



HAO Capital Invests US \$12.5m in DJ HealthUnion

Investment to Drive Further Development in DJ HealthUnion's Health Information Exchange Solutions Technology

Shanghai, Beijing and Hong Kong, 16 Sept 2015 - HAO Capital, the China-focused private equity firm, today announced that it has invested USD 12.5 million in DJ HealthUnion Systems Corporation ("DJ HealthUnion"), a leading domestic provider of digital hospital solutions, with a focus on health data sharing solutions. The financing will be used to further support DJ HealthUnion's development of its interoperable Health Information Exchange ("HIE") system.

The investment has been made from HAO's US\$73 million Auxiliary Fund, which was launched in 2014.

DJ HealthUnion has become one of the most established healthcare IT companies in China since its inception in 1999. HAO Capital first invested in DJ HealthUnion in 2010.

With financing and operational support from HAO, DJ HealthUnion has successfully expanded its business from Medical Imaging Informatics to a full range of digital hospital solutions, and developed an IP-protected Health Information Exchange ("HIE") Solution called the Health Information Union Platform ("HiUP") series. HiUP meets the national and global standards of healthcare IT ("HCIT") interoperability, a foundation enabling different IT system software applications to exchange information and then meaningfully use the information received.

Qian Weijia, General Manager and CEO of DJ HealthUnion, said, "More and more hospitals in China have multiple HCIT systems, which hold valuable clinical data but simply cannot share it with each other to support clinical decision-making, coordinated care, quality improvement and efficiency. The need for effective data sharing within and among hospitals has rapidly increased in recent years. HiUP is the first HIE system developed in China that can best meet such needs. Mobile and big data applications in the healthcare industry have also become new drivers of health data sharing, which has created even greater potential for HiUP.

"Our self-developed HiUP series of HIE solutions have been successfully applied by some of the leading hospitals and regional union projects in Guangzhou, Suzhou, Shanghai, Beijing and Jinan. With further support from HAO Capital, we are confident of increasing our technical and implementation capability for a nationwide client base, with a mission to provide cost efficient solutions to healthcare providers and to create a better patient experience."

Elaine Wong, Partner and Co-Founder of HAO Capital, said, "DJ HealthUnion is unique in China, bringing together a team of Healthcare, Hospital Management, and IT experts and we are delighted to be funding its further development. Its HiUP is the first full HIE system in China providing hospital administrators with a real-time dashboard to understand and improve the speed, quality, safety, and cost of hospital-wide patient care. It also enables doctors to secure real-time access to patient data, not only providing information at their fingertips, but directly improving the speed and efficiency of patient care."

DJ HealthUnion's unique HiUP system has helped the First Affiliated Hospital of Sun Yat-sen University in Guangzhou fully digitalize its medical records and enabled the hospital to efficiently use all patient information across the various different departments within the hospital. It has not only revolutionized its data management but has also laid the foundation for the hospital to conduct in-depth data analysis in the future.

DJ HealthUnion is part of SKR, HAO Capital's medical technology platform company. The company's vision is to become a leading medical equipment, service and solution provider that makes quality healthcare accessible and affordable to patients in China.

SKR has made three key investments to date: AMS (a radiopharmaceutical provider), TCL Healthcare (a medical diagnostic imaging company), and DJ HealthUnion.

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Notes to Editors

Please find below a series of policies and guidance from the Ministry of Health (MoH), regarding healthcare IT systems:

- *The 12th Five-Year Plan (2011-2015): Healthcare Sector*, released by the MoH in October 2012, outlined a plan requiring all hospitals to implement Electronic Health Records (EHR), Health Information Exchange (HIE) systems, and Regional Healthcare Information Systems (RHIS).
- *The Guidance and Planning of Healthcare IT System (2011-2015)*, published by the MoH's Department of Planning and Information, said that the MoH would invest RMB 30 million to support the development of healthcare IT systems in general hospitals across 16 cities. Meanwhile, the MoH would also provide RMB 10 billion funding to cover healthcare IT system development in 310 city-level general hospitals (around RMB 6.5 million per hospital), and 2,572 county-level general hospitals (around RMB 2.8 million per hospital). In May 2014, the MoH decided to add 17 cities to the list.
- According to the *Health China 2020 Strategy Research Report* (《健康中国 2020 战略研究报告》), published by the MoH in 2012, China will invest a total of over RMB 400 billion to upgrade its healthcare systems, of which RMB 61 billion would be used for EHR, and hospital HIE.
- On November 20, 2013, the MoH and the State Administration of Traditional Chinese Medicine (SATCM) jointly released *The Guidance Notion of Accelerating Population Health Information System Development* (《关于加快推进人口健康信息化建设的指导意见》), which defined the targets of Healthcare IT system development. The keystone projects included the development of EHR systems to cover the 1.3 billion population in China and the establishment of Four Level (national, provincial, municipal, and county level) HIE systems to cover the whole of China by the end of 2020.



- The above-mentioned goals were re-emphasized in the *Outline of National Healthcare Service System Planning (2015-2020)* (《全国医疗卫生服务体系规划纲要》), published by the State Council on March 6, 2015.
- Meanwhile, the MoH has initiated the concept of an overall healthcare IT structure based on RHIS and EHR systems, and the concept has been revised several times to extend RHIS to cover more people and the applications to support more aspects of healthcare. In March 2014, the MoH released a draft technical standard for EHR and RHIS, aiming to solve the different standards between hospitals, and accelerate the development of public HIE systems.

About HAO Capital

HAO Capital is a China focused Private Equity firm with offices in Beijing and Hong Kong. Founded in 2005 it provides growth capital to Chinese companies and currently manages total assets of more than US\$600 million. HAO Capital focuses on investments in the healthcare, environmental and advanced industrial sectors.

www.haocapital.net

About DJ HealthUnion

Established in 1999, DJ HealthUnion is one of the most established healthcare IT companies in China, with proven, leading-edge proprietary solutions. It is a leading provider of software, system, consulting, and services solutions to hospitals. Its well-proven digital hospital solutions include Health Information Exchange (HIE) Solution, Electronic Medical Records (EMR) Solution, Medical Imaging Informatics, Regional Healthcare Information Solution, Telemedicine Solution, and Healthcare Information Systems Consulting Service.

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