

DIGITAL HEALTH ECOSYSTEM – ASIA PACIFIC

# 2022 Year End Report



# Foreword

The introduction of the internet made the universe smaller by connecting people together. A similar wave of transformation has been brought about by digitization. Digital technology has seeped into the very fabric of our lives – from travel to shopping to health. In the health ecosystem, innovations like the Internet of Things, remote monitoring, artificial intelligence, real-time data analytics, smart wearables, and data integration tools create a continuum of care, which can potentially improve health outcomes.

Digital health has improved the effectiveness and sustainability of health systems by providing quality, affordable, and equitable care. It also supports disease prevention, diagnosis, management, rehabilitation, and palliative care via systems that respect patient privacy. Digital health seeks to enhance innovation, research and development, and collaboration across sectors.

With unmatched, unparalleled, and indispensable coverage, the Galen Growth 2022 Year End Digital Health Ecosystem Report for Asia Pacific presents insights into the key trends in major categories, disease areas, and noteworthy partnerships. This report maps the complicated and dispersed digital health sector, pinpoints opportunities for development and innovation, and goes beyond funding.

A greater understanding of this market is essential considering globally 27% of digital health ventures were founded in Asia Pacific, making it the second largest ecosystem. At the end of 2022, there were 2,305 private and active ventures founded in Asia Pacific. Over the past five years, the ecosystem has been expanding at a CAGR of 4%. With corporate collaborations being a key driver, digital health ventures in APAC mainly partnered with pharmaceutical, biotech, and genomics companies, followed by academic institutions.

The resilience demonstrated by digital health ventures in 2022 will carry over in 2023. The new environment will strengthen the pipeline and advance innovation and business model viability to further demonstrate the value of such tools for enhancing healthcare research and delivery.

Adequate investment in governance, institutional capacity, and workforce capacity will further support the changes in digital systems and data use training to significantly alter health outcomes. Thus, digital health may increase the efficiency and cost-effectiveness of care with this crucial investment in people and processes. The adoption of digital health technology can be challenging, particularly in low- and middle-income nations. However, exploring the potential of global solutions and shared services can be part of the national strategy.

By accelerating the development and adoption of appropriate, accessible, affordable, scalable, and sustainable people-centered digital health solutions, we can promote health and well-being for everyone, everywhere.

**Aman Gupta**

Managing Partner, Health Asia,  
SPAG – A FINN Partners Company

# 2022 Key Insights

## 118 regulatory filings

Digital Health has its feet back on the ground after the extraordinary 2-year pandemic period funding spree. In this year of geopolitical turmoil and looming economic recession, Digital Health is showing signs of resilience, with Asia Pacific deploying funding that exceeds the pre-pandemic levels of 2019 by 1.1x, **ventures submitting more than 118 regulatory filings**, and an increase of 1.3x in partnering activity over 2021.

## -66% China

The total venture funding deceleration in Asia Pacific was strongly driven by China's investment falling by 66% YOY to its lowest funding since 2017, impacted by some of the strictest pandemic regulations in the world, despite Northeast Asia doubling its funding to \$1.9B, surpassing China and South Asia which dropped by 30% as compared to 2021.

## \$5.79B venture funding

Asia Pacific followed the global trend of steadily declining venture capital funding across the first 3 quarters of 2022 and a strong rebound in Q4, with a final **annual venture funding value of \$5.79B**, a YoY deficit of 41% below 2021, ushering in a new phase of Digital Health, with less extravagance and higher expectations for proof points and ROI.

## → 2023 resilience

Digital Health ventures in Asia Pacific will find the path forward to be more challenging in 2023, with declining venture valuations, but ventures have already shown resilience in 2022, and this **new landscape will strengthen the pipeline of ventures**, driving innovation and business model viability further to show the value of Digital Health tools for improving healthcare research and delivery.

## -33% M&A

M&A activity has lost momentum, **with a dip of 33% YOY in Asia Pacific**. However, industry consolidation is becoming stronger, with Digital Health ventures accountable for 60% of global acquisition activity. Acquisitions are being fueled by the slowdown in venture funding, with an average of only 34% of growth stage ventures having raised capital in the last 18 months in Asia Pacific.

# Scope

For this full-year global report on the Asia Pacific Digital Health ecosystem, the FINN Global Digital Health Group has compiled and supplemented the report from Galen Growth's data & research publications to:

- Chart the complex & fragmented Digital Health landscape
- Uncover emerging market trends
- Identify areas of growth & innovation
- Look beyond funding to explore what's next in this fast-paced sector

The year-end summary breaks down the major ecosystem developments, such as regulatory filings and partnerships and reviews the 2022 Digital Health venture funding in the ecosystem context to highlight trends and indicate what to expect in 2023. It also addresses themes that hold great potential to benefit from digital applications. Want to get into the details of another regional ecosystem? The most comprehensive regional deep-dives for the full year 2022 are published by Galen Growth and can be accessed at [www.galengrowth.com/research](http://www.galengrowth.com/research).

Since 2017, Galen Growth's research & analysis has set the standard for unbiased Digital Health reporting, with strict analytical criteria applied to ensure consistency and accuracy. Corporates, investors and ventures rely on Galen Growth's research to help make clear-sighted decisions based on industry-leading data.

## Get the Data Behind the Report

This report is powered by data from HealthTech Alpha,

the world's leading platform for Digital Health private market data & intel.

Scan the QR code to access the data behind this report.



# Data & Methodology

## Source of Data

Unless otherwise stated, all data are exclusively sourced from Galen Growth's proprietary database **HealthTech Alpha™** – the leading global Digital Health intelligence and analytics on-demand platform. Presently, HealthTech Alpha tracks more than 250M datapoints and has a coverage exceeding 12,500 digital health ventures across the globe. For more information, visit <https://www.healthtechalpha.com/>

## Data Scope

The regional deep dive analysis focuses on the Asia Pacific region, including China, India, Hong Kong, Singapore, Japan, South Korea, Australia, Vietnam, Thailand, Indonesia, Pakistan, Taiwan, Malaysia, New Zealand, Myanmar, Sri Lanka, Philippines, Cambodia and Bangladesh. The report has selected analyses on the other four key regions of Digital Health: the Middle East, Western Europe, North America, and South America (key markets).

The following scope of analysis criteria must be met in order to be included in this report:

- The venture was incorporated after 2002
- The venture has been qualified as being Digital Health i.a.w. Galen Growth's rigorous taxonomy – see page 42
- The venture's geographic location is determined by its initial country of incorporation
- Venture funding includes all stages up to but excluding the exit event
- Subsidiaries of large corporations (e.g. Microsoft) are excluded

## Methodology

Analytics presented in this report are Galen Growth's proprietary algorithms and are explained on page 43.

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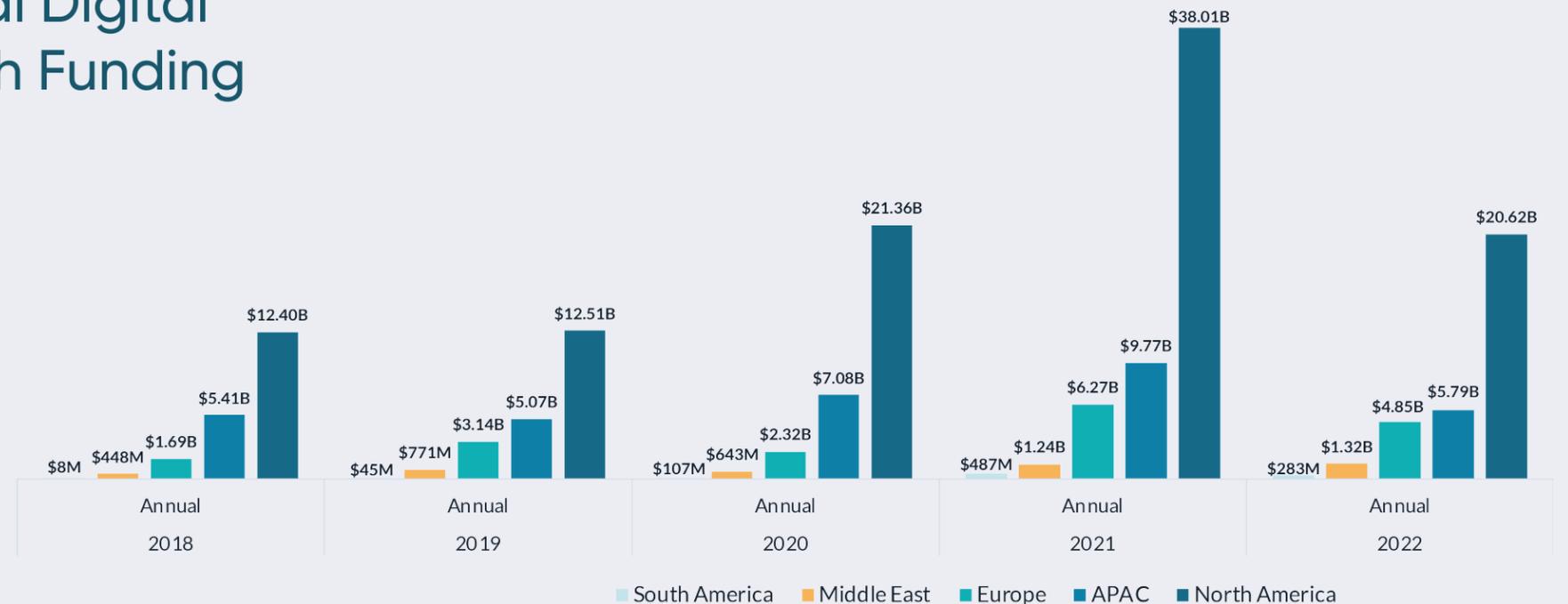
## 2022 ASIA PACIFIC

# Digital Health Headlines

In 2022  
**\$5.79B** ▼ -41% YoY  
of total funding was deployed across  
**306 Deals** ▼ -31% YoY  
in Asia Pacific

## 2022 Cumulative Global Digital Health Funding

Digital Health venture capital was unable to match the skyrocketing funding total of 2021 but closed far ahead of the 2019 pre-pandemic levels. Asia Pacific captured 18% value share of the global venture funds deployed in 2022, with funding value down 41% YoY, reaching only \$5.79B. Cumulative Digital Health venture funding across North America, Europe, the Middle East, Asia Pacific and South America decelerated, closing at \$32.97B (excl. M&A, IPO and SPAC) across 1611 deals.



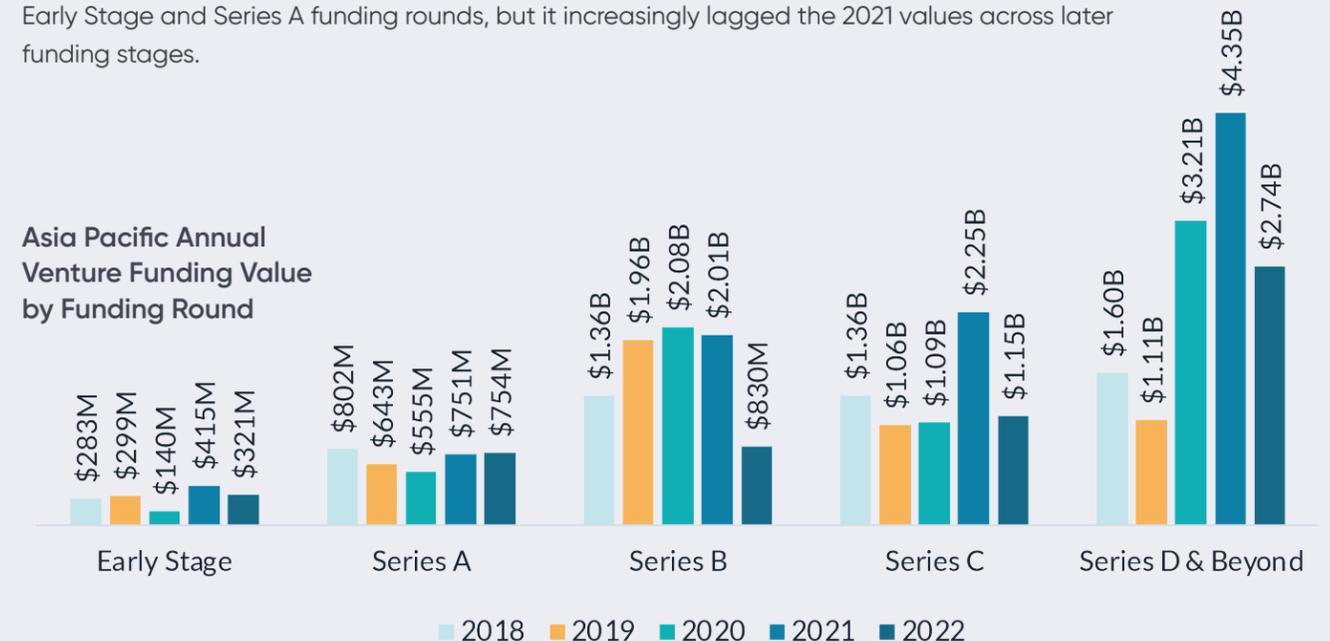
## 2021 Was an Exceptional Year for Digital Health Funding

The cumulative value of global Digital Health venture capital closed slightly ahead of 2020 levels and 1.5x 2019 levels. A closer look at the year-on-year development of funding value in Asia Pacific by funding stages reveals that funding in 2022 nearly maintained the level of 2021 for the Early Stage and Series A funding rounds, but it increasingly lagged the 2021 values across later funding stages.

Global Venture Funding Value Year-on-Year



Asia Pacific Annual Venture Funding Value by Funding Round

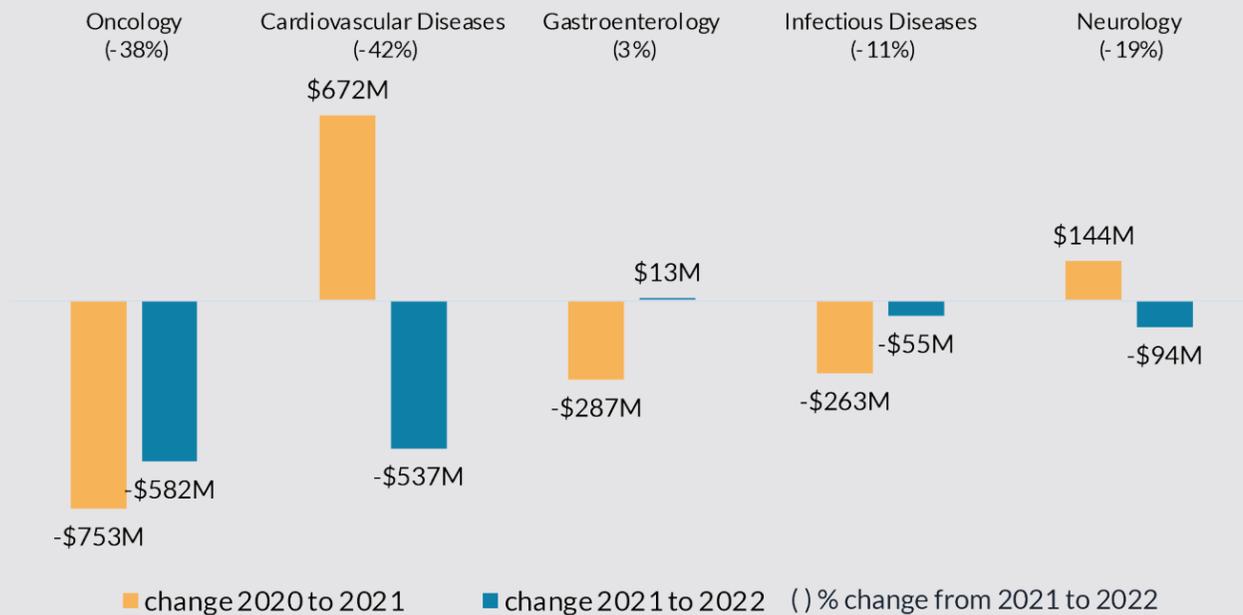


# Top-Funded Digital Health Areas in Asia Pacific Mostly Down in 2022

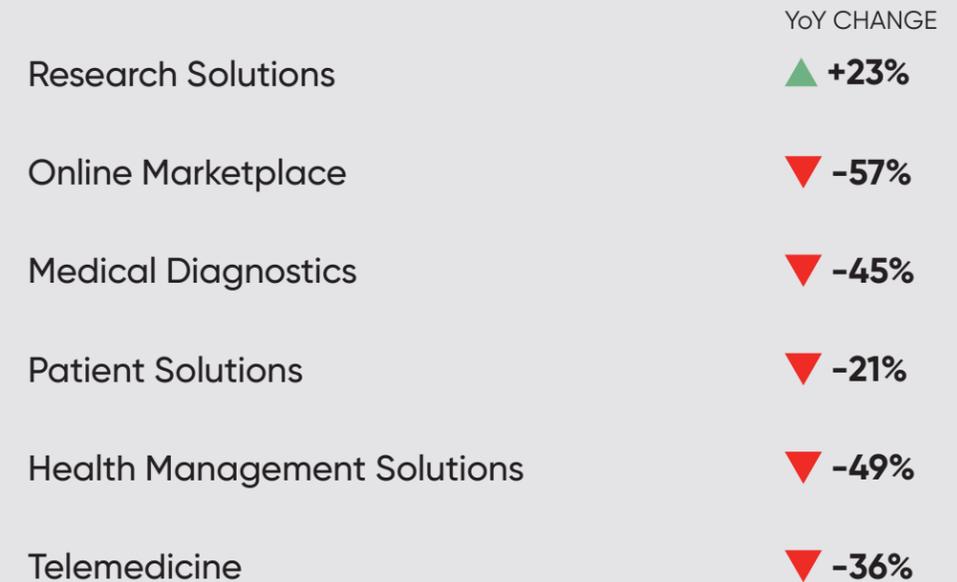
2022 has experienced a largely negative funding development across therapeutic areas as compared to 2021. Oncology lost further momentum in 2022 after already dipping during the previous year. Cardiovascular Diseases which experienced strong acceleration from 2020 to 2021, was the second biggest losing therapeutic area with a dip of \$537M as compared to 2021.

Apart from Research Solutions, which showed strong growth of 23%, all of the other top 5 highest-funded clusters decreased in funding value. Online Marketplace (-57%) and Medical Diagnostics (-45%) saw the biggest losses.

Change in APAC Venture Funding by Therapeutic Area



Change in APAC Venture Funding by Digital Health Cluster



## 2022 ASIA PACIFIC

# Ecosystem Insights

"Digital health is changing the way healthcare is delivered and how we manage our health. Digital health tools facilitate diagnostic processes, enable AI to provide treatment recommendations, and enhance the way physicians interact with their patients. Digital health has to go mainstream for patients to access the care when and where they need it."

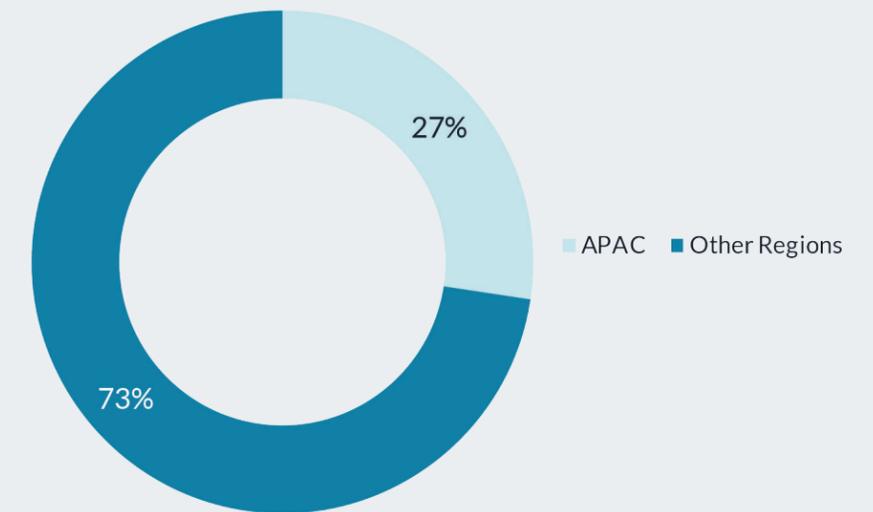
**Gabriel Sim**  
Strategic Partnerships, APACMed

## ASIA PACIFIC: ECOSYSTEM INSIGHTS

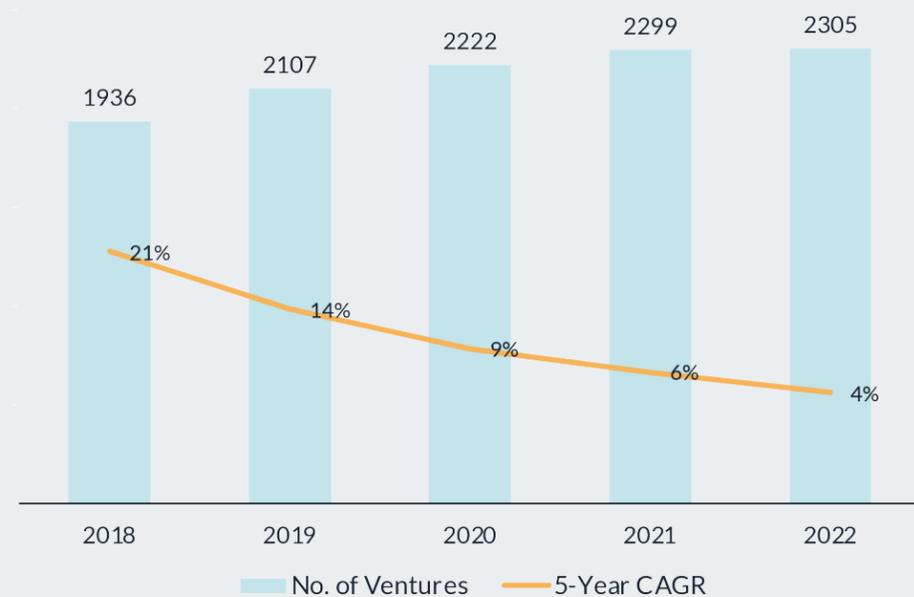
# Asia Pacific Ecosystem Development

At the end of 2022, there were 2,305 private and active ventures that were founded in Asia Pacific. Over the past five years, the ecosystem has been expanding at a CAGR of 4%. Globally, 27% of Digital Health ventures were founded in Asia Pacific, making it the second largest ecosystem.

### Global Proportion of Ventures in Asia Pacific



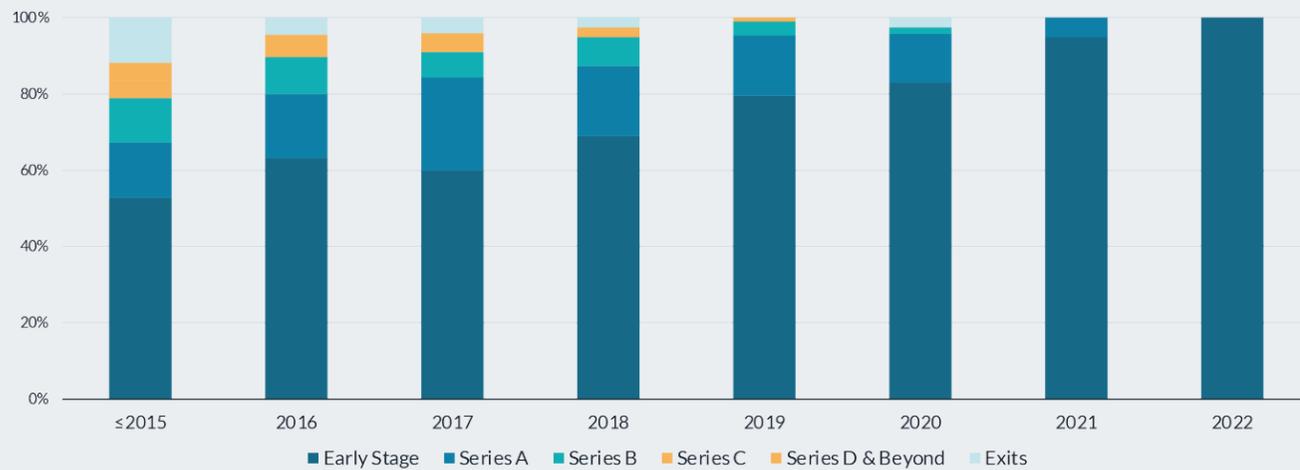
### Cumulative Volume of Ventures in Asia Pacific, 2018-2021



# Venture Distribution by Stage

After a strong venture funding performance of early-stage ventures in Asia Pacific over the previous years, funding of newly incorporated ventures slowed in 2022. Of all ventures that were incorporated in 2021, only 5% have closed their first round of funding. Global economic uncertainties and the overall weak performance of late-stage Digital Health ventures globally has created scarcity of early-stage funding in Asia Pacific in 2022.

APAC Venture Distribution by Incorporation Year and Funding Stage

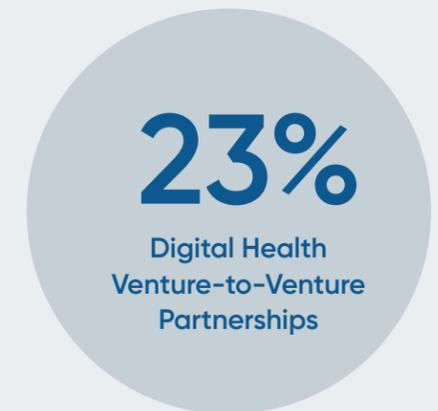


# 2022 New Corporate Partnerships

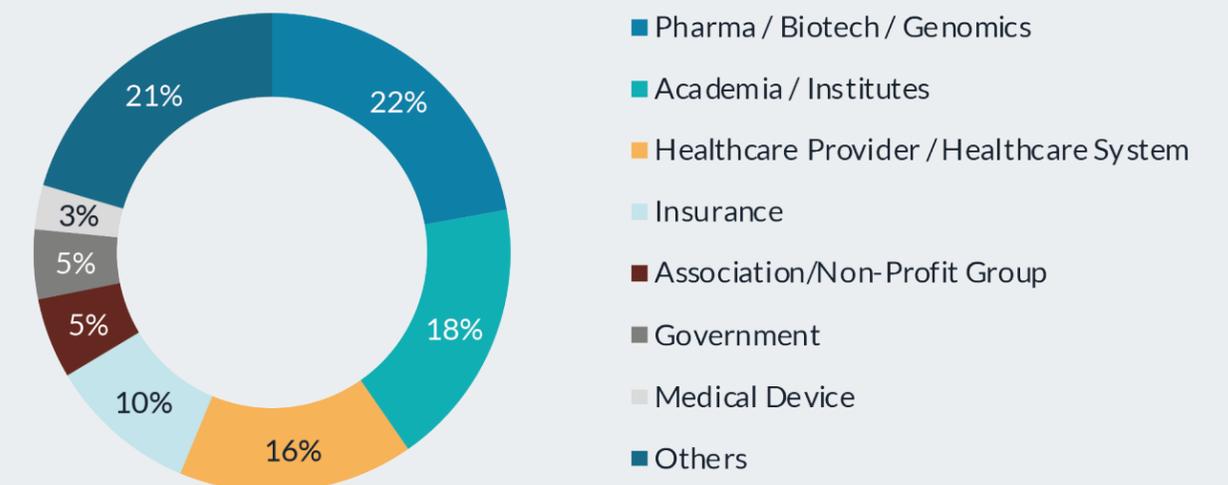
- Venture-to-venture partnerships in Asia Pacific represent 23% of all venture partnerships.
- Globally, Digital Health ventures disclosed over 2,900 partnerships in 2022, a YOY increase of 1.5x over 2021.
- Pharma/Biotech/Genomics companies disclosed the largest share of corporate partnerships with Digital Health ventures in APAC, while Academia/Institutes took second place.

Global Region	% of Partnerships
North America	64%
Asia Pacific	23%
Europe	10%
Middle East	2%
South America	<1%

Cumulative Partnership Share for Asia Pacific Ventures



Corporate Partnership Share for Asia Pacific Ventures by Industry Vertical



# 2022 Asia Pacific Clinical Evidence

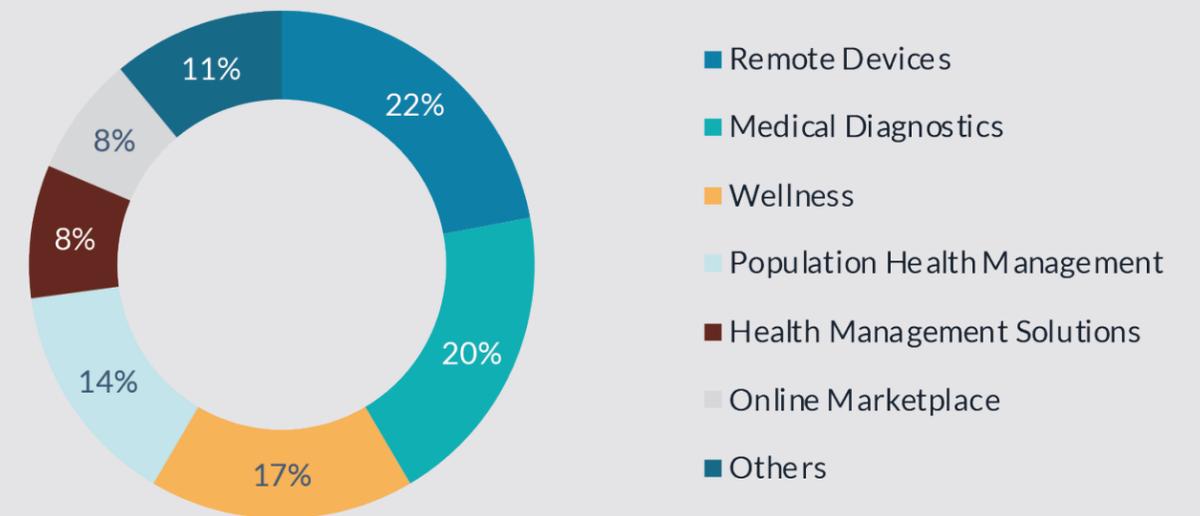
- Medical Diagnostics has the highest share of ventures in Asia Pacific with an Evidence Signal greater than 40, indicating that the venture has run clinical trials, received regulatory filings, or has more than 4 peer-reviewed publications
- In 2022, Digital Health ventures registered a total of 575 regulatory filings across the globe
- 42% of APAC ventures receiving filings are in the Remote Devices and Medical Devices clusters

Global Region	# of Regulatory Filings in 2022	% Ventures in Region with Evidence Signal > 40
North America	214	19%
Asia Pacific	118	13%
Europe	174	19%
Middle East	60	20%

Share of Asia Pacific Ventures with Evidence Signal > 40, by Digital Health Cluster



Regulatory Filings in Asia Pacific by Digital Health Cluster in 2022



"This insightful report reaffirms what I've observed in the markets too. On one hand, a new era of health and care is making real progress with digital solutions. On the other, a (somewhat necessary) reckoning of valuations for those innovations which are not clinically or commercially validated. I remain optimistic that public and private capital markets will continue to support digital health innovations but the bar for quality and outcomes has been raised."

**Christopher Lee Hardesty**  
Partner  
Pureland Venture

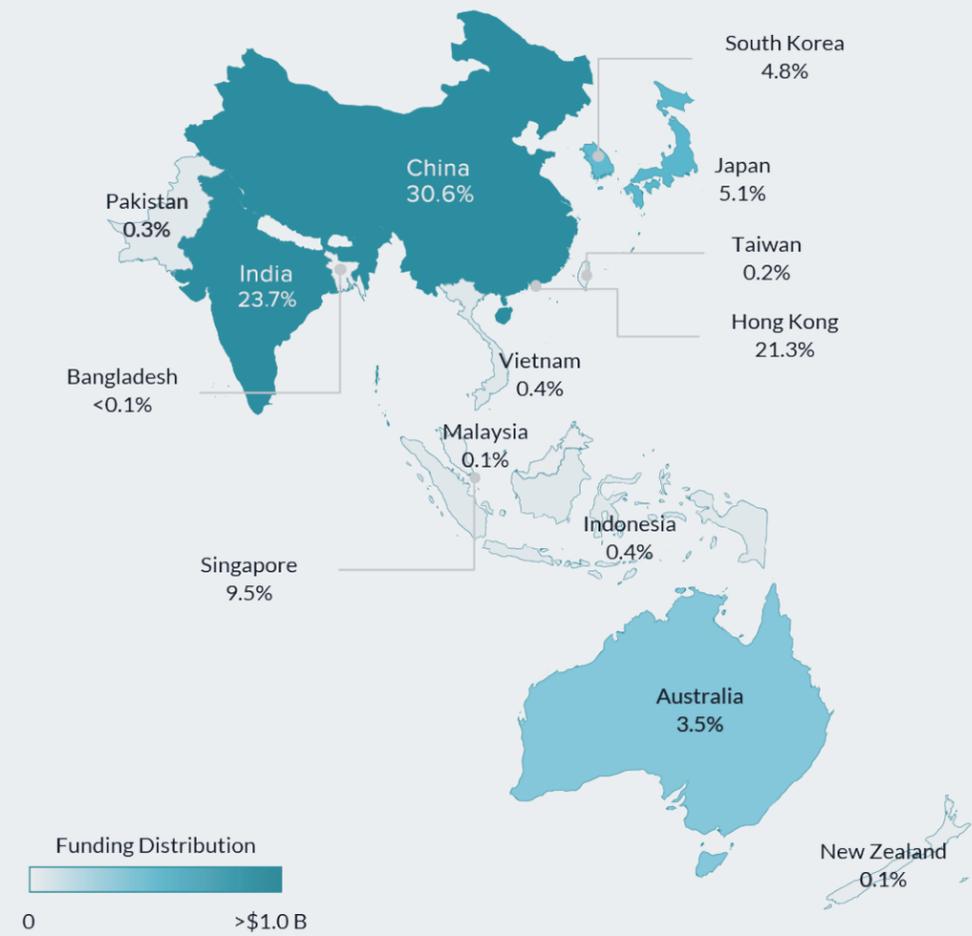
# 2022 ASIA PACIFIC Investment Insights

## 2022 Funding Distribution

Country	Total Funding
China	\$1.77B ↓
India	\$1.24B ↓
Hong Kong (SAR)	\$1.32B ↑↑
Singapore	\$547M ↑
Japan	\$296M ↑
South Korea	\$279M ↓
Australia	\$202M ↓
Vietnam	\$25M ↑
Indonesia	\$23M ↓↓
Pakistan	\$17M ↑
Taiwan	\$13M ↑↑
Malaysia	\$7M ↓↓
New Zealand	\$6M ↑
Bangladesh	\$2M ↓↓

Only countries with reported funding deals are included in this list.

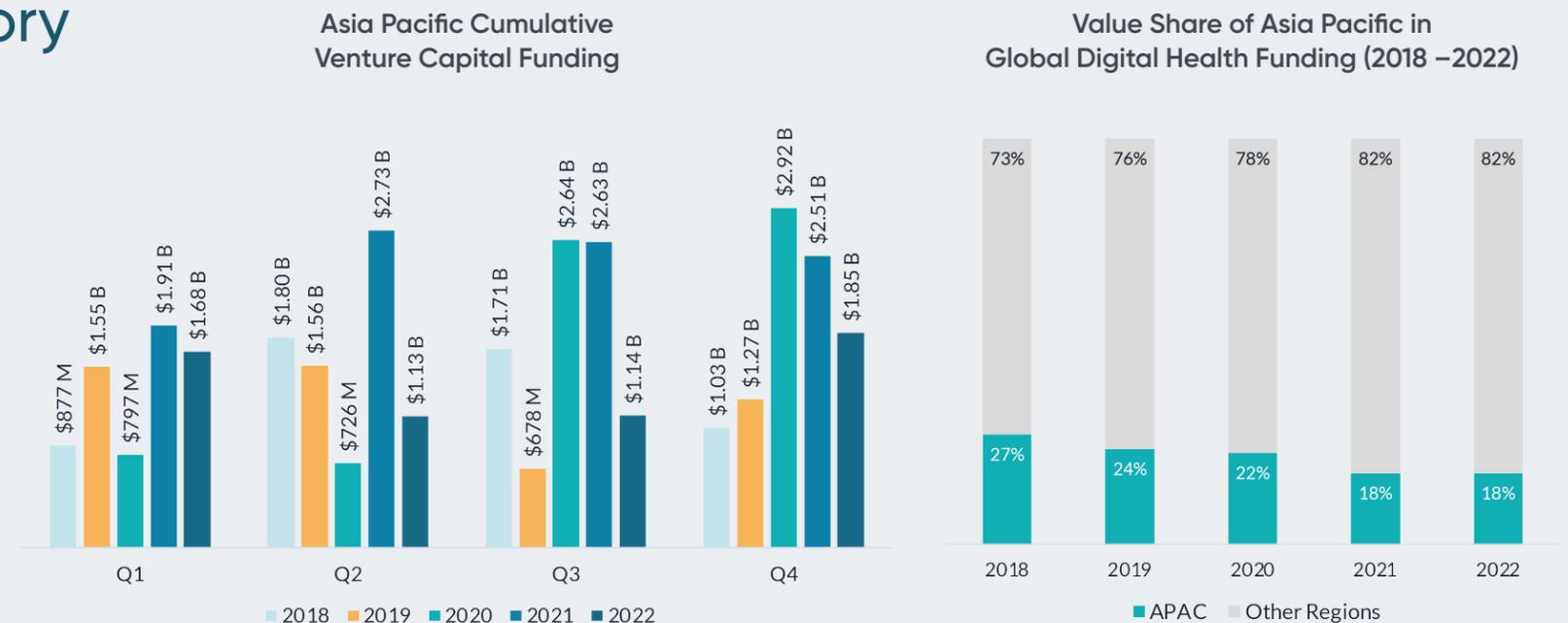
YOY CHANGE %	SYMBOL
Increase of > +100%	↑↑
Increase between +5% to +100%	↑
Negligible change, ±5%	○
Decrease of 5% to 75%	↓
Decrease of > -75%	↓↓



Note: Percentages may not total 100 due to rounding

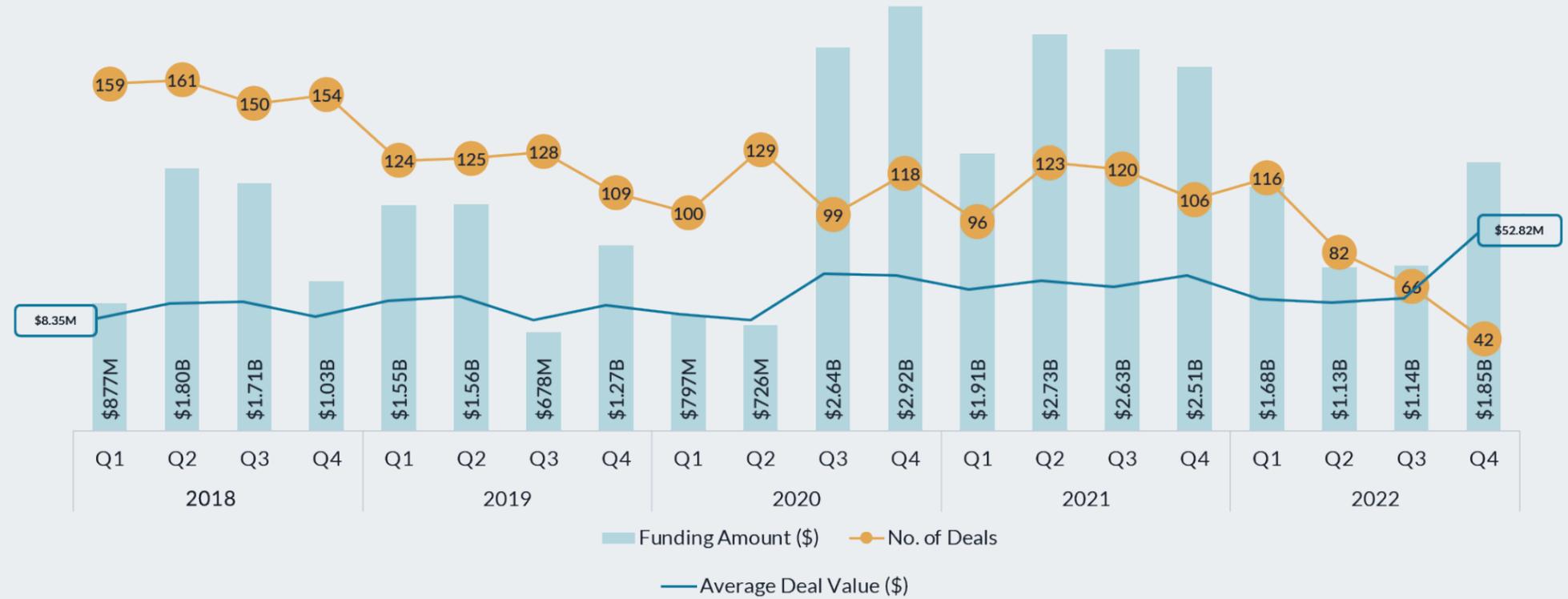
## Digital Health Funding History

FY2022 in APAC delivered \$5.8B total venture funding, down 41% versus the same period last year. Although the funding performance has recovered in the last quarter of 2022, the funding total remained down 18% as compared to 2020. However, compared to pre-pandemic levels, deal activity remains lower, impacted by continued challenging conditions across the globe.

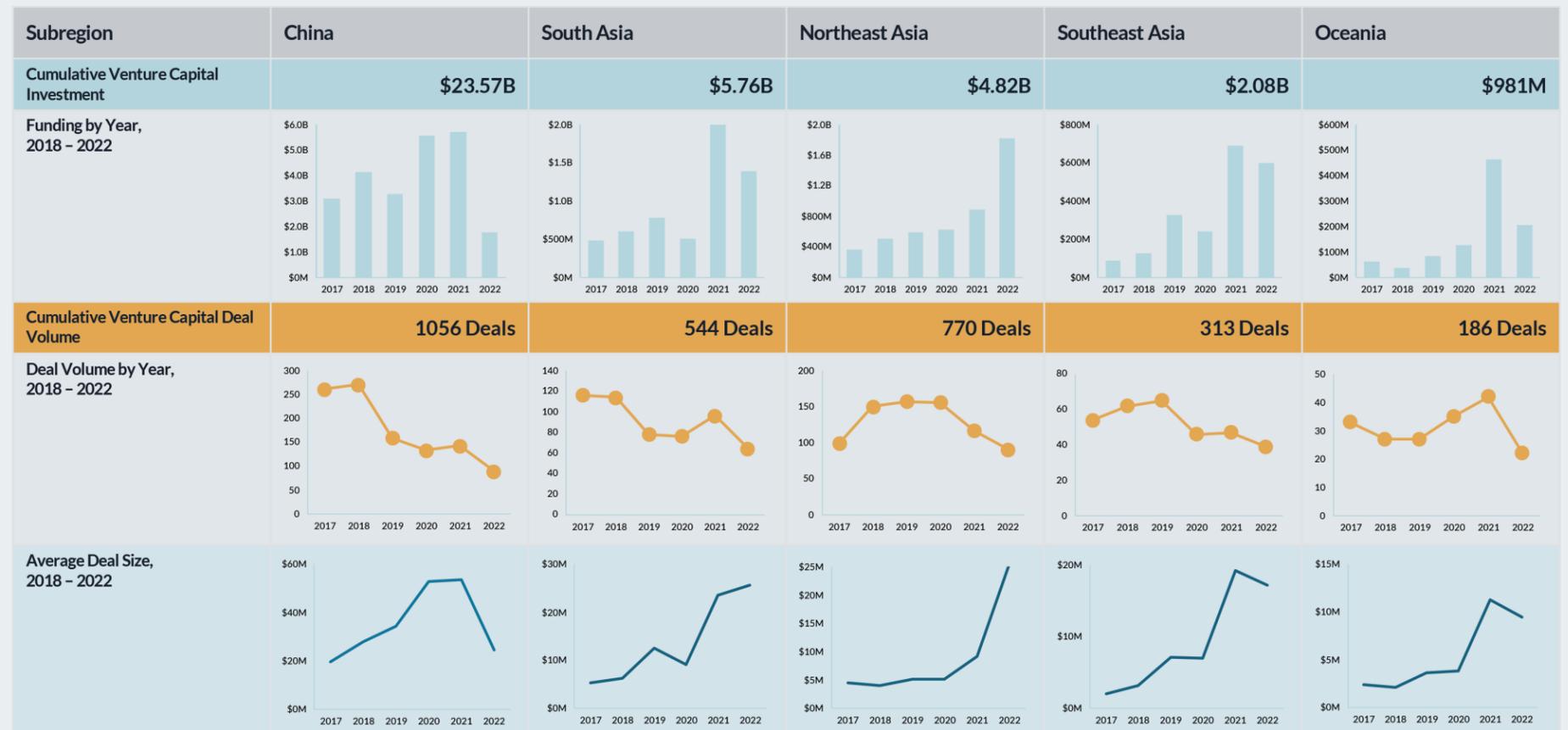


# QoQ Digital Health Funding History

The number of investment deals closed in 2022 dipped by 31%, compared to previous year. With lower funding volume in the last quarter of 2022, average deal value increased by 2.8x as compared to the previous quarter.



# Digital Health Funding Across Subregions, 2018 – 2022

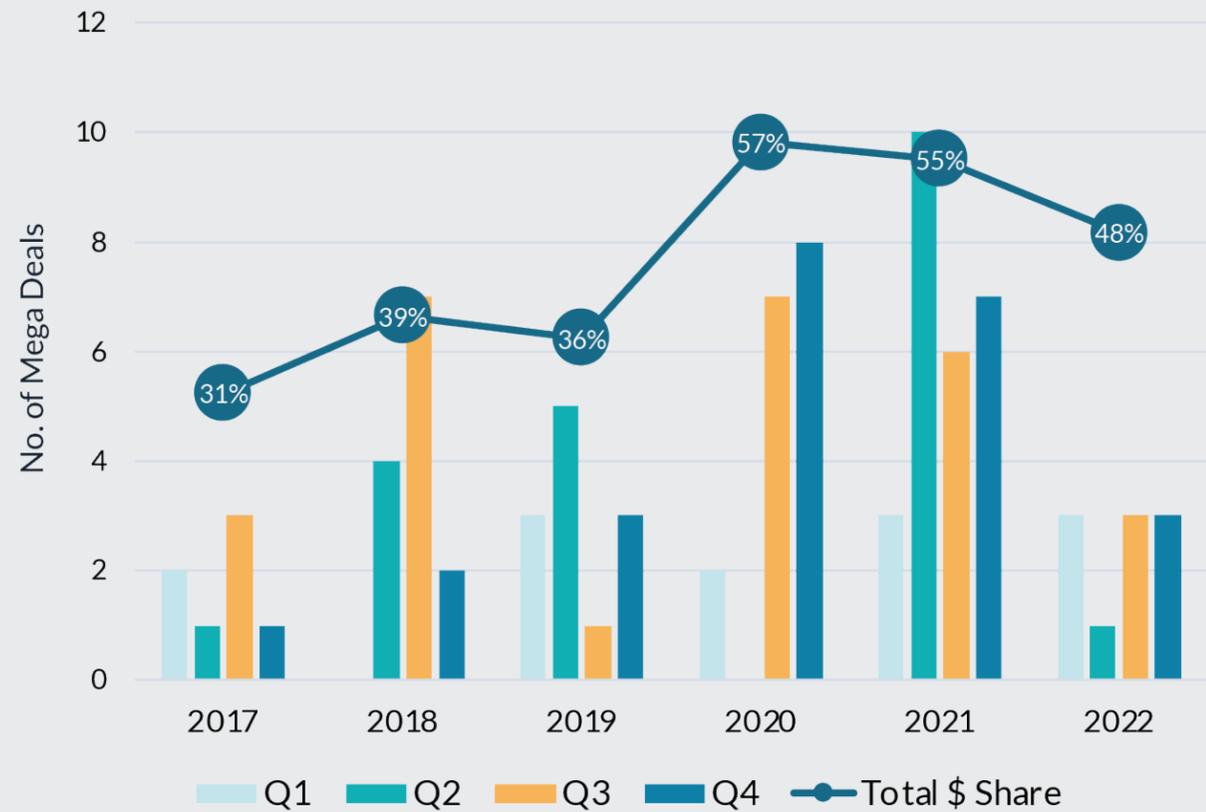


# Large Funding Events in Asia Pacific

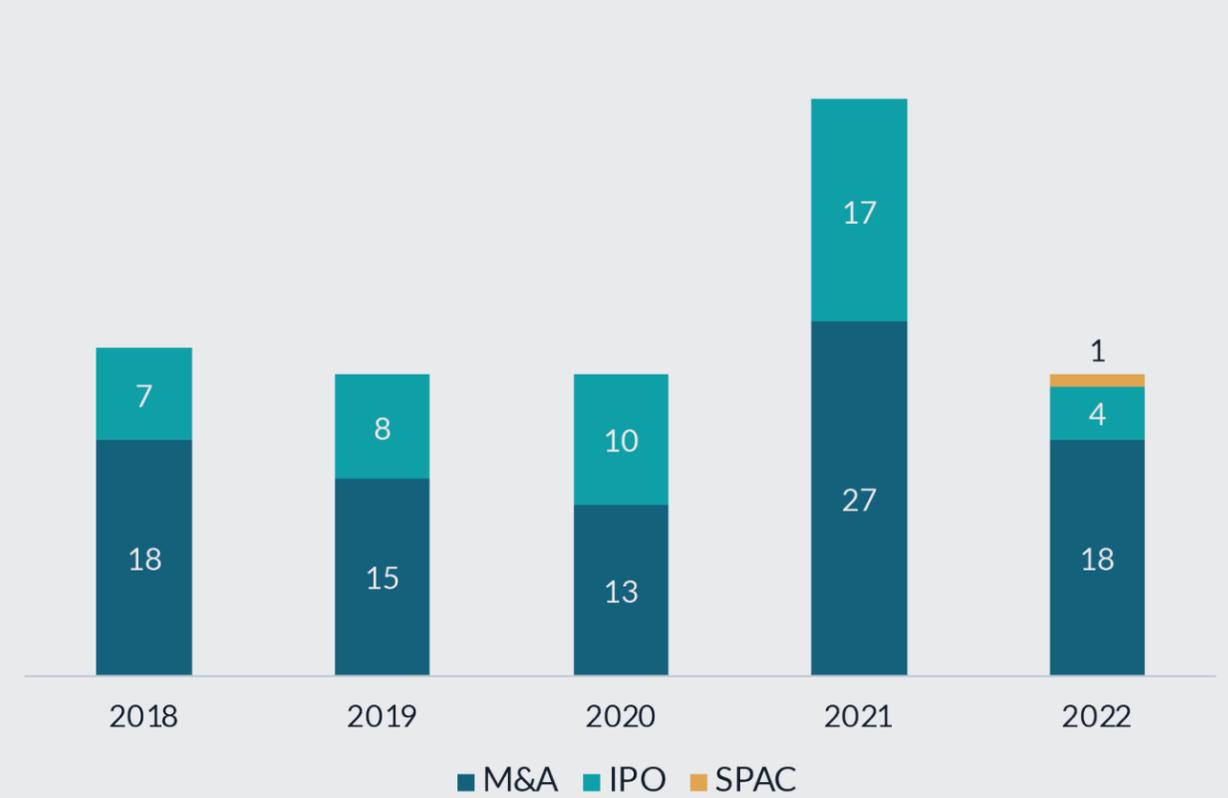
With strong geo-political and economic headwinds impacting investor appetite, only 10 Mega Deals (≥\$100M) were deployed in 2022, the lowest volume since 2017.

While a healthy appetite for M&A has remained, the number of IPOs in 2022 dropped to less than 71% of the levels from 2021 (not including SPACs) and remain below the total IPOs in 2019.

APAC Historical Volume of Mega Deals



APAC Volume of Investor Exits (IPO, M&A, SPAC)



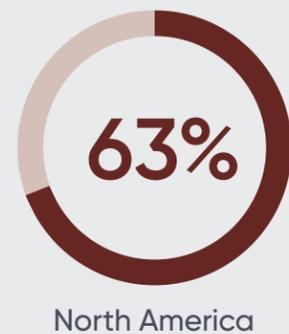
# Funding Strength

2021 was an exceptional year for fundraising, whereas 2022 is proving to be more challenging. For the ventures that successfully closed funding rounds in 2021, the deceleration in funding due to uncertain geopolitical and economic conditions should prove less daunting.

To better understand the current funding strength of the ecosystem, Galen Growth analyzed the number of ventures that have raised funding over the past 36 months.

With an Asia Pacific average across all funding stages of only **34% of ventures having raised in the last 18 months**, the remainder of the ecosystem could be facing an increasingly bumpy ride, forcing them to cut costs, focus on profitability before growth or rethink their business model.

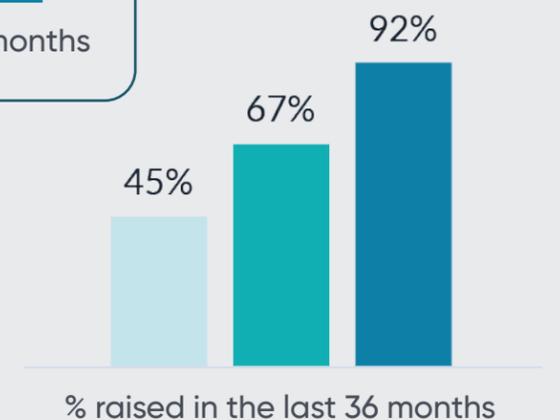
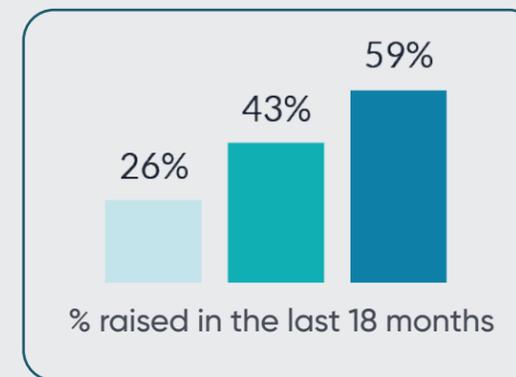
Share of Growth Stage (Series B & Series C) Digital Health ventures with incorporation date after 2012 that have **raised funding in the past 18 months**



Asia Pacific average percentage of ventures that have raised funding, by funding interval and current funding stage



Volume-weighted average: 34%



- Early Stage & Series A
- Growth Stage
- Late Stage

# 2022 Asia Pacific Cluster Focus

"India is witnessing an exponential rise in digital solutions overcoming geographic boundaries, time constraints, and social capabilities in delivering care. Digital health has helped us create continuous and holistic care in all specialities and has shifted the focus from last minute emergency care to pre-emptive care. It has also enabled many players to address taboo topics such as mental and sexual health through an array of solutions. Digital technological interventions are addressing the lack of dialogue and shame around sexual wellness and helping build a sex-positive society through evidence-based care."

**Pranay Jivrajka**  
 Founder and CEO, Allo Health

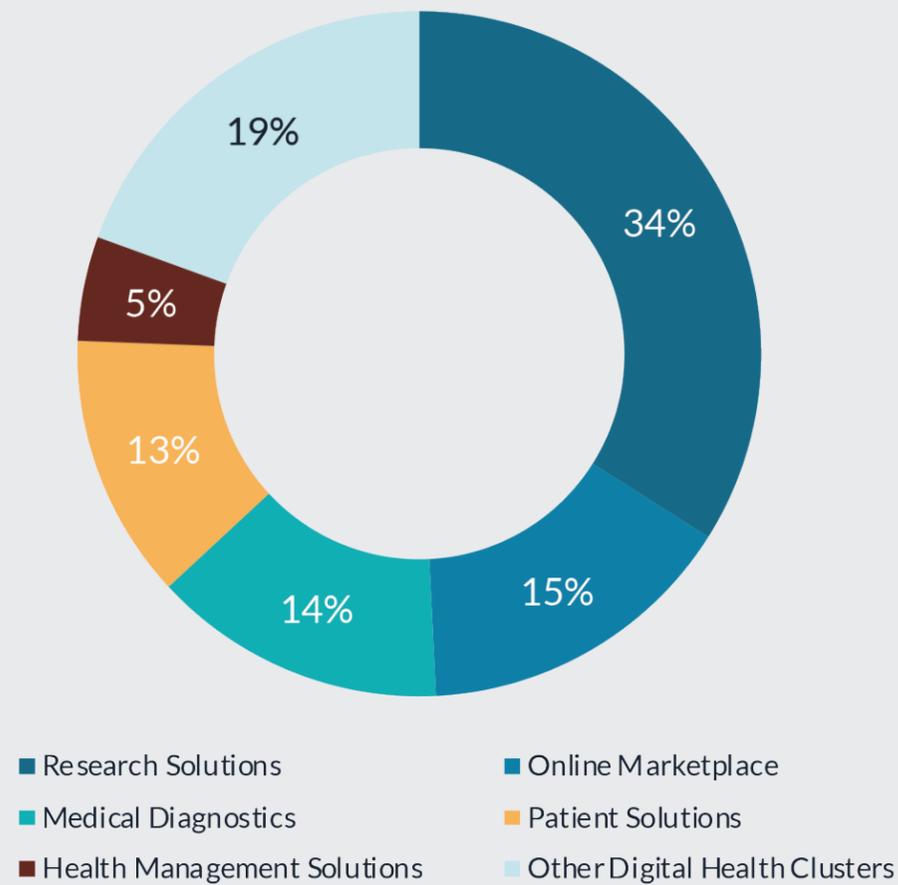
## Galen Growth Digital Health Taxonomy™

<b>Health Management Solutions</b> EHR/PHR Hospital Pharmacy Physician/Clinic Prescriptive Analytics	<b>Health Services Search</b> Healthcare Navigation Medical Concierge Medical Tourism Triage	<b>Health InsurTech</b> Health Claim Management Health Insurance Medical Payments	<b>Medical Diagnostics</b> Diagnosis Tools Medical Imaging Omics Related Diagnosis
<b>Medical Education</b> Consumer Education HCP Education Health Information Platform	<b>Online Health Communities</b> Other HCP Networks Patient Health Forums Physician Networks	<b>Online Marketplace</b> Consumer Marketplace On-demand Lab Tests Online Pharmacy Professional Marketplace	<b>Patient Solutions</b> Digital Therapeutics Disease Management Health/Symptom Checker Medication Management
<b>Population Health Management</b> Care Coordination Corporate Health Home Healthcare Integrated Solutions	<b>Remote Devices</b> Assistive Care Remote Diagnostic Devices Remote Monitoring Devices	<b>Research Solutions</b> Bioinformatics Drug Discovery Omics Related Research	<b>Clinical Trials</b> Decentralized Clinical Trials Clinical Trial Matching Data Collection Tools
<b>Telemedicine</b> Teleconsultation Telepathology Teleradiology Telesurgery	<b>Veterinarian</b> Animal Health Forums Animal Imaging Animal Monitoring Omics Related Veterinary Televeterinary	<b>Wellness</b> Omics Related Applications Smart Equipment Wearables Wellness Apps Wellness Information Platform	<b>Safety &amp; Security</b> Counterfeit Tracking Cybersecurity Pharmacovigilance
<b>Healthcare Logistics</b> Transportation Management On-demand Delivery	<b>Other</b> Contamination Management HCP Job Board Healthcare Marketing Social Enterprise Software Provider		

# Venture Funding in Key Digital Health Clusters

The Research Solutions and Online Marketplace clusters captured 49% of the total funding value deployed for 2022 in Asia Pacific. Online Marketplace, which held the top spot in 2021, dropped to the second position in 2022. The top 5 funded clusters represent 89% of the total value invested this year.

APAC Top Funded Digital Health Clusters (2022)



Digital Health Cluster	Total Funding in 2022	Rank in 2021	Largest Deal in 2022
Research Solutions	\$1.97B	#2	<u>Enzymaster</u> (酶赛) \$300M (Series C)
Online Marketplace	\$883M	#1	<u>PharmEasy</u> \$250M (Series F)
Medical Diagnostics	\$804M	#3	<u>HaploX</u> (海普洛斯) \$100M (Series D)
Patient Solutions	\$725M	#4	<u>Biofourmis</u> \$300M (Series D)
Health Management Solutions	\$285M	#7	<u>Ubie</u> \$43M (Series C1)

ASIA PACIFIC: CLUSTER FOCUS  
**Top Ventures  
 in Key Clusters**

In Asia Pacific, the largest Digital Health cluster is Health Management Solutions (413 ventures), followed by Telemedicine (361 ventures). Despite their high venture counts, both clusters were not among the most invested clusters in 2022.

413 VENTURES | HEALTH MANAGEMENT SOLUTIONS



361 VENTURES | TELEMEDICINE



310 VENTURES | MEDICAL DIAGNOSTICS



271 VENTURES | PATIENT SOLUTIONS



270 VENTURES | WELLNESS



"In India and South East Asia, digital healthcare becomes important due to a lack of infrastructure, doctors, paramedics, and other resources. Digital health will see a huge rise because it solves challenges of access, outcomes, efficiency, and affordability. Hence, we should expect an increase in integrated healthcare models where brick-and-mortar businesses will consolidate with digital health to provide patient-centric solutions, healthcare logistics, genetics, application of AI for data-based insights, and disruption of healthcare insurance. Healthcare has been one of the most resilient and impactful sectors, hence, we will continue to double down on healthcare investments. The next decade will witness a surge in healthcare innovations, both in business models and intellectual property."

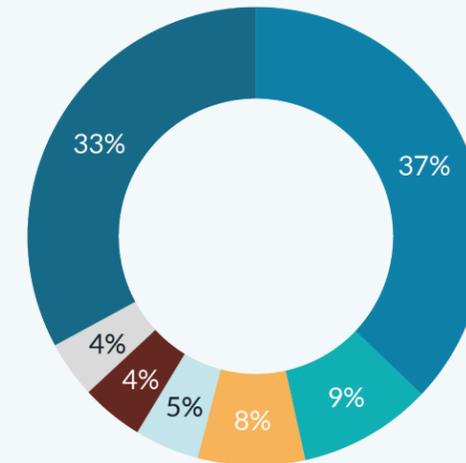
**Seemant Jauhari**  
 Managing Partner  
 HealthXCapital

# 2022 Asia Pacific Therapeutic Focus

## Venture Funding in Key Therapeutic Areas

A large \$300M Series D investment in Singapore-born (and now US-headquartered) venture Biofourmis, moved Oncology and Cardiovascular Diseases to the top position of the most invested therapeutic areas in 2022. A large \$62M Series C investment in Japan-based AI Medical Service moved Gastroenterology into the top 3.

APAC Top Funded Therapeutic Areas (2022)

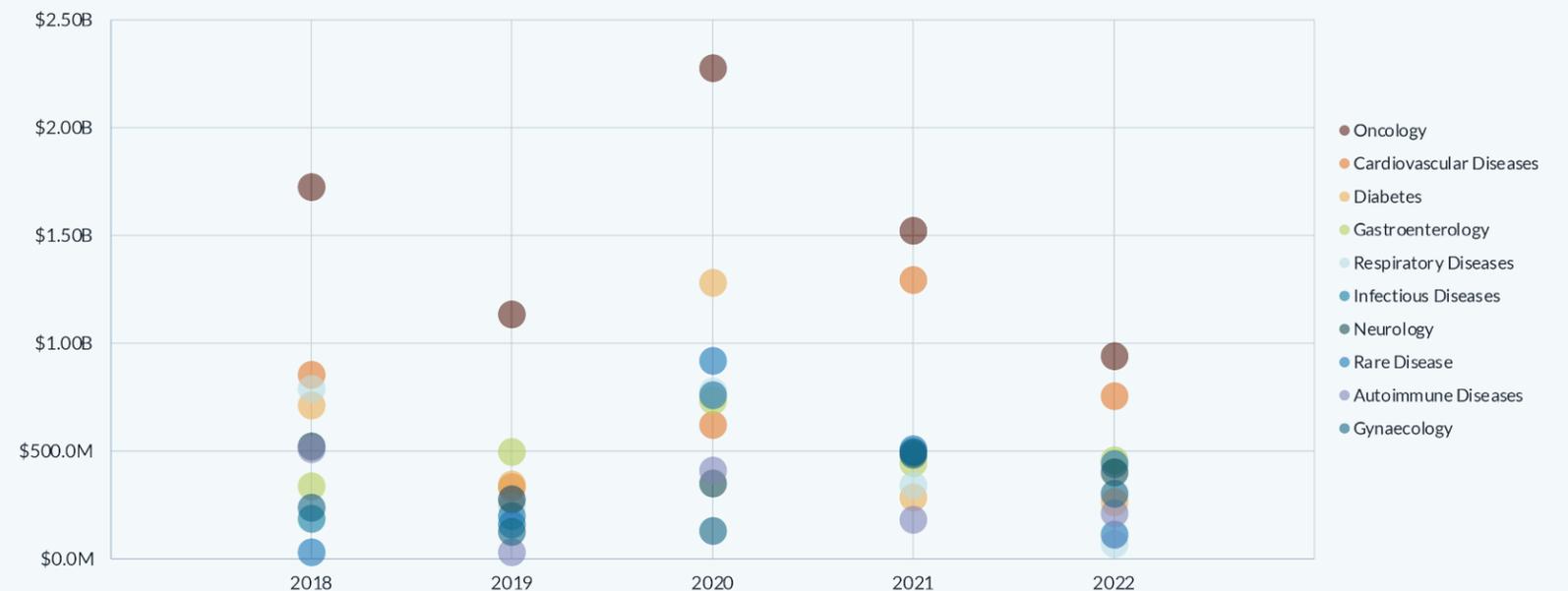


- Disease Agnostic
- Cardiovascular Diseases
- Infectious Diseases
- Other Therapeutic Areas
- Oncology
- Gastroenterology
- Neurology

Therapeutic Areas	Total Funding in 2022	Rank in 2021	Largest Deal in 2022
Oncology	\$942M	#1	<u>HaploX (海普洛斯)</u> \$100M (Series D)
Cardiovascular Diseases	\$757M	#2	<u>Biofourmis</u> \$300M (Series D)
Gastroenterology	\$457M	#7	<u>AI Medical Service (AIメディカルサービス)</u> \$62M (Series C)
Infectious Diseases	\$439M	#5	<u>MedGenome</u> \$50M (Series E)
Neurology	\$401M	#4	<u>NeuroEchos (诺尔医疗)</u> \$100M (Series A)

## Top 10 Therapeutic Areas by Venture Funding Value, 2018–2022

Funding in Oncology ventures dropped by 38% to \$942M in 2022 compared to \$1.52B invested in 2021. Despite the investment in Biofourmis, total value in Cardiovascular Diseases declined by 41% compared to last year.



# 2022 Asia Pacific Noteworthy

ASIA PACIFIC: NOTEWORTHY

## Noteworthy Deals Asia Pacific

Venture	Lead Investors	HQ Country	Category	Stage	Date	Deal Value (\$)
<u>Insilico Medicine</u>	Sanofi	Hong Kong	Drug Discovery	Strategic	11/2022	1.2B
<u>Enzymaster (酶赛)</u>	Yuansheng Chuangtou	China	Omics Related Research, Bioinformatics	Series C	1/2022	300M
<u>Biofourmis</u>	General Atlantic	Singapore	Digital Therapeutics	Series D	4/2022	300M
<u>PharmEasy</u>	General Atlantic, Canada Pension Plan Investment Board, Abu Dhabi Investment Authority	India	Consumer Marketplace	Series F	9/2022	250M
<u>WeDoctor (微医)</u>	Shandong Tianye	China	Medical Concierge	Series F	7/2022	149M

ASIA PACIFIC: NOTEWORTHY

## Noteworthy Exits Asia Pacific

### M&A

Venture	Acquirer	HQ Country	Category	Date	Deal Value (\$)
<u>ResApp</u>	Pfizer	Australia	Diagnosis Tools	10/2022	8.0B
<u>Total Brain</u>	SonderMind	Australia	Consumer Education, HCP Education	11/2022	undisclosed
<u>Preferred Networks</u>	undisclosed	Japan	Diagnosis Tools, Medical Imaging, Omics Related Diagnosis, Drug Discovery, Omics Related Research	10/2022	undisclosed
<u>3Sunny</u>	Teijin Pharma	Japan	Medical Concierge, Care Coordination	10/2022	undisclosed
<u>Medo</u>	Exo	Singapore	Medical Imaging	10/2022	undisclosed

### SPAC

Venture	Acquirer	HQ Country	Category	Date	Deal Value (\$)
<u>EUDA Life</u>	8i Acquisition 2 Corp.	Singapore	Teleconsultation	4/2022	90M

### IPO

Venture	HQ Country	Category	Date	Opening Price*	Amount Raised At IPO (USD)	Market Cap	Change In Share Price %**
<u>Zhiyun Health (智云健康)</u>	China	Hospital	7/2022	30.5 HKD	\$86.3M	314.7 HKD	-59%
<u>Lunit (루닛)</u>	South Korea	Diagnosis Tools	7/2022	30,000 KRW	\$27.7M	246.9B KRW	-10%
<u>Mega Genomics (美因基因)</u>	China	Omics Related Diagnosis	6/2022	17.82 HKD	\$20.0M	4.22B HKD	-27%
<u>Microba Life Sciences</u>	Australia	Omics Related Diagnosis	4/2022	0.44 AUD	\$30.0M	99.55 AUD	-23%

\*\* opening share prices as of 27 Dec 2022

ASIA PACIFIC: NOTEWORTHY

## Noteworthy Partnerships

Corporate/Organization	Venture	Country	Date	Primary Category
<u>Sumitomo Life Insurance</u>	<u>Famione</u>	Japan	12/2022	Health Information Platform
<u>LG Electronics</u>	<u>Asleep</u>	South Korea	12/2022	Wellness Apps
<u>FWD Insurance</u>	<u>Thoughtfull</u>	Malaysia	12/2022	Corporate Health
<u>AON</u>	<u>DocDoc</u>	Singapore	11/2022	Medical Concierge
<u>Roche</u>	<u>TOPGEN</u> (鼎晶生物)	China	11/2022	Omics Related Diagnosis

ASIA PACIFIC: NOTEWORTHY

## Most Active Partners in Digital Health

Corporate Partner	Partner Type	Total No. of Digital Health Partnerships since 2012 in APAC	No. of Digital Health Partnerships in 2022 in APAC	Recent Partnership	Venture Category
<u>AstraZeneca</u>	Bio-/Pharma	52	2	<u>alveofit</u>	Remote Monitoring Devices
<u>Novartis</u>	Bio-/Pharma	34	1	<u>Integrity Healthcare</u>	Disease Management
<u>Pfizer</u>	Bio-/Pharma	31	2	<u>Elucidata</u>	Drug Discovery
<u>Roche</u>	Bio-/Pharma	36	5	<u>OncoShot</u>	Decentralised Clinical Trials
<u>Sanofi</u>	Bio-/Pharma	31	3	<u>Insilico Medicine</u>	Drug Discovery

ASIA PACIFIC: NOTEWORTHY

## Most Active Investors in Asia Pacific in 2022

Investor	Type	Cumulative # of Digital Health deals in APAC since 2012	# of investments in Asia Pacific (2022)	Latest Participated Investment	Date	Total Value of Latest Deal
<a href="#">HealthQuad</a>	Venture Capital	14	7	<a href="#">BeatO</a>	11/2022	\$33.0M
<a href="#">TIPS</a>	Government	52	6	<a href="#">Blue Signum</a> (블루시그넘)	8/2022	\$0.4M
<a href="#">East Ventures</a>	Venture Capital	15	5	<a href="#">Klar Smile</a>	8/2022	\$4.5M
<a href="#">Goodwater Capital</a>	Venture Capital	5	5	<a href="#">My-Doctor</a> (나만의닥터)	12/2022	\$4.8M
<a href="#">Sequoia Capital China</a>	Venture Capital	78	5	<a href="#">Neuracle</a> (博睿康)	12/2022	\$14.4M

# What's Next for Digital Health in 2023?

Galen Growth's [Global 2022 Year End Report](#) looked at the global ecosystem developments throughout the year and highlighted trends to expect in 2023: 2022's geopolitical uncertainty has precipitated the inevitable transition from the Digital Health 1.0 era to the 2.0 era with Digital Health reaching an inflexion point and evolving into a more mature ecosystem enabled by numerous factors:

**+20%** Increase of unique investors

in 2022 over 2020 indicates that the pandemic encouraged investors' appetite to invest in the Digital Health ecosystem. Investment downturn in 2022 is driving a flight toward quality funding opportunities and greater due diligence rigor, such as evaluating a venture's [Clinical Strength](#) to confirm that the venture's solution can deliver the expected medical results.

**62%** of acquisitions in 2022 were venture-to-venture

Ventures are finding that funding terms & conditions are far less favorable and valuations are continuing to return to reality. This is leading to consolidation, where ventures that are unable to find scaling capital are acquired by mature ventures looking to capitalize on economies of scale.

**+21%** of partnerships with Digital Health ventures were captured by healthcare systems and providers,

who are driven by a need for greater productivity and are demanding end-to-end solutions that don't require a patchwork of software solutions or apps for a single patient or physician. These [Digital Health platforms](#) are becoming possible as mature ventures, which were able to raise capital for expansion during 2020 and 2021, focus on unit-economics and less mature ventures seek strategic exit opportunities to survive the lack of funding.

**40** biopharma companies have at least five Digital Health ventures

in their [partnership portfolios](#), with the number increasing YOY due to the margins of healthcare incumbents increasingly being pressured lower and leadership teams scrambling to improve productivity. Biopharma has the opportunity to accelerate innovation through partnering with [Digital Health ventures in Research Solutions](#) and Clinical Trials in order to fill in the gaps of missing capabilities to boost their pipeline.

Digital Health solutions are building proof points, while health systems are beginning to understand the value that these solutions will bring to productivity and to relevance to patients. The path forward into 2023 will certainly be more challenging, but this new landscape will strengthen the pipeline of ventures, driving innovation and business model viability further to bring the Digital Health promise nearer.

# Key Information

## Scope of Report

This report covers Digital Health ventures with incorporation date after 2002. The data is valid as of 03.01.2023.

Digital Health is defined as the intersection between healthcare and technology, and is also referred to as HealthTech. Digital Health does not include Biotech (protein research or pharmaceuticals), MedDev (devices that are mechanical and electronic in nature), neuro-stimulates, opioids and minimal-invasive instruments. We recommend reviewing our taxonomy on the next page for further details.

## Data Sourcing and Tracking

Galen Growth tracks a comprehensive inventory of key data points ranging from company demographics, funding and valuation to in-market capabilities on a continuously growing and curated list of HealthTech ventures drawn from global markets. Data is collated from primary research, public domain sources (press releases, news, public filings), proprietary analytics and from its unique network.

The information is:

- Disclosed and undisclosed by nature
- Continuously updated with the latest data
- Curated from both direct and indirect verified sources
- Augmented with our proprietary algorithms

Each HealthTech Alpha Index and Score is calculated using proprietary algorithms and data points drawn from our carefully curated HealthTech Alpha database. We recommend reviewing page 43 for further insights.

## Key Terms and Definitions

<b>Base Currency</b>	USD
<b>Early Stage</b>	All deals up to and including Series A Stage
<b>Growth Stage</b>	All deals at Series B & C stage
<b>Late Stage</b>	All deals at Series D & Beyond Stage
<b>Exit</b>	IPO, SPAC and M&A deals
<b>HTA</b>	Health Tech Alpha

## Important Information

This report is provided solely for informational purposes and was prepared in good faith on the basis of public information available at the time of publication without independent verification. Numbers will be updated from time to time to reflect information identified after the event.

Galen Growth does not guarantee or warrant the reliability or completeness of the data nor its usefulness in achieving any particular purposes.

Galen Growth shall not be liable for any loss, damage, cost or expense incurred by reason because of any person's use or reliance on this report.

This report is a proprietary aggregation of publicly available and undisclosed data and shall not be forwarded or reproduced without the prior written consent of Galen Growth.

## Research Inquiries

For more information about data, research and Galen Growth's proprietary algorithm contact: [research@galengrowth.com](mailto:research@galengrowth.com) for more information.

# Galen Growth Digital Health Taxonomy™

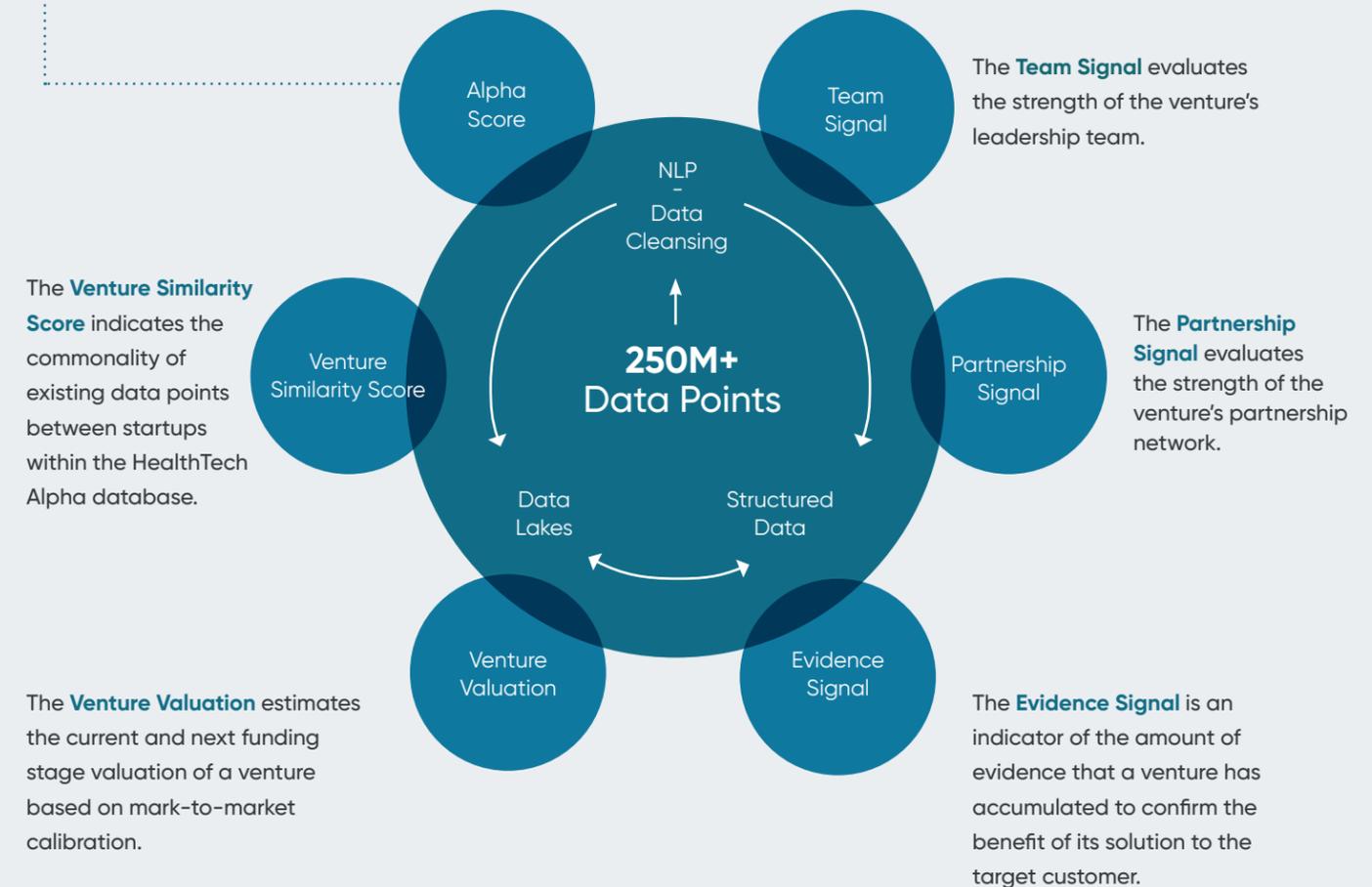
<b>Health Management Solutions</b> EHR / PHR Hospital Pharmacy Physician / Clinic Prescriptive Analytics	<b>Health Services Search</b> Healthcare Navigation Medical Concierge Medical Tourism Triage	<b>Health InsurTech</b> Health Claim Management Health Insurance Medical Payments	<b>Medical Diagnostics</b> Diagnosis Tools Medical Imaging Omics Related Diagnosis
<b>Medical Education</b> Consumer Education HCP Education Health Information Platform	<b>Online Health Communities</b> Other HCP Networks Patient Health Forums Physician Networks	<b>Online Marketplace</b> Consumer Marketplace On-demand Lab Tests Online Pharmacy Professional Marketplace	<b>Patient Solutions</b> Digital Therapeutics Disease Management Health / Symptom Checker Medication Management
<b>Population Health Management</b> Care Coordination Corporate Health Home Healthcare Integrated Solutions	<b>Remote Devices</b> Assistive Care Remote Diagnostic Devices Remote Monitoring Devices	<b>Research Solutions</b> Bioinformatics Drug Discovery Omics Related Research	<b>Clinical Trials</b> Decentralized Clinical Trials Clinical Trial Matching Data Collection Tools
<b>Telemedicine</b> Teleconsultation Telepathology Teleradiology Telesurgery	<b>Veterinarian</b> Animal Health Forums Animal Imaging Animal Monitoring Omics Related Veterinary Televeterinary	<b>Wellness</b> Omics Related Applications Smart Equipment Wearables Wellness Apps Wellness Information Platform	<b>Safety &amp; Security</b> Counterfeit Tracking Cybersecurity Pharmacovigilance
<b>Healthcare Logistics</b> Transportation Management On-demand Delivery	<b>Other</b> Contamination Management HCP Job Board Healthcare Marketing Social Enterprise Software Provider		

# Digital Health Analytics



The **Alpha Score** is a 360° Venture Maturity assessment that aggregates four distinct and independent Alpha Indices

- **Momentum index:** evaluates the present performance and fitness of the venture relative to its ecosystem peers.
- **Money index:** quantifies the financial strength and well-being of the venture based on its financial history and investor quality.
- **Market index:** evaluates the health of the sector category and sub-category in which a startup competes.
- **Innovation index:** evaluates the degree to which the venture is solving healthcare pain points.



# About Galen Growth



Our unique combination of data, analytics, specialist teams and a Digital Health network enables our clients to outperform their competition.

## Global Digital Health Ecosystem Coverage

Our unmatched coverage of the world's most innovative Digital Health ventures means more innovation choice and better outcomes.

Our U.S., Asia and European offices serve clients worldwide.

## Specialist Team with Decades of Experience

With decades of experience, our team of analysts, researchers, insurance & life sciences industry experts extend your team with specialist insights and skills.

## Tailored Innovation Solutions

Whatever stage you are at in your innovation journey, we have a world-class solution to enable you to succeed. Every solution leverages our unrivaled Digital Health data.



# About SPAG/ FINN



Founded in 2011, FINN is one of the world's fastest growing independent agencies, serving clients through a powerful combination of hands-on partnerships, highly specialized, deep-rooted expertise and a values-driven culture that champions collaboration and innovation, and strives to create a more equitable world.

United with health marketing and communications powerhouse, SPAG/FINN is recognized as one of the Top Global Health Agencies by PRovoke Media and a leading firm in health communications in Asia, with an unparalleled bench of experts dedicated to unifying the fragmented health ecosystem. Our strong presence in APAC spans 175+ professionals, full-stack service offerings, and offices in Singapore, Malaysia, Philippines, Shanghai, Beijing, Hong Kong, Indonesia, Thailand, Delhi, Mumbai and Bangalore.

33  
offices

15+  
industries

3  
continents

1,400+  
people

# About Our Partnership

Galen Growth, the leading digital health, data-driven market intelligence company, and FINN Partners, a global integrated marketing services agency, announced a joint effort to mine data and produce the first "Global State of Digital Health Report." The first report drawing input from some 200M data points and more than 12,000 digital health ventures across the globe, was released at the November HLTH Conference in Las Vegas. Additional quarterly reports are anticipated throughout the coming year.

With this partnership, experts from the FINN Global Digital Health Group are working side-by-side with Galen Growth data and research professionals to chart the complex and often fragmented digital health landscape, emerging market trends and areas of growth and innovation, and look beyond equity funding to explore what's expected to happen in this fast-paced digital health sector. The combined team will look beyond the "hype" of digital to map the priority and practical opportunities for decision-makers.

The first of the two reports laid the groundwork for future reports recapping the year to date in digital health and focus on global investment insights, categories and therapeutics, to name a few themes that hold great potential to benefit from digital applications and 2023 trends.

