

SECTOR OVERVIEW

1. Everbridge Partners Fund I, L.P. (Everbridge I) proposes to provide growth capital to middle-market companies operating in the health care, business services, and consumer sectors primarily in India, the People's Republic of China (PRC), and Southeast Asia (Indonesia, the Philippines, Malaysia, and Thailand). Everbridge Partners Private Limited (together with its affiliates: Everbridge) will manage Everbridge I. Everbridge intends to leverage the sector experience of its investment team, which was formerly part of the leading private equity firm Capital Group Private Markets, to source attractive investment opportunities in its targeted sectors.

A. Health Care

2. India, and Indonesia and the PRC are among the fastest growing economies in the world, driven by profound drivers such as demographics, urbanization, investments in infrastructure, and business-friendly governments.¹

3. According to data from the Insurance Regulatory and Development Authority of India, about 76% of Indians do not have health insurance. As a result, Indians pay for more than 62% of their health expenses from their personal savings, compared to 13.4% in the United States and 10.0% in the United Kingdom.²

4. Despite the strong economic growth in India, the PRC, and Southeast Asia since 2000, health care spending in these countries is low compared to that of developed markets.³ Moreover, the growth of out-of-pocket spending, expanded health insurance coverage, and the rise of urbanization are expected to increase the demand for higher quality health care in emerging Asia.

5. The Everbridge team's recent investments in health care include (i) Jinxin Maternity, the largest privately owned maternity hospital chain in the PRC by number of births; (ii) Innovent, one of the PRC's most promising biologics companies, which focuses on therapeutic areas such as oncology; (iii) Mankind Pharma, India's largest pharmaceutical company by number of prescriptions; and (iv) Intas, India's fourth largest pharmaceutical company by domestic sales of chronic medicines.

B. Business Services

6. Many local enterprises in emerging Asia are family owned and operated. These enterprises often lack the institutional structure to ensure business continuity and sustained growth.⁴

7. Everbridge targets companies that need assistance to modernize their business practices and manage change, e.g., adopt digital technology; improve environmental, social, and governance standards; bridge communication gaps; and enhance branding, leadership, and strategy. [This information has been removed as it falls under the exception to disclosure in

¹ International Monetary Fund. [World Economic Outlook Database, April 2018](#) (accessed 2 August 2019).

² KPMG. 2015. [Healthcare in India: Current state and key imperatives—Review of National Health Policy 2015 \(draft\)](#). Delhi.

³ World Bank. [Current health expenditure \(% of GDP\)](#) (accessed 11 March 2019).

⁴ INSEAD. 2017. [The Institutionalization of Family Firms](#). Singapore.

ADB's Access to Information Policy, para. 17.2.(v)].⁵

8. The demand for business services is being driven by a need to develop Asian companies to enhance productivity gains. The service sector accounts for a substantial share of developing Asia's output, employment, and growth.⁶

9. Past examples of the Everbridge team's investments in business services include (i) InterGlobe Technology Quotient, a provider of software-based ticketing systems for travel service businesses and travel agents in India; and (ii) Manipal Global Education Services, an innovative education service platform for distance learning and vocational training in India.

C. Consumer Sector

10. The growth in consumption in emerging Asia is attributable mainly to the expanding middle class, converging industrial productivity, and the growth in per capita gross domestic product. As recently as 2000, the PRC contributed just 7% of the annual growth in consumer spending worldwide; however, in 2017, the PRC accounted for more than one-quarter of global consumption growth. By 2040, projections show that the PRC will contribute more than 40% of the global figure, or three-and-a-half times the expected contribution of the United States. [This information has been removed as it falls under the exception to disclosure in ADB's Access to Information Policy, para. 17.2.(v)].⁷

11. Everbridge's strategy also focuses on tech-enabled businesses in the consumer sector. The rapid increase in smartphone and mobile broadband penetration throughout emerging Asia has driven the widespread adoption of tech-enabled products and services.⁸ Innovative solutions are increasingly enabling companies to reach underserved populations in remote areas and Everbridge has strategically focused on investing in businesses that benefit from this trend.

12. The Everbridge team's investments in the consumer sector include Didi (the leading mobile ride-sharing platform in the PRC) and Go-Jek (Indonesia's leading application-based services platform).

⁵ Zero discharge is a treatment process that removes all the liquid waste from a system.

⁶ Asian Development Bank. 2013. [Developing the Service Sector As an Engine of Growth for Asia](#). Manila.

⁷ [This information has been removed as it falls under the exception to disclosure in ADB's Access to Information Policy, para. 17.2.(v)].

⁸ Deloitte. 2017. [Global mobile consumer trends](#).