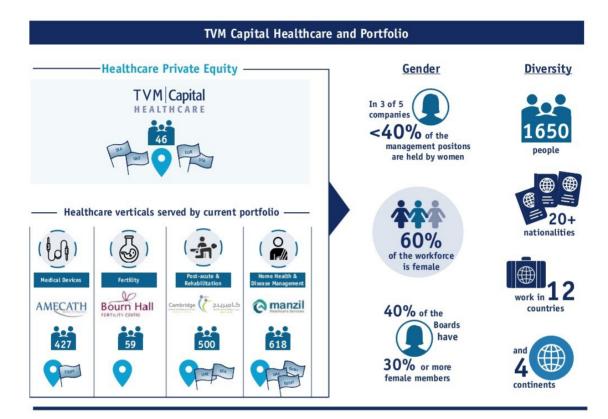
12/13/21, 6:16 PM

Markets, Locations, Gender and Diversity

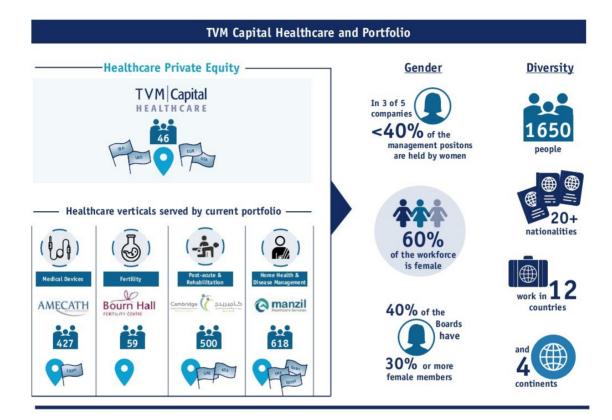
We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

Markets, Locations, Gender and Diversity

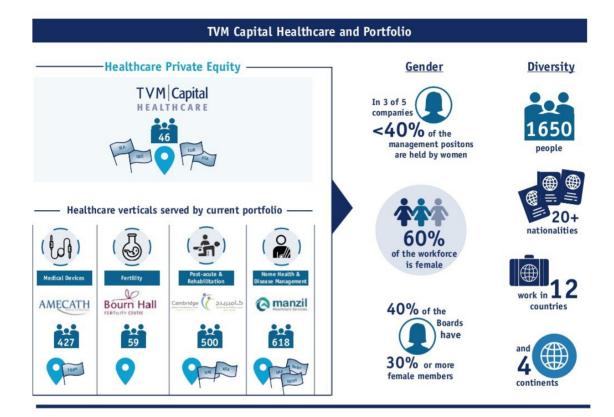
We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

Markets, Locations, Gender and Diversity

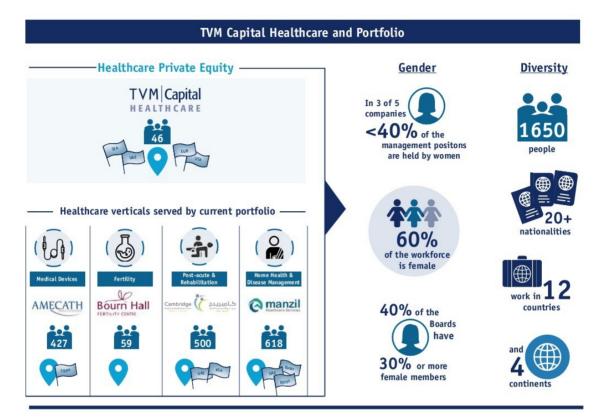
We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

Markets, Locations, Gender and Diversity

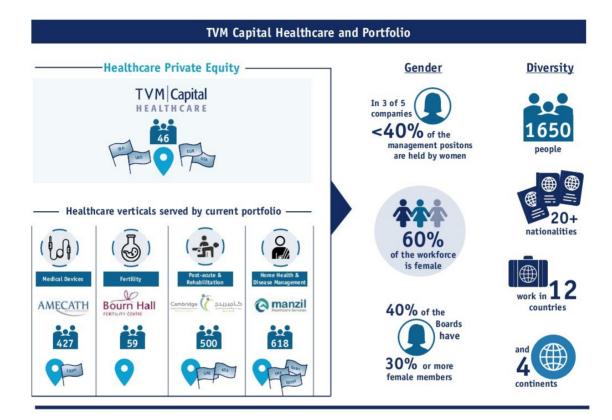
We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

Markets, Locations, Gender and Diversity

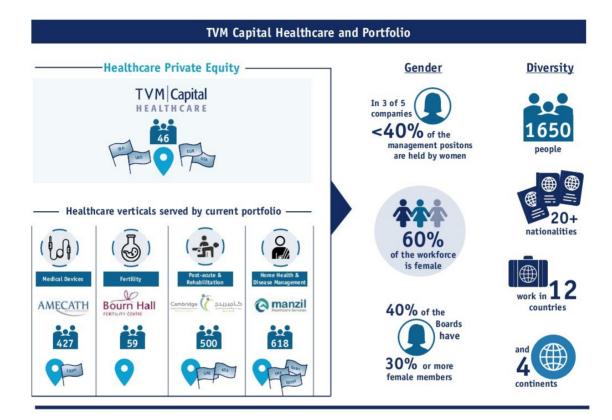
We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

Markets, Locations, Gender and Diversity

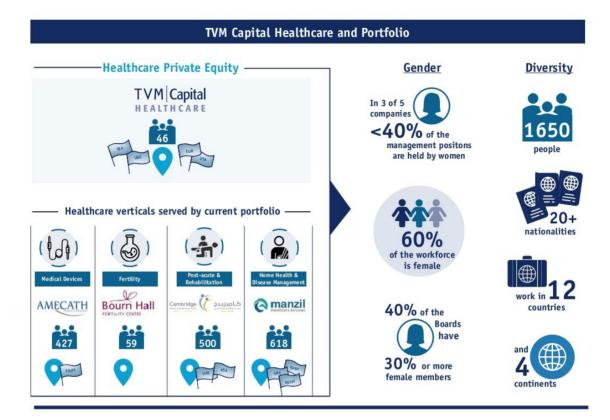
We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

Markets, Locations, Gender and Diversity

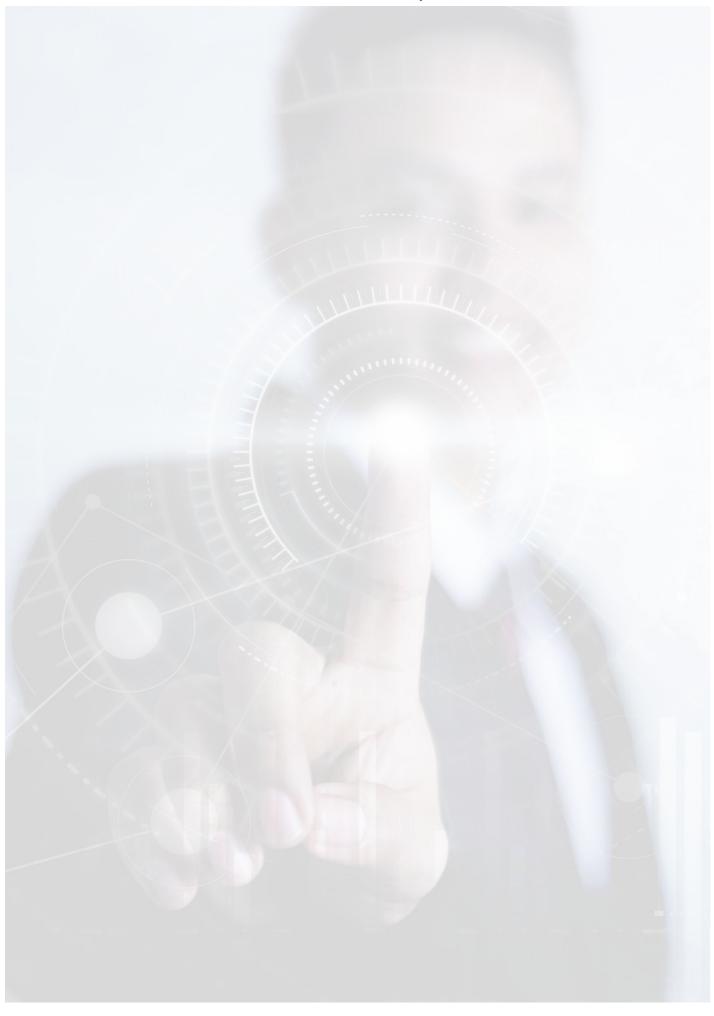
We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

TVM | Capital HEALTHCARE





CONTENTS

LETTER OF THE CHAIRMAN	4
TVM CAPITAL HEALTHCARE INVESTMENT APPROACH	5
LEADERSHIP COMMENT, DR. HELMUT SCHUEHSLER, CEO & CHAIRMAN	7
OUTLOOK - FOCUS ON SOUTHEAST ASIA	8
LEADERSHIP COMMENT, MA HUI HSING, SENIOR DEAL ADVISOR	10
THE TEAM - ADDING VALUE, REDUCING INVESTMENT RISK	11
LEADERSHIP COMMENT, CARL STANIFER, OPERATING PARTNER	12
LEADERSHIP COMMENT, ORHAN OSMANSOY, OPERATING PARTNER	15
IMPACT, DIVERSITY, GOVERNANCE	16
LEADERSHIP COMMENT, HODA ABOU-JAMRA, FOUNDING PARTNER	19
ACTIVE PORTFOLIO - OVERVIEW	20

ANNUAL REPORT 2018

>> Letter of the Chairman

Dr. Helmut M. Schuehsler
CEO & Chairman



Looking back at 2018, some key developments sit front of the mind: first and foremost, the successful development of our portfolio, in a rapidly changing healthcare ecosystem that delivered a good number of challenges throughout the year. The growth of healthcare spending in the UAE has been quite significant, and the government's intent is on curbing this growth. It will require robust interaction between the Emirates' leaders, regulators, insurers and care providers as well as patients, to come up with solutions that actually address the underlying causes of this ever-increasing healthcare spending, which is the result of several years of strong growth and increased quality, availability and access to healthcare in the Emirates.

The most interesting deal in our portfolio in 2018 was undoubtedly the minority acquisition of the Bourn Hall Clinics in the UAE by large hospital system Mediclinic. Mediclinic was seeking better access to assisted reproduction across the UAE and provided access to two locations in the Emirate of Abu Dhabi which in turn supported Bourn Hall UAE's plans to expand into Al Ain and Abu Dhabi. We consider this partnership a win-win situation and have great hopes in the growth of Bourn Hall UAE which has already been established as a leading player in the fertility and in vitro fertilization (IVF) field in Dubai in the last seven years.

Our continuum of care companies Cambridge Medical and Rehabilitation Centre (CMRC) and Manzil Health-care Services (Manzil) have gradually and consistently increased their market presence in the GCC. CMRC built out its first facility in Dhahran in the Eastern Province in Saudi Arabia which opened in Q2 2019, Manzil in turn expanded into Kuwait through a Patient Support Program (PSP) with a large pharma-ceutical company and is in the process of getting its business licensed in Saudi Arabia. Finally, our medical device manufacturer Amecath Medical Technologies has made good progress in improving product quality, further streamlining product programs and export markets to focus on the most promising avenues of business. After a longer period of planning and negotiations, the stage is now set for the first delivery of Amecath products into the U.S. market, which could well turn out to be a game changer for the company.

In Southeast Asia, one of our regions of interest, one of the key challenges the healthcare industry faces, is building a sufficiently accessible ecosystem of healthcare providers as well as public and private insurance companies to create a vibrant market for services with a multitude of payment options. We have made great progress in putting together a group of Senior Advisors with a tremendous level of experience in running healthcare companies across Southeast Asia, and we are currently hiring for our new office in Singapore which we formally established in Q3 2018.

Fundraising continues into 2019 in a market that can be called tough. This is true for emerging markets fund managers in general, but particularly for industry specialists like us. However, we consider our specialization a fundamental advantage in the market, in our conversations with entrepreneurs and management teams, as well as in the creation of attractive and sustainable returns. We plan to double down on our industry expertise and long-standing experience in the field at an international level and look forward to updating you in due course.

Upwards and onwards!



>>> TVM Capital Healthcare Investment Approach

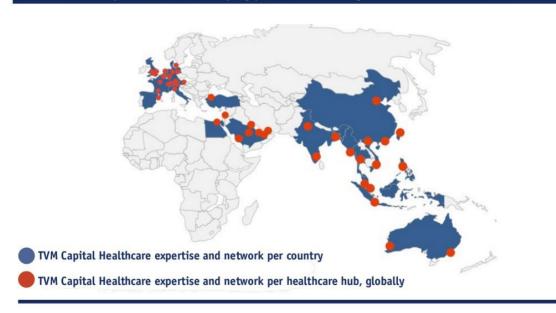
Investing in transformational healthcare companies

As an investor we have been active in in the Western world in Europe and in the United States and Canada for about 30 years.

10 years ago, we recognized that there is a demand for high-quality healthcare services and products in many other parts of the world. Healthcare accessibility and quality in Emerging Markets is still a problem and we felt a need to refocus our investment geographies to leverage the opportunity in bringing good and affordable healthcare to regions where there was an unmet demand. With our current portfolio we invested in and grew companies, pre-dominantly in the MENA region, that were able to meet the demand for specialty care services and concepts, such as post-acute care, rehabilitation, premium fertility services and high-quality, innovative medical devices with competitive pricing.

With our hands-on investment approach and our unique set of global healthcare experience, as a very active private equity investor and with our focus on operational excellence, we are adding value throughout the holding period for our investments making sure, that that management teams get the support needed to execute on their growth plans while concentrating on their business idea.

TVM Capital Healthcare - uniquely positioned to drive global healthcare innovation



4/5

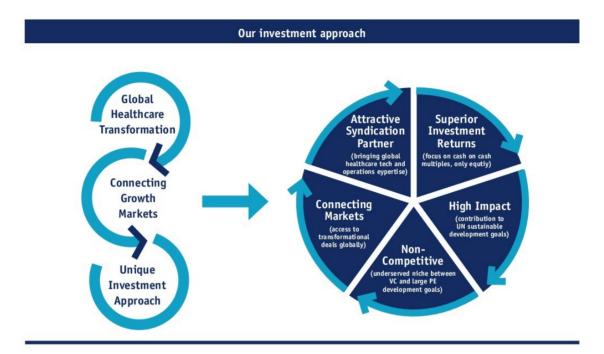
Bridging healthcare innovation and healthcare demand globally

Healthcare is undergoing dramatic innovation-led transformation in all areas globally. Rapid advances in digital technologies, big data interpretation, pharmaceuticals and medical devices, diagnostics, evidencebased medicine, precision medicine, telemedicine, machine learning and artificial intelligence drive rapid and fundamental change. Implementing today's innovative solutions to make care faster, more accessible, more cost-effective, more transparent, more personal, more specialized, targeted, and self-managed requires

ANNUAL REPORT 2018

connecting innovative, transformational healthcare companies with the markets that are in need of their offering; and provide the growth capital and operations experience needed to succeed in these markets.

This rapid development needs globally active, and globally connected private equity "Catalysts" and "Connectors" like TVM Capital Healthcare who combine dynamic business growth with impact, through our focus on innovation, quality, compliance, governance, transparency, quality, sustainability, unmet medical needs and outstanding patient care. This global approach to healthcare investing is highly de-risked.



The world is increasingly flat, novel medical solutions travel rapidly from West to East and East to West. Western countries need transformation to increase quality and contain cost, Emerging Asia and the Middle East have the once in a lifetime opportunity to leapfrog healthcare solutions. Connecting the sources of healthcare innovation with the communities that are in most need of such innovation is a key growth factor driving the success of our existing portfolio companies and key element of success for future investment activities.



Leadership Comment



Unleashing Global Healthcare Innovation

Medicine is an inherently optimistic discipline. It is about making people better – and it is about finding better ways to make people better. Healthcare's evolution from spirit dances to synthetic organs has been driven by a persistent belief in the possibility of improving the body and mind. Innovation is the engine of progress, and in many ways, today's healthcare innovators are highly privileged. Advances in fields from computing to materials science are making new methods and models of patient care possible. Moreover, having observed its benefits elsewhere, investors, regulators and patients are broadly friendly to attempted innovation. The tools exist to support the next leaps forward.

But there is still a gap between possibility and reality. On paper, futuristic digital technologies should already have revolutionized the delivery of healthcare to everyone, everywhere. Their effects in other fields (such as communications and banking) have been profound. In reality, however, the adoption of disruptive medical innovations has sometimes been ponderous and incremental. Why is this? First, medicine has a cautious instinct. For a business concerned with lives and limbs, this is a necessary check on risk. But it does mean that while innovations in other industries can be freely tried and discarded, new medicines and medical equipment, devices, and techniques must be vetted carefully before adoption at scale. This slows the pace of change. Conservativism reigns supreme, and for good reason.

The second highly impactful factor is that physicians often balk at the apparent opacity of Artificial Intelligence. AI is among the richest sources of potential

innovation across the care value chain, from early triage and diagnosis to treatment and monitoring. Yet AI can also seem like a "black box", yielding unexplainable results derived by unknown people through the application of unknown data. To scientifically minded physicians who like to know exactly how things work, AI's inaccessibility can obscure its practical virtues.

Third, "data fragmentation" hurts innovations which thrive on big data-sets. Many tools and technologies perform better (i.e. more precisely, accurately, and reliably) with access to more data. Yet in the current system, companies and institutions are sometimes discouraged from sharing mutually-relevant data. This tendency towards fission muzzles powerful but datahungry innovations. On the other hand, sharing of data runs up against concerns of data privacy - again something that is of high societal relevance and which requires a broad societal consensus for true progress. So how can we get better at converting invention into innovation? Articulating the medical benefits of new products, methods and technologies - and making a clear business case for patients, payors and systems - will soothe potentially sceptical patients, doctors and managers. Entering a broader discussion in society about the upsides and downsides of data collection, sharing and interpretation is probably the biggest need.

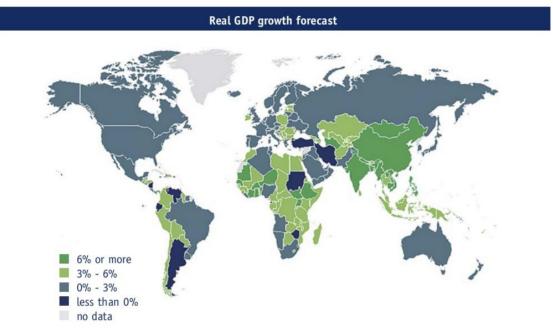
Fashioning a system - through clear and transparent rules and regulation - which incentivizes the secure and properly-governed use of data within and between institutions will unleash the clinical power of big-data technologies. This is as much as public policy and regulation issue as it is a commercial opportunity. Data in medicine cannot be viewed and judged only from the viewpoint of applicability and usefulness. Our mission is to help foster this change. We are a specialist investor and work with some of the most innovative companies in the world's fastest-growing markets. Our basic goal and focus is to support the application of cutting-edge innovations in the real world and thereby to make healthcare better, faster, less costly. For us, innovation breeds opportunity. We all stand to gain from this approach – whether as practitioners, investors or prospective patients. There are many incipient medical innovations which, if fully realized, would transform delivery models and care pathways for the better. Healthcare today would seem wondrous to the shamans and druids of earlier generations. Who knows how brilliant tomorrow's innovations could seem to us?

6/7



>>> Outlook - Focus on Southeast Asia

Following our general investment approach of connecting growth markets and provide private equity to transformational healthcare companies, the Southeast Asian region is certainly one of the fasted growing regions - based on GDP increase - globally. GDP growth is generally accompanied with an accelerated development of the healthcare sector and a strong growth in healthcare spending.



Source: IMF, Real GDP Growth, April 2019, Datamapper

The investment opportunity in Southeast Asia is largely driven by growing populations, rise of income, aging demographics and the rise of chronic diseases. Governments in Southeast Asia (SEA) continue to roll out universal health care systems amid rapidly growing demand for services. Innovation is playing a bigger role in augmenting traditional care management approaches. The region is seeing the emergence of new, patient-centric, collaborative business models, wellness and lifestyle-themed health services, telehealth initiatives, and more. Healthcare in Asia is largely multi-specialty acute hospital driven with underrepresentation of primary care, home care, rehab/long term care, and single specialties such as dental, cancer care and IVF. Where single specialty and ex-hospital-based care exists, this is often fragmented with highly variable quality. As health systems in these markets mature and evolve to deliver the most high quality cost-effective care, these approaches beyond hospitals will become much more important.

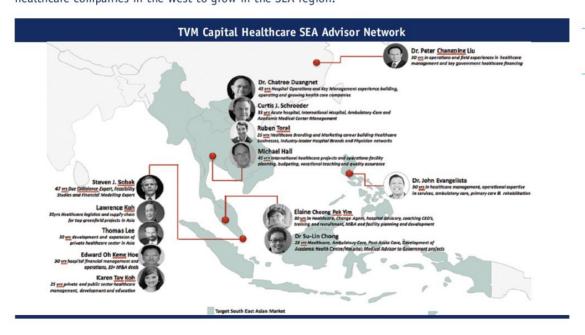


The market dynamics ins Southeast Asia resemble the dynamics we have seen in the MENA region when we launched our Emerging Markets focus.

The TVM Capital Healthcare footprint in Southeast Asia

We have invested in thoroughly understanding the SEA target geography through attracting a deep bench of highly experienced industry leaders in several key countries. With our advisory network, we enjoy access to top SEA entrepreneurs, large companies, governmental institutions and other key players in the healthcare market. Our focus on operations and execution, and our ability to get deeply involved if required, determines our ability to create successes and add value in the process. We have opened an office in Singapore and are currently seeking MAS licensing.

Our network of Senior Advisors combines 300 years of healthcare experience and deep industry knowledge with local market experience. In the coming years we will replicate successful care models in SEA to fill the gaps in specialty care, transfer knowledge and expertise to SEA based business and help innovative healthcare companies in the West to grow in the SEA region.



8/9

Leadership Comment



Why is innovation needed in Southeast Asia's healthcare systems and why is it an attractive investment opportunity?

If "necessity is the mother of invention" is a truism, the healthcare sector in Southeast Asia is ripe for lift-off in accessible and affordable healthcare.

The 10-country ASEAN region, counts a population of over 600 million, dispersed over a large geography. Communities are culturally and ethnically heterogeneous, even within countries, with different patterns of consumption. The quality of local healthcare provision ranges from good but with key gaps for its urban middle class and poor to non-existent for its urban poor and rural communities. In addition, the region faces a shortage of health workers and WHO forecasted that Southeast Asia faces a 4.7 million shortage by 2030. With minimal insurance or state payment cover, millions are just one major illness away from financial catastrophe.

ASEAN's aspiring urban, chronic care and aging populations desperately need better healthcare quality and delivery, especially in post-acute and home-based healthcare. To address such underserved needs, successful and scalable healthcare products and services require innovation to achieve better patient outcomes and/or leverage resource productivity for private and public healthcare providers.

Many of its public and private sectors have or are ready to deploy such technologies, possibly leap-frogging the developed world's traditional healthcare systems. These include novel but proven platforms incorporating smart technology products and innovatively connected devices, services, software and payment models for monitoring, diagnosis and treatment consultation connected to existing healthcare providers as well as consumer health apps for mobile devices.

Two major challenges to innovation businesses are that although ASEAN is making progress towards a harmonized market, industry development across countries are at different stages and regulatory regimes remain distinct and cumbersome for timely regional market entry. One approach is to focus on the rising ASEAN urban middle class who share similar healthcare demands and are an attractive and high growth market segment.

There are also new entrants who have applied technology solutions and business models from other industries to ASEAN healthcare needs, engaging directly with the patient-customers across its wide demographic and geographical spectra, partnering with the more progressive private and public sectors and challenging regulatory boundaries with their cross-border platforms. Recently, a few de novo biomaterials and biologics have also been launched in Asia markets ahead of the US.

At TVM Capital Healthcare we are focused on bridging the innovative healthcare and models from West to emerging markets and vice versa. Our team built category leader investments with strong operating network and track record globally and in emerging markets. This foundation enables us to understand and successfully translate healthcare delivery across different market dynamics. The healthcare sector in Southeast Asia will innovate to meet their patient-customer needs and we are ready to catalyze their innovation.

>>> The Team - Adding Value, Reducing Investment Risk

The TVM Capital Healthcare brand encompasses the DFSA regulated Fund Manager and the DMCC regulated TVM Operations Group both based in Dubai as well as offices in Singapore, Munich and Boston, and a closely-knit global network of advisors, all very experienced healthcare industry managers with diverse backgrounds. Our investment and operations teams have worked in healthcare for essentially all their lives, in healthcare and life sciences, holding leading management positions in the USA, Europe, the MENAT region and in Asia. In their previous roles they have invested in cutting edge science, banked the healthcare industry, worked as a medical professional, run healthcare companies, hospital chains and medical systems, or created new care concepts and companies.

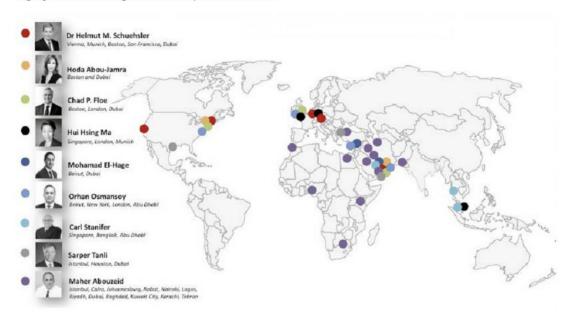
The group of partners are a true catalyst for transformation in healthcare, financing the growth of real world application of novel technologies and new science, supporting companies to achieve their growth plans.

Partners and Operating Partners



Global Healthcare Investment and Management Experience

Healthcare innovation flows regardless of national borders. TVM Capital Healthcare is in a very unique position to be able to identify innovative healthcare solutions globally and connect them with the markets where they are needed by providing growth capital and support by an internationally experienced and highly diverse management and operations team.



Leadership Comment

FOCUS SOUTHEAST ASIA - An interview with Carl Stanifer, Operating Partner



Operating Partner Carl Stanifer has worked in 10 different countries with 10 different healthcare systems. His conclusion: the way health-care services

and products are delivered does not change too much and TVM Capital Healthcare has lots of emerging market domain expertise to draw upon. What needs to be understood from market to market and even within markets are payment cycles, regulatory and demographics. A process that needs to be covered thoroughly within due diligence processes.

What are TVM Capital Healthcare's plans in Southeast Asia?

Southeast Asia is a prime market for us because of the growing middle class, the aging demographics, and increasing penetration of private insurance. Another key factor is the high level of homegrown talent in clinical and managerial functions. We feel there are investment opportunities in meeting specific needs that are not well served at the moment in urban areas, as well as investing in firms that employ digital technology, and potentially artificial intelligence, to reach people in more remote areas. Most countries in Southeast Asia are of interest to us. As we look to prioritize, our focus will be on Malaysia, Thai-land, Indonesia, Vietnam and the Philippines -- countries which we believe display strong and growing demand for investment in targeted healthcare services.

You have worked extensively across Southeast Asia, including for Bumrungrad Hospital in Bangkok, Vista Healthcare Asia In Singapore. Which areas of healthcare in the region are not well served, and where do you see opportunity for investment?

From my experience in Southeast Asia, for example as CFO of Bumrungrad Hospital in Bangkok, I can see that acute care is well served. There are many successful single-campus acute-care providers such as Bumrungrad, with fantastic business models and the competition is very keen. We would help to complement the strong provision of acute care by investing in specialized centres, such as for oncology and opthamology, and in the front end of the continuum of care, such as in wellness and primary care, and at the far end, in post-acute and long-term care. We have already done this successfully in the Middle East, where we have invested in companies providing home care and long-term care, which has alleviated the pressure on ICU units at hospitals and given the specialized, and personalized service that patients and their families need and prefer.

How do you see digital technology changing the provision of healthcare in Southeast Asia?

We have great hopes for this area, and our planned investments could be really transformative. We are looking at companies that are pioneering the use of digital technology and artificial intelligence in h ealthcare, and we would like to bring them to emerging markets. By taking advantage of the rapid spread of mobile phone use across Southeast Asia, we see the provision of immediate, high quality healthcare to rural populations as the logical next step. We are looking to invest in the use technology to empower primary care providers, who may be far from the nearest major hospital, with a competenceand evidence-based decision-making capability. This should bring enormous benefits.

TVM Capital Healthcare has invested in many emerging markets, including in the Middle East and India. What challenges do you see in investing in Southeast Asia?

As an emerging markets specialist investor, we are adept at building portfolio companies, which now have significant combined domain experience. Transferring that experience to Southeast Asia is not difficult as the provision and delivery of healthcare does not differ greatly from market to market. Our main task is to ensure thorough due diligence in our target markets, to ensure that we successfully navigate very different regulatory landscapes and reimbursement systems across the Southeast Asia region. While we have a good investment pipeline in place, we want to take our time and ensure that we have an extremely strong grip on the operating environment.

Do you consider TVM Capital Healthcare an impact investor?

We certainly believe that TVM Capital Healthcare is at heart a specialist private equity firm that does good, as well as doing well. In our conversations with investors, we find that they obviously want to make attractive returns and working with an investment partner that values societal purpose and ethics 12/13 is also key consideration. Building strong, profitable healthcare businesses is a positive force in society in itself, but also gives us the power to act responsibly in adjacent ways. For example, our longterm care portfolio company has thrived by fulfilling a previously unmet need, and has now also provided thousands of hours of free care for patients who did not have the insurance cover necessary. In Egypt, we have built a water purification plant for a village that supplies many of the workers to a medical devices company that we invested in, because of the health issues they were facing. In turn, we now have an excellent relationship with local authorities, which is great for our business.

The focus on operations is a unique angle for our investors

Synthesis: Operating Model

Unique combination of capabilities, strategy and focus.

International Partnering

We work with the best possible partners in the field: Harvard Medical School teaching hospitals, the inventors of IVF, large accreditation institutions, patient centric care organizations.

Value Creation Strategy

Value creation is to our understanding driven by innovation, quality, impact, compliance and governance.



Team Motivation

Our team has worked in healthcare for essentially all their lives, driven by a sense of meaning as well as opportunity to do good and do well.

Team Experience

The team is experienced and connected to all our target markets, and its connectivity in the international markets secures best in class deal flow and top performance.

Relationship Building

We build relationships with entrepreneurs and support excellent teams. At the same time, our focus on people drives attractive entry valuations and creates a strategic partnership between us and the companies we invest in.





Leadership Comment



Private Equity Investor Trends

Throughout this Annual Report we are discussing the transformation in healthcare that is currently taking place across the globe and how we expect to leverage this opportunity through our distinctive investment strategy. Simply put, our strategy is to invest in transformational healthcare companies and to bring their innovative solutions to markets where we see high demand for their services.

We aim to make our portfolio companies" best-in-class" through our hands-on approach, where we strive to leverage our deep competence and operational experience through our single-sector healthcare specialization. When looking at the portfolio section of this report, you will see how our targeted, single-sector focus has enabled our Operations Group to develop our portfolio companies into international champions of healthcare excellence. So, in summary, we are convinced that regional know-how, dedicated industry expertise, and a captive deal pipeline are key factors of success in private equity investing.

Furthermore, we are expanding our footprint geographically, as we have learnt that our unique perspective as a global healthcare investor with panemerging market expertise enables us to access attractive investment opportunities that improve the quality of healthcare services in various regions such as Southeast Asia, the Middle East, Emerging Europe and other markets.

However, over the last couple of years, private equity investors have developed a variety of investment interests that we find need to be met through bespoke and tailored capital vehicles. We are witnessing a convergence between permanent capital and third party AUM allocators. Pensions funds, family offices and sovereign wealth funds are investing via General Partners, but also directly and on their own, and such shadow capital and investor private equity exposure through co-investments and/or direct investments will continue to grow.

At the same time, as institutional investors are trying to rationalize their relationships with private equity managers, General Partners must find ways to meet investor criteria. As such, we are working on alternatives to blind pool funds and conventional private equity fund structures by putting together tailored programs that meet investor criteria via separate accounts and bespoke co-investment arrangements, which we feel will empower our investors to be more than just passive partners in private equity funds.

With this combination of unique deal flow opportunities, an operations heavy approach, tailored capital vehicles, and our experience as a dedicated healthcare private equity investor with a global track record spanning over 35 years, we feel we offer highly attractive investment and partnering opportunities to entrepreneurial companies and investors alike.

¹⁴/₁₅

12/13/21, 6:16 PM

>>> Impact, Diversity and Governance

While it is our key aim is to generate profit for our investors, we have combined our investment approach with a social purpose: creating centers-of-excellence in healthcare in regions where access to high quality services and products is not a given. This is the impact we desire to achieve with our investment approach and strategy. The healthcare sector in the MENAT Region and Emerging Asia is one of the fastest growing globally, which means that healthcare investments per se have a substantial impact on the economy at large and are, at the same time, delivering notable societal benefits which we try to qualify in order to measure the contribution to the U.N. Sustainability Goals 3, 5 and 8.





ESG Policy, Implementation and Reporting

Beginning with an investment into Fund I by the International Finance Corporation (IFC), in 2010, it has been a requirement for us to implement a Social and Environmental Management System ("SEMS") across the portfolio companies complying with te IFC's performance standards and guidance notes on social and environmental sustainability.

Today we have not only implemented and expanded upon the policies required by the IFC for Fund I, but have woven ESG systems and practices into our general investment philosophy and approach of healthcare investing. In 2018, we elevated our ESG reporting with the help of a specialist consultant, we updated our policies accordingly and established an extensive implementation process to ensure our yearly ESG reporting as well as the annual report we are providing as a PRI signatory, meet the latest developments and standards.

The Fund incorporates ESG considerations during the full lifecycle of its investments (including expansions or joint ventures made by its investee companies), through both the Fund and its investee companies committing to the following:

ANNUAL REPORT 2018

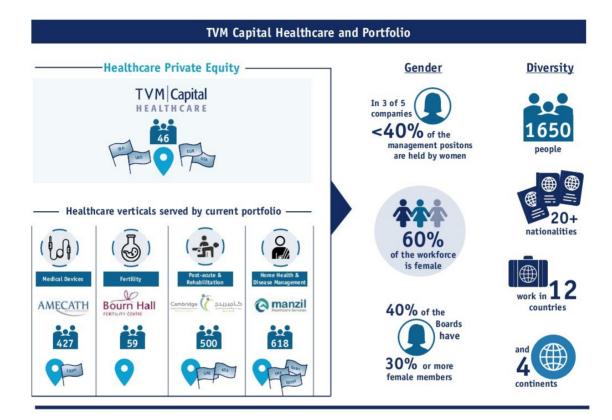
Our ESG Commitments

- Complying with IFC's performance standards on social and environmental sustainability and their related guidance notes and all applicable legislation relating to the environment, health & safety and labour;
- Carrying out ESG due diligence prior to making investments;
- Excluding investments, which fall under the IFC exclusion list or do not comply with the host country or international social and environmental regulatory frameworks:
- Engagement and and provision of support to investee companies to address key ESG risks and opportunities;
- Communicating environmental and social expectations to all staff and other stakeholders and continually building their capacity to identify ESG risks;
- Implementing a comprehensive social and environmental management system and organizational arrangements to ensure accountability and day-to-day responsibility for ESG matters, including through regular EHS and CSR reporting and communication, which include senior management commitment and input;
- Respecting and supporting human and labour rights (including through identifying
 risks in its supply chain in this regard), including freedom of association, avoidance
 of discrimination and prevention of child and forced labour, modern slavery and
 human trafficking through integrating and implementing an HR and whistleblowing
 policy and code of conduct, consistent with IFC Performance Standard 2 and
 international good practice;
- Implementing all reasonable precautions to prevent accidents and diseases occurring
 in the course of business operations and providing employees with safe working
 conditions and a healthy work environment;
- Involving employees in the EHS process and establishing a transparent and open consultation process with stakeholders and affected communities;
- Embracing and celebrating the diversity of people and cultures and positively contributing in each community and country of operations;
- Incorporating resource conservation and energy efficiency measures and minimizing the generation of pollutants and waste; and
- Improving the overall environmental and social performance through enhanced risk management.

¹⁶/₁₇

Markets, Locations, Gender and Diversity

We promote diversity throughout our operations by applying an equal pay policy and ensuring that women are well represented at manager level and in our board rooms. While there is always room for improvement we are proud of our achievements in this sector.



Governance, Ethics and Compliance

Leadership Comment



How to spot strong corporate governance in private equity and drive diversity

They say that trust takes years to build, seconds to break, and forever to repair. It's no secret that private equity in emerging markets has had its fair share of negative headlines in 2018. This scrutiny has centred around the implementation of corporate governance structures, particularly disclosure models and risk frameworks.

But it is important to refrain from painting all GPs with the same brush, and to learn to identify the characteristics that mark strong corporate governance systems from the weaker players, and the motives that encourage a focus on governance.

For example, in many ways, private equity firms and their portfolio companies are less susceptible to governance risks than listed companies. LPs are dependent on maintaining a shining reputation for raising further funds. And private equity board members, seeking rapid value creation and an ultimate exit, should be totally aligned with the interests of founding owners.

As a global healthcare investor, balancing the interests of our shareholders, management, customers, and other public stakeholders has been a key focus since we started investing in emerging markets 10 years ago. We have transferred best practice governance models from our 35-year track record in Europe and North America to our investments in some of the world's fastest-growing healthcare markets, across MENA, India, and now Southeast Asia too.

The benefits of adopting these governance models into our operations have been clear. Most importantly, they

have helped us to grow our bottom line. Studies continue to show us that companies with strong corporate governance models run like well-oiled machines. They have good relations with government and a deep understanding of the regulatory requirements in their markets. Their strategies are shaped by relevant data. And they can maintain a diligent eye on their assets and spot red flags early on.

They are also easier to exit. The industry is still figuring out how to measure this correlation, but the benefit of building a clean asset to distinguish from other investors was clear to us when we successfully sold ProVita International Medical Center to NMC Health plc in 2015. And it has become even more important in today's challenging exit market. Finally, introducing an extra step of ESG and SDG -focused reporting has helped us to ensure that we optimize our impact and contribute to the societies we operate in. Healthcare is heavily regulated by private and public regulatory bodies that monitor negligence and compliance with safety standards, due to its important role in society. But specific governance reporting connects us to global ESG conversations to help align our business models with community challenges. Our ESG reporting helps us to highlight our impact through job creation and better healthcare for more people, combined with a relentless focus on improving industry transparency.

So why are companies still getting caught out? For one, building strong governance models is a costly affair, once you consider the additional roles, reporting, and monitoring required. As such, it can be challenging bringing management on board to see the value.

Many companies still view stiff Corporate Governance, Diversity and especially ESG regulations as a check-list rather than incentives to do business better. These regulations need to be adapted to focus on the outcomes rather than the problems. And industry data that links good governance and diversity to performance and impact is available but should be collected on a wider level to make a stronger case for these changes. The cost of getting it wrong is growing. It's time to stop looking at ESG implementers as 'do-gooders' and view corporate governance as common-sense policies and measurements that are a necessity, rather than a nice-to-have.

¹⁸/₁₉

ACTIVE PORTFOLIO OVERVIEW

AMECATH Medical Technologies, Egypt



www.amecathgroup.com



Investment year



Hoda Abou-Jamra, Orhan Osmansoy



Medical Devices



Amecath Medical Technologies is headquartered in 10th of Ramadan, Egypt. Established in 1991, it is the leading catheter manufacturing company in Egypt. The company offers high quality but low cost, differentiated and selected intellectual property (IP) protected catheters and related products.

Five products are currently approved by the U.S. Food and Drug Administration (FDA). The company is ISO 14001:2015 certified and also holds the necessary quality and security certificates to export to more than 55 international markets across five continents, including Europe and the USA.

In 2018, the company underwent a rebranding and will have it's legal name change completed in 2019 from Ameco Medical Industries to Amecath Medical Technologies, which is the also the name of the internationally successful product brand.

TVM Capital Healthcare acquired a majority stake in Ameco, then Amecath, a Nile Stock Exchange (Nilex) listed medical device manufacturer in Egypt, in late 2014. The Fund acquired a final stake in Ameco via MTO and the final delisting of the Egyptian company from Nilex and conversion of the shareholdings from an Egyptian company into a Cyprus based holding company (in line with all other Fund portfolio companies) was finally completed in April 2017. New offices have been opened at Mohandessin Compound - 10th of Ramadan - Sharquia – Egypt, an additional warehouse has been leased by Amecath in the warehouse area, Industrial Zone3, 10th of Ramadan, Egypt. In total, the company employs 427 (400 in 2017) people.

In 2019 the company will focus on increasing its international presence and market share, with a special focus on the U.S. and European markets.



During 2018, Amecath reported compliance with environmental regulations, with no breaches, and has seen improvements in energy and water efficiency and recycling.

Amecath received no regulatory notices on environmental or occupational issues during 2018 and is not aware of regulatory notices or complaints raised about environmental or occupational matters against any of its suppliers in respect of any of the products or services provided to them.

Amecath installed a "reduce, reuse, recycle" program in 2017. In particular this reduces the amount of plastic waste. Process control has been implemented to decrease production and other waste. Since the start of the reduce, reuse, recycle pogram in 2017, waste production was decreased significantly by more than 40%, producing hazardous waste of 305 kg and non-hazardous waste of 3,976 kg in total in 2018. Water consumption decreased by 57% to 12,437 m3, against a yearly target of a 2% reduction, wastewater discharge was within the regulated limits. The consumption of electricity slightly increased due to an increase of production capacity.



Amecath has established a three year "Brotherhood agreement" with Abo Twala village, the village where most of their employees are living. As part of this agreement, they run social projects in the village, such as building a public library and a water filtering station. In 2018, Amecath donated 10,000 person hours of pro bono volunteering time to running environmental "clean-up days" and other community activities.



Bourn Hall International



www.bournhall-clinic.ae



Investment year



Dr. Helmut Schuehsler, Hoda Abou-Jamra



Assisted Reproduction



In 2010, TVM Capital Healthcare co-developed the concept for Bourn Hall International (BHI) with Bourn Hall Clinic, UK, one of the world's leading centers for infertility treatment. Today, BHI operates two clinics in the UAE, one in Dubai, one in Al Ain. The Bourn Hall India operations have been wound down and as a consequence the company in India is going through a formal liquidation/dissolution process.

In November 2018, Mediclinic Middle East, part of Mediclinic International, a private hospital group with three operating platforms in Southern Africa, Switzerland and the United Arab Emirates, and a 29.9% shareholding in Spire Healthcare in the UK, acquired a minority stake in Bourn Hall International MENA Limited, the holding company for the Bourn Hall Fertility Centres in the UAE. The acquisition laid the foundation for a partnership focused on a long-term MENA-focused expansion in the field of Assisted Reproduction. In a first step, Bourn Hall International MENA Ltd. took over operations of Mediclinic Middle East's existing IVF clinic located at Mediclinic Al Ain Hospital, and started operating under the Bourn Hall umbrella, effective November 1, 2018. As part of the transaction, Mediclinic Middle East is represented on the board of Bourn Hall International MENA Ltd.

BHI maintains Bourn Hall standards through a close working relationship with Bourn Hall Clinic in the UK. BHI in Dubai has 59 employees (including temporary, outsourced and part-time staff). BHI's Fertility Centre in Dubai is certified by the Joint Commission International (JCI) healthcare accreditation standard, which covers environment, health and safety issues. The JCI accreditation requires monthly internal auditing.

The focus in 2019 will be to expand operations in the UAE.



During 2018, the process of replacing all equipment containing refrigerant R44 with non-ODS refrigerants to comply with environmental legislation has been finalized.

²⁰/₂₁

As part of an initiative to reduce plastic use, BHI has banned the use of plastic water bottles in the workplace and provided staff with reusable plastic bottles which resulted in a significant cost reduction for water purchases.



BHI conducted over the year more than 30 community events related to female and male fertility issues, promoting a healthy lifestyle to prevent infertility.



ACTIVE PORTFOLIO OVERVIEW

Cambridge Medical and Rehabilitation Center



www.cmrc.com



Investment year



Dr. Helmut Schuehsler, Carl Stanifer



Post-acute Care & Rehabilitation



In 2012, TVM Capital Healthcare conceptualized and invested in CMRC, which is now the UAE's leading dedicated medical care and rehabilitation service provider for patients requiring short-term comprehensive rehabilitation and long-term care for patients with chronic illness or injury. rehabilitation and long-term care. CMRC is currently the sole stand-alone, privately-held facility to provide such care to UAE residents. CMRC tailors its care services to meet the individual treatment needs of every individual patient and encourages family members' involvement in the patient's treatment plan. CMRC offers both in-patient services at its medical centers (except at its Dubai facility), and outpatient therapy, where patients follow a rehabilitation program after discharge. CMRC has facilities in Abu Dhabi, Al Ain and Dubai which opened in 2014, 2015 and 2017 respectively. CMRC achieved reaccreditation by the Joint Commission International, JCI, in December 2018. CMRC is also CARF accredited, CARF accreditation signals a service provider's commitment to continually improving services, encouraging feedback, and serving the community.

CMRC employs 500 (414 in 2017) employees in total, (259 in Abu Dhabi, 130 in Al Ain and 5 in Dubai, 106 in KSA). In addition, CMRC has completed the facility in KSA, the licensing process is ongoing and shall be finalized in Q1 2019.

The number of inpatients admitted for the year 2018 (294) is growing steadily compared with 2017 (181), the opening of the Dubai facility in 2017 and increased demand in Abu Dhabi and Al Ain led to a significant increase of 54% in outpatient visits to 26,171 in 2018 (13,321 in 2017).

In the first quarter of 2019 the new clinic in Dharan, KSA, will be operational and admit first patients.



CMRC has replaced all equipment containing refrigerant R44 with non-ODS refrigerants, to comply with regulations. Since January 2018, CMRC has seen a 100% reduction in ODS storage.

CMRC has programs to reduce waste, water, electricity and fuel consumption to align with an initiative driven by the Abu Dhabi Department of Health. Due to the growth of the business, the resource utilization increased slightly compared to last year.



CMRC periodically engages with local organisations and regulatory bodies, including the Abu Dhabi Quality and Conformity Council, the Ministry of Islamic Affairs, Red Crescent and Etisalat, schools, social support services. In addition, CMRC supports local organizations & community through philanthropic donations, supporting local procurement, health screening initiatives, charity and health education initiatives. The Centre has donated approx. 20,466 hours on pro bono health promotion, health services and education and conducted 11 events in 2018. In addition, CMRC has donated more than USD \$473,602 in pro bono care to patients who either lack health insurance coverage and/or financial resources needed for their clinical care.



CMRC spent \$13 million on local procurement in 2018.



Manzil Healthcare Services



www.manzilhealth.com



Investment year



Dr. Helmut Schuehsler, Hoda Abou-Jamra



Home Health & Disease Management



Manzil is the largest independent home healthcare services and disease management provider in the UAE, providing care to pediatric and adult patients. Manzil provides care in several states of UAE: Abu Dhabi, Al Ain, Dubai, and the Northern Emirates. In 2016, Manzil expanded into Qatar and Egypt. Operational headquarters are in Abu Dhabi, United Arab Emirates, Cairo, Egypt and in Doha, Qatar. Manzil has 618 employees, across its operations in three countries. Manzil obtained accreditation from JCI in March 2016, becoming one of the first UAE home care providers to achieve this accreditation. In 2018, Manzil provided care services to 531 patients in total, the number of patients services in the UAE has incresed from 147 in 2017 to 383 in 2018, operations in Egypt served 94 patients, Qatar 54.

Services provided by Manzil include a wide range of services and programs which are provided by qualified, licensed and trained physicians, nurses and therapists at the home of the patients. Manzil is a leader in remote patient care & health counselling using innovative new technologies and the first homecare provider licensed by DHA to provide telemedicine and teleconsulting to support patients with chronic diseases. Customized Disease Management Programs (DMP) are offered to patients with specific chronic conditions, to reduce complications and reduce hospital resources, by using phone-based health coaching. Additionally, Manzil provides effective corporate wellness programs tailored to cater individual employee's needs.



Since 2017, in order to reduce paper consumption, and for better security and ease of tracking medical documentation, Manzil UAE switched from a paper-based system of medical records to an electronic one. Manzil in Qatar and Egypt have implemented this system in 2018. Manzil has contracted a new waste management for recycling it's general office waste in UAE, this started in July 2018.

Manzil has phased out completely from using ODS refrigerants to comply with environmental regulations.

Another ongoing environmental initiative is to reduce the use of company cars, and related emissions, by $\frac{22}{23}$ scheduling multiple audits (quality, infection control, supervisory) to take place at the same time.



Manzil's community engagement program includes activities around corporate wellness, disease management, vaccination campaign, diabetes awareness, and social support. Five events were held in the UAE, one in Egypt and four in Qatar. Manzil staff members provided pro bono services on top of insurance-covered care to maintain appropriate patient care: UAE: 84,603 Nursing hours and 21,150 Caregiver hours, Qatar: 600 Nursing hours.



The total expense on local procurements was 3,468,361.61 USD. Investments in staff training by third party consultants was: 91,302 USD





SINGAPORE | DUBAI | MUNICH | BOSTON

regulated by the Dubai Financial Services Authority (DFSA)

