcare than at other private hospitals
- enhancing the delivery of affordable specialist care via new centers of excellence in categories including oncology and cardiology
- enabling international academic collaboration, training and research via the new Department of External Affairs and work with the Japan University of Hiroshima
- creating a new lab strategy to unlock further clinical and economic value within the Hermina.

#### Key Impact Statistics:



nearly **70%** of patients covered by the JKN scheme



over **7 MILLION** patients treated in 2022



more than **6,100** beds

# IMPACT CASE STUDIES

AWARENESS



## MEDIBUDDY

A key role of Quadria Capital's portfolio companies is to help patients and communities make better-informed, more timely and appropriate choices. That's why we invest in large diagnostic companies that participate in prevention and screening campaigns and deliver specialized testing at scale. It's also why our own diagnostic services company runs 25 million tests each year across 68 cities in India, Malaysia, Vietnam and Singapore.

MediBuddy is India's largest enterprise-focused integrated healthcare platform offering a single-source solution for multiple primary healthcare needs. Its scale and resources are significant, including:

### The Impact Opportunity:

MediBuddy aims to leverage its scale and innovative digital pathway to help address weaknesses in India's healthcare system. It gives patients access to high-quality doctors and ancillary services at affordable prices.

Working closely with Quadria, MediBuddy has recently:

- focused on raising awareness of its services in tier-2 and tier-3 cities to help make them available to all; currently, 42% of its pharmacy deliveries, lab services and patient check-ups take place in these communities
- strengthened its ability to service new customers, adding more than 122,000 subscribers
- implemented a range of campaigns in the last year to raise awareness, reaching more than 40 million people of whom around 17 million live in India's underserved geographies
- applied discounts of 20 – 60% versus traditional healthcare providers to make its services affordable by all
- helped to improve products and service through a consistent program of audits and inspections.

### Key Impact Statistics



more than **280,000** subscribers as on December 2022



over **1.3 MILLION** health checks carried out in the last year



more than **55,000** doctors in the network

QUALITY



## ENCUBE ETHICALS

Quadria Capital invests in state-of-the-art medical facilities and products that improve the overall quality of care in many previously underserved regions. Many of the firm's portfolio companies seek to democratize care through increasing the availability of high-quality generic and proprietary products.

Encube Ethicals is a globally leading pharmaceutical CDMO, with one of the world's largest single-site topicals manufacturing facilities. With a strong focus on R&D and innovation, the company has successfully launched multiple products in the US and is amongst the top 10 players by volume in its segment.

### The Impact Opportunity:

Encube Ethicals is committed to adding more high-quality products to its wide-ranging generics portfolio through a mix of organic growth and strategic acquisition. Its primary focus is on realizing the so-far untapped potential of aspects of its CDMO business, developing new capabilities and expanding into a state-of-the-art manufacturing facility. Recent achievements include:

- creating a new portfolio of over 520 quality SKUs for more than 90 customers
- receiving FDA accreditation and Pollution Control Board approval for its new facility
- investing in a wet-chemistry laboratory, instrumentation section and in-house microbiology lab for heightened quality control
- bringing high-quality products to a wider audience by extending its geographic access in emerging markets and securing multiple out-licensing deals of its IP to third parties in non-US markets
- investing in new in-house hormonal and transdermal capabilities to improve patient access to high-quality generic drugs and medicines.

### Key Impact Statistics:



more than **110** products launched in emerging and developed markets



possession of **38** Abbreviated New Drug Applications (ANDAs)



more than **310** SKUs sold in emerging markets



over **680** micro, small and medium-sized suppliers added to supply chain in the last year



# CLIMATE CHANGE & HEALTHCARE

# CLIMATE CHANGE & HEALTHCARE

Multiple negative weather events across the world have recently served to emphasize that climate change is absolutely the most significant risk facing life on Earth. Little emphasis, however, is placed on its negative impact on healthcare.

This is despite the fact that there is clear and growing evidence of the role climate change has to play in multiple health-related areas. These can range from infectious and chronic diseases to rising mortality risks and health inequity as well as life-threatening natural disasters and threats to food production. In one assessment, in fact, climate change is expected to be the cause of 250,000 deaths per year between 2030 and 2050, resulting from causes such as malnutrition, malaria, diarrhea and heat stress.

Such impacts are of particular concern in Southeast Asia, which is at risk in terms of its geography, social and healthcare infrastructure, and agricultural base. This threatens the region's ability to sustain the elements that are essential to good health: clean air, safe drinking water, stable weather, sufficient nutritious food, secure shelter, and a robust healthcare system.

At Quadria Capital, we strongly believe that the healthcare sector has an important role to play in addressing some of these risk areas and protecting the population of Southeast Asia against their worst impacts.

First, we define the key climate-change risks affecting human health as follows:

## Rising Mortality Risk

Increasingly frequent and intense heatwaves, such as the one that hit northern India in May 2023, will continue to cause a rise in the risk of early death. Heatwaves can trigger pre-existing conditions, such as diabetes, and cause the heart to work harder. The Mayo Clinic warns that a rise in core body temperature to 40°C (104°F) can lead to organ failure, cardiac arrest and even death. UNICEF has reported that 76% of children in southern Asia were exposed to extreme temperatures (83 days or more exceeding 35°C or 95°F) during 2020. This equates to 76% of the region's children, compared with the global figure of 32%. Other mortality risks include extreme weather events, which are often associated with disrupted or delayed medical care.



## Exposure to Natural Disasters

Southeast Asia's geographic situation, high population density and developing infrastructure expose its people to the impact of extreme weather-related events. 2023 has been characterized to date by the exceptional ferocity of the Pacific typhoon season: May's Typhoon Mawar, for example, was one of the strongest Northern Hemisphere tropical cyclones on record. Typhoon Doksuri in July devastated parts of the Philippines, Taiwan, and China, causing US\$15.4 billion in damage. Pakistan was hard hit by flooding due to monsoon rains between March and July 2023, causing at least 159 deaths and immeasurable impact on healthcare delivery.



## Infectious Diseases

Rising temperatures also promote the spread of disease, including Covid-19 but also extending to previously uncommon or even dormant plagues such as dengue, malaria, Zika and chikungunya.

## Chronic Diseases

The long-term health impacts of exposure to excessive heat and airborne particulates resulting from wildfires are increasingly understood. A recent study from Rutgers University has shown that 2023's Canadian wildfires (already responsible by early August for double the previous whole-year record for smoke emissions) are exposing people as far away as Philadelphia to secondhand smoke at levels unseen since a ban on indoor smoking was introduced in 2006. There is a widespread increase in the incidence of non-communicable diseases linked to air pollution. Increasing death rates from more recent forms of air pollution are particularly evident in Southeast Asia, driven by factors including increasing numbers of people being exposed to rising ambient air and chemical pollution. People with chronic mental illnesses are particularly vulnerable to trauma from extreme weather events.



## Health Inequity

Alongside the impact of climate change on health, the inequity gap between developing and developed regions is also set to grow due to issues including poor access to clean water and disproportionate exposure to allergens, heat-induced illnesses and infectious disease. The impact is particularly significant for historically under-resourced communities in both rural and urban settings.



As already suggested, all these factors have a particular significance in Asia, where countries like Indonesia, Philippines and India are also at a heightened risk of rising sea levels and extreme weather.

They also face potential food insecurity, with the twin threats of coral-reef failure and disrupted weather systems likely to negatively impact their essential fishing and agriculture industries. A similar threat is active in Vietnam, where a mere one-degree rise in temperatures would threaten the rice crops that sustain the livelihoods of nearly half the population.

# CLIMATE CHANGE & HEALTHCARE

## Quantifying the Human Cost

The devastating human cost of such events cannot be quantified in terms of money alone, with more than 475,000 people having died due to over 11,000 extreme weather events between 2000 and 2019. By comparison, the associated economic losses of US\$2.56 trillion are insignificant. However, there is no doubting the social impact of such colossal sums, particularly when looked at in the light of the likely adaptation costs (estimated at US\$140 – 300 billion by 2030) and costs arising from residual risk and damage in developing countries (US\$290 – 580 billion in 2030). More specifically, economic losses due to flood-related disasters in 2022 alone amounted to more than US\$15 billion in Pakistan, and over US\$5 billion and US\$4.2 billion in China and India respectively.

There is also, of course, an associated financial impact on healthcare organizations, arising from factors such as increased operating costs due to damaged infrastructure, supply-chain disruption and increased complexity of care. However, with the right strategy in place, we believe that healthcare organizations have the opportunity to play a leading role in addressing and minimizing the health-related aspects of climate change.

In particular, those with the right sustainable and resilient operations in place will be better able to deliver truly equitable healthcare across diverse populations. And that will in turn better enable them to address the disproportionate impacts of climate change on the most vulnerable.

To get to that position, we believe healthcare companies will need to have a practical plan in place for reducing their own carbon footprint – see below for some specimen features of such a plan. Along with a plan, strategies will actively help them address organizational risks and improve their ability to address emerging challenges.

Such factors will be increasingly influential in terms of our investment decisions moving forward.

## A Three-Pronged Strategy

One strategic model with proven rigor is based around the three interrelated factors of mitigation, adaptation, and transformation:



## Investing for Reduced Climate Impact

Healthcare businesses can also initiate operational plans that have direct positive effects both on their own environmental impact and their ability to deliver services that address health issues arising from climate change. These can include:



These are just specimen strategies and plans, but they typify the approach Quadria is seeking as we consider investment opportunities in the search for means of combatting the accelerating climate-driven health crisis.

# AWARDS & RECOGNITION

TAPPING ON QUADRIA'S SUCCESS



## Akums

- Received Business Excellence Award from CIMS Medica in India Pharma Expo 2021
- Received India Pharma Award in Excellence in Contract Research & Manufacturing for 2021 by Informa Markets



## Concord Biotech

- Recognised by Industry Outlook as one of the Top 10 Biotechnology Companies in India



## Nobel Hygiene

- Selected as the Most Promising Business Leaders of Asia Award in 2018, by the Economic Times
- Was conferred the award of "MetKonnnect Social Entrepreneur 2022" as part of the Emerging Global Maharashtra expo



## Straits Orthopaedics

- High quality and safe manufacturing process recognized through various global certification, including US FDA, Japan MHLW, Korea GMP, and others



## Maxivision

- Recognized as Best Hospital of the year in Ophthalmology by Times Healthcare Achievers in 2017



## Royal Healthcare

- Received the Smart Facility of the Year in Asia Pacific award at the 2020 Asia Pacific Global Health and Travel Awards
- Received the Integrated Healthcare Clinic of the Year in Asia Pacific award at the 2019 Asia Pacific Global Health and Travel Awards



## Encube Ethicals

- Received the Quality Excellence Award (Gold) in 2019, by Indian Drug Manufacturers' Association
- Office building in Goa is the first building in the state to have received the IGBC LEED Certification (Platinum)



## Healthcare At Home

- Selected as the Best Quality Initiative in Healthcare by CMO Asia in 2016
- Received the Customer Service Awards in Healthcare by CMO Asia in 2016



## MediBuddy

- Recognized as the Best Health & Wellness Solution Provider by ET at Intelligent Health and Tech Awards 2020



## FV Hospitals

- Selected as Hospital of the year for 2019 in Vietnam by the Global Health & Travel Magazine
- Received 3<sup>rd</sup> consecutive Joint Commission International (JCI) accreditation – Gold Seal of Approval for achievements and commitment to excellence in 2022



## Hermina

- Received the BPJS Kesehatan Award 2020
- Earliest adopters to Indonesia's universal healthcare coverage roll-out (JKN scheme)



## Concung

- Recognized as the "Best companies to work for in 2021" by HR Asia

# OUR VALUES

A CULTURE OF EXCELLENCE

Quadria's culture shapes our firm and how we collaborate with our partners, and is integral to the way we do business and achieve our mission and objectives. In every aspect of our organization and behaviour, our shared values are fundamental in cultivating a culture of excellence amongst ourselves and our partners.



## TRUST

We act with integrity and openness in our dealings with others



## EXCELLENCE

We work hard to get it right the first time and keep our promises and commitments to others



## IMPACT

We aim to make a positive, transformative impact in the lives of people in our target region



## PEOPLE

We are positive, enthusiastic and supportive of one another



## BELIEVE

We have passion and believe in who we are and what we do

# QUADRIA TEAM

CREDIBLE COHESIVE COMMITTED

## FOUNDERS

### A STABLE, ALIGNED AND COHESIVE TEAM WITH COMPLEMENTARY BACKGROUNDS AND SKILLSETS

Quadria has grown almost 3x, and increased on-the-ground, regional footprint to 3 offices since Fund I



**ABRAR MIR**  
Managing Partner

**DR. AMIT VARMA**  
Managing Partner

# QUADRIA TEAM

## PARTNERS



**ABRAR MIR<sup>1</sup>**  
Managing Partner

**DR. AMIT VARMA<sup>1</sup>**  
Managing Partner



**SUNIL THAKUR<sup>1</sup>**  
Partner

**EWAN DAVIS**  
Partner

## INVESTMENT TEAM



**RAHUL AGARWAL**  
Managing Director

**JOSEPH KHOO**  
Managing Director

**ABHISHEK YADAV**  
Director



**JANICE TRINH**  
Vice President

**ARIF SIDHARTA**  
Vice President

**ARSHITA KAPOOR**  
Vice President



**RAGHAV BHATNAGAR**  
Senior Associate

**ONG SI KEAT**  
Senior Associate

**ANNA YU**  
Associate



**MARK XU**  
Associate

**DANIEL CHIN**  
Associate

**TUSHAR GARG**  
Associate

As of May 2023. 1) Members of the Investment Committee include Abrar Mir, Dr. Amit Varma, Sunil Thakur and Wilder Fulford

# QUADRIA TEAM

## VALUE OPTIMIZATION BOARD



**PETER D. GOODSON**  
Chairman



**HANK KLAKURKA**  
Director



**JONATHAN GOLDMAN**  
Director



**K SRIVATSAN**  
Director



**BHASKAR IYER**  
Director



**WILDER FULFORD<sup>1</sup>**  
Operating Partner,  
Member of Investment Committee



**STEVEN HODGE**  
Director



**THOMAS FRANCO**  
Director



**IAN MCLEOD**  
Director

## REGIONAL ADVISORY GROUP



**TRI PHAM**  
Senior Adviser



**SHRIHARSHA SARKAR**  
Managing Director



**ANJLI KAUSHAL**  
Sector Vice President

## VALUE OPTIMIZATION AND ESG TEAM



**SHIVANI SAHAI**  
Head, Impact and ESG



**ANH PHAM**  
Sector Vice President



**CARINA TAI**  
Assistant Manager, ESG



**BENEDICT FOONG**  
Analyst, Value Creation

## INVESTOR RELATIONS AND OPERATIONS TEAM



**CHRISTY OI**  
Chief Operating Officer



**GERALD NG**  
Head, Investor Relations



**DEVENDRA SHARMA**  
Chief Financial Officer



**NG YEE LU**  
Financial Controller



**KARTIKEY SINGHAL**  
Finance Manager



**SOH SAN SAN**  
Finance Manager



**R RAVEEN**  
Compliance Manager



**NIVEDITA PANT**  
Office Manager



**SAMANTHA THAM**  
Office Manager



**CALLIXTA WONG**  
Executive Assistant

# QUADRIA TEAM



# QUADRIA EXECUTIVE PARTNERS

OUR PORTFOLIO COMPANIES ARE LED BY A TALENTED GROUP OF EXECUTIVES



**SUDHIR VAID**  
Chairman and Managing Director, Concord Biotech



**SU THEN HACK**  
CEO, Straits Orthopaedics



**VS SUDHEER**  
CEO, Maxivision



**MEHUL SHAH**  
Founder and Managing Director, Encube



**SATISH KANNAN**  
Co-founder and CEO, Medibuddy



**DR MICHAEL LIM**  
Co-founder and Medical Director, RH



**VIVEK SRIVASTAVA**  
Co-founder and CEO, HealthCare atHOME



**SANJEEV JAIN**  
Joint Managing Director, AKUMS



**KAMAL JOHARI**  
Founder and MD, Nobel



**DR JEAN-MARCEL GULLON**  
Founder and Chairman, FV Hospital



**ARISTO SETIAWIDJAJA**  
Managing Director, Hermina



**TIEN LUU**  
Co-founder and CEO, Con Cung



**42k**  
Employees Across Current Portfolio Companies



**50%**  
of Employees are Female

# QUADRIA GOVERNANCE

## Limited Partner Advisory Committee

The Limited Partner Advisory Committee comprises representatives of certain Limited Partners and is responsible for providing overall guidance to the General Partner and approving decisions relating to key operational matters of the Fund.

## The Board

The Board of Quadria Capital Investment Manager is responsible for the management and operation of the Fund. It consists of two Managing Partners, Abrar Mir and Dr. Amit Varma.

## General Partner

The General Partner is responsible for decisions related to investments, divestment and portfolio management. The General Partner is advised by an appointed Investment Committee.

## Investment Committee

The Investment Committee, appointed by the General Partner, is responsible for advising on investments, divestment and overall monitoring of the Funds' investments.

## Conflicts of Interests

Quadria Capital has instituted internal policies and guidelines that seek to reduce and address in a fair manner, instances of conflicts of interest including personal account dealings. Every employee is made aware of the potential for conflicts of interest to arise and is responsible for identifying and managing such conflicts.

## Business Principles

Quadria Capital is committed to maintaining the highest standards across all our activities. Quadria Capital has global policies to help ensure prudent management and operation of the business, with a positive impact on society, while complying with applicable laws and regulations.

These policies cover aspects such as risk management, confidentiality and security, environmental social governance (ESG), conflicts of interest, anti-corruption and anti-money laundering. In addition, Quadria Capital has a robust set of business principles to guide the behavior of all our professionals and underpin the way we operate. Our portfolio companies are also made aware of these principles.

## Compliance

Quadria Capital is regulated by the Monetary Authority of Singapore. Therefore, compliance with applicable legislation is mandatory and of prime importance. The intent and spirit of compliance is practiced across all areas of business at Quadria Capital. As a responsible entity, Quadria Capital has instituted compliance and reporting policies that cover investments, client dealings, audit, record keeping, insider trading, personal dealing, outsourcing, AML, CFT and independence declarations, amongst other related investment and management activities. Further, there is an established protocol for review, escalations and reporting internally and externally with clear roles and responsibilities for each team member.

# OUR STAKEHOLDERS

## Regulatory Authority

Monetary Authority of Singapore

## Fund Administrator

IQ-EQ Fund Services (Singapore) Pte. Ltd.  
Apex Fund Services (Singapore) Pte. Ltd.

## Legal Counsel

Kirkland & Ellis  
Clifford Chance Pte Ltd  
Herbert Smith Freehills LLP  
Shook Lin & Bok LLP  
Allen & Gledhill LLP  
Maples & Calder

## Statutory Auditors

Ernst & Young LLP

## Internal Auditors

BDO LLP

## Compliance Advisor

Bovill Asia Pte Ltd

## Depository Agent

IQ EQ Depository Company (UK) Limited  
Deutsche Bank AG, Filiale Singapur

## Corporate Secretary

Tricor Evatthouse Corporate Services

## Portfolio Valuer

BDO LLP

## Tax Agent

Ernst & Young LLP

## GST Advisor

RSM Chio Lim LLP

## Bankers

Standard Chartered Plc  
DBS Bank Ltd  
Kotak Mahindra Bank

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Investors should read this Annual Review in conjunction with investment fund quarterly reports, financial statements and other disclosures regarding the valuations and performance of the specific investments listed herein. No representation or warranty, express or implied, is made or given by Quadria as to the accuracy, completeness or fairness of the information or opinions contained in this presentation.

Further, certain of the information contained in this Annual Review represents or is based upon forward-looking statements or information. Forward-looking statements are inherently uncertain, and changing factors, such as those affecting the markets generally, or those affecting particular industries or issuers, may cause events or results to differ from those discussed. Therefore, undue reliance should not be placed on such statements or the conclusions drawn therefrom, which in no event shall be construed as a guarantee of future performance, results or courses of action. The information contained in this Annual Review does not constitute investment, legal, tax or accounting advice.

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Quadria expressly disclaims any obligation or undertaking to update or revise any such forward-looking statements. References to portfolio companies are intended to illustrate the application of Quadria's investment process only and should not be viewed as a recommendation of any particular security or portfolio company. The information provided about these portfolio companies is intended to be illustrative, and is not intended to be used as an indication of the current or future performance of Quadria's portfolio companies. The information provided herein is for informational purposes only and is not and may not be relied on in any manner as advice or as an offer to sell or a solicitation of an offer to buy interests in any fund or other product sponsored or managed by Quadria or any of its affiliates. Any such offer or solicitation shall only be made pursuant to a final confidential private placement memorandum (as amended and/or restated from time to time) and the applicable fund's subscription documents, which will be furnished to qualified investors on a confidential basis at their request for their consideration in connection with such offering. The information and opinions contained in this Annual Review are provided by Quadria for personal use and for information purposes only. Each recipient of this presentation is solely liable for any use it makes of this information and Quadria disclaims any responsibility for any errors or omissions in such information, including any financial calculations, projection, and forecasts contained in this presentation. The information is inherently subject to change without notice and may become outdated. Each recipient should therefore verify any information obtained from this presentation before making use of it. By viewing this document each recipient agrees to be bound by the foregoing limitations and restrictions.

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**Quadria Capital Advisors Pvt. Ltd.**

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