

INNVOLUTION HEALTHCARE RECEIVES THE 2023 COMPANY OF THE YEAR AWARD

*Identified as best in class in the Indian interventional
imaging industry*

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. IHPL excels in many of the criteria in the interventional imaging space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

The Indian Interventional Imaging Market Overview

The Indian interventional imaging market is growing rapidly due to the accelerating demand for minimally invasive procedures, the rising prevalence of cardiovascular diseases, and increasing government initiatives to improve the healthcare infrastructure. However, the ecosystem for component manufacturing is limited in India. Interventional imaging is highly technologically differentiated, with few Catheterization laboratories (Cath labs) manufacturers worldwide. Also, India needs more high-tech capital equipment manufacturers, especially in cardiovascular care. Therefore, market participants have a high import content and struggle to source aesthetic mechanical parts for interventional imaging manufacturing.

IHPL: Customer-focused, Innovative, and Employee-centric

Established in 2010 and headquartered in Bengaluru, India, Innvolution Healthcare Private Limited (IHPL) is a diversified MedTech-focused organization. The company offers Cath lab design and manufacturing, X-ray imaging, software, and interventional cardiology consumables. Frost & Sullivan believes IHPL uniquely leverages its solutions to meet industry and customer needs.

Despite an inadequate supportive component manufacturing ecosystem, the company builds Cath labs by sourcing homegrown components and increasing local production progressively, thus reducing import

content from 85% to a noteworthy 45%.¹ IHPL overcame the initial resistance to India-made, high-tech capital equipment by focusing on Tier-III cities and gradually expanding to Tier-II and metropolitan cities. Additionally, the company has established its own ecosystem to ensure top-class industrial machines, resulting in design, aesthetics, and fit and finish recognition.

Offerings

- **Pinnacle** is the world's smallest fixed flat panel Cath lab delivering optimized radiation. The proprietary A.S.P.I.R.E.[®] image processing chain delivers noise-free, sharp clinical images at low radiation doses. Pinnacle is the only machine in the segment to use a tablet as the machine's controller and offer a 55-inch display monitor. It is available with a cardiovascular suite, digital subtraction angiography (DSA), roadmap, and advanced features such as digital stent enhancement (stent boost) and quality compliance assurance.
- **Pinnacle Agile[®]** leverages IHPL's robust research and development (R&D) capabilities and offers variable detector movement. The Conformité Européene (CE)-marked machine is the first in the segment to offer a table swivel to facilitate a wider variety of vascular procedures, with the low table height enabling easy patient transfer. Further, it is the only side-mounted Cath lab to provide full-body coverage for patients measuring six feet and use a high-definition detector panel.
- **Pinnacle Pro** is a fully digital fixed flat-panel Cath lab with a 1 Kilo (K) by 1 K resolution, easy remote-based user interface, 43" 4-K, ultra-high-definition, ceiling-suspended monitor, 65-kilowatt (KW) high-frequency X-ray generator, 1.5 mega heat unit (MHU) X-ray tube, and carbon fiber tabletop. Its acquisition modes include pulsed and low-dose fluoroscopy, cine, DSA, and roadmap.
- **Premier** is IHPL's most recent and advanced Cath lab. It boasts unmatched flexibility of operating space and the deepest angles on a floor-mounted Cath lab, a 1.5/3 MHU tube, and a 100 KW high-frequency generator. Its +/-120-gantry movement provides unparalleled space optimization enabling a range of cardiac, neurovascular, and peripheral vascular procedures. Premier offers a 43" medical-grade monitor for sharper and more consistent image quality. Further, superlative software intelligence backs the machine, and real-time stent enhancement saves valuable procedural time and facilitates clinical judgment for optimal stent placement. Moreover, optional optical coherence tomography (OCT) or intravascular ultrasound (IVUS) co-registration with any IVUS and OCT equipment brand and virtual fractional flow reserve integration capabilities is available.

Company Culture

A talented, committed, and happy workforce characterizes IHPL's work culture. The company has created an ecosystem that fosters and nourishes talent, attracting, training, and retaining high-quality human assets. It empowers, engages, rewards, and celebrates disruptive growth and performance, emphasizing an inclusive culture that values diversity and performance equally. With an impressive employee retention rate of over 96% since inception, every staff member is a company shareholder.²

¹ Interview with IHPL, 24th April 2023.

² IHPL, "IHPL Way," IHPL | Innvolution Healthcare Private Limited, 2023, <https://innvolutionimaging.com/IHPLways/>.

IHPL runs monthly competitions around lean manufacturing, just-in-time inventory management, 5S practices, and other improvement areas. These competitions are open to everyone. Also, every department has an Employee of the Month award and annual awards centered around its core operating principles. The company also has annual operating plans and performance management systems, ensuring that activities across departments align with the core operating principles. These initiatives foster a culture of innovation and creativity by encouraging employees to contribute their ideas and suggestions for improvement.

Frost & Sullivan believes that IHPL is well-positioned to capitalize on new growth opportunities, expertly addressing unmet customer needs, leveraging top-notch innovation, and ensuring employee satisfaction, thus cementing its leadership in the Indian interventional imaging industry.

A Customer-centric Approach Drives Unmatched Client Value and Experience

With its customer-centric corporate philosophy, IHPL operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices. IHPL continuously gathers customer feedback and uses it to drive innovation and product development. It considers customer needs and requests and incorporates them into products to improve the overall experience. For instance, the company is developing a voice-enabled Cath lab prototype based on a customer request for a voice-guided command system. IHPL also uses a unique algorithm to decompress Digital Imaging and Communications in Medicine files so clients can share images on WhatsApp, per their suggestions. These features significantly enhance the customer experience and improve clinical outcomes.

Furthermore, the company prioritizes customer feedback in its product development cycle. IHPL used the feedbacks to determine which features were a must-have, incorporated them into its following model,

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Best Practices Research Analyst

Pinnacle Agile, and launched it in the next eight months. This foundational approach establishes ongoing customer trust for long-lasting relationships throughout the product lifecycle.

To maximize the customer experience, the company designed its Cath labs with a unique chassis, where clients can upgrade one model to the third within 48 hours, offering customers the option of upgrading their machines on-site. This unique feature ensures that clients are included in IHPL's relentless pace of innovation and enabled by the prospect of upgrading their devices. Also, indigenous technology manufacturing has allowed the company to train vendors to fabricate critical

components to specifications, providing more customization options to customers.

Unlike other market participants, IHPL offers a lifetime of free software upgrades. The company's internal mandate ensures industry-leading downtime (i.e., less than 48 hours compared to the industry average

of 90 hours).³ These measures demonstrate its commitment to providing a hassle-free and efficient customer experience.

IHPL offers cutting-edge technology at significantly lower prices (software-driven diagnostic features for less than half the price) than competitors.⁴ The company provides its leading technologies across most models rather than only in its top-tier machines, ensuring the best value for the price.

IHPL aims to democratize the ease of operation and precision and improve clinical outcomes across all its variants using advanced technology tools, such as machine learning – and artificial intelligence-driven techniques and intravascular imaging. Thus, it strives to provide advanced imaging solutions at market-appropriate prices and democratize cardiovascular care, which helps the company grow while making a societal impact.

Frost & Sullivan applauds IHPL for its customer-centric approach that drives immense value and guarantees exceptional client experience.

A Foot in the Present and an Eye on the Future

Since its founding, IHPL has successfully operated in 19 states, 149 cities, all eight metropolitan cities, and

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10 state capitals, including Mumbai, Chennai, Kolkata, Delhi, Bengaluru, Bhopal, Hyderabad, Trivandrum, Jammu, and Jaipur.⁵ Some customers include Jayadeva Hospital, Yashwantrao Chavan Memorial Hospital, Sathya Sai Hospital, and Meitra Hospital.

The company strengthens its brand equity by working closely with renowned cardiologists and engaging with its customer base regularly. Its focus on indigenization has also helped create a positive perception as a reliable and innovative partner. As a result, IHPL has achieved significant growth and profitability, doubling its revenue every year since it began commercialization in 2018, an awe-inspiring feat.⁶

In a short five-year span, IHPL has displaced industry giants, emerging as the second-largest selling Cath lab in India, with a 9% market share of all installed Cath labs.⁷ Moreover, as one of the country's top five medical device manufacturing companies by turnover, it aims to become a \$100 million company by 2025, a top five medical device manufacturers in India.

In April 2023, IHPL’s parent company, Innvolution, raised growth capital from OrbiMed, a global healthcare-focused investment firm, which it will use for ramping up the R&D efforts, developing new products and features (such as real-time stent enhancement, dynamic coronary roadmap, transcatheter

³ Interview with IHPL, 24th April 2023.

⁴ Ibid.

⁵ Group Innvolution, Corporate Profile, 2023.

⁶ Interview with IHPL, 24th April 2023.

⁷ Interview with IHPL, 24th April 2023.

aortic valve implantation, robotics, advanced vascular robots, intravascular imaging tools, and controlled release mechanisms for drug delivery) and expanding into international markets (20 countries and four regions including Southeast Asia and Western Europe).⁸

Frost & Sullivan believes IHPL is well-positioned to drive the interventional imaging space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

Conclusion

India's inadequate component manufacturing ecosystem hinders building Catheterization laboratories. The lack of high-tech capital equipment manufacturers, especially in cardiovascular care, makes market participants import extensively. Overall, Innvolution Healthcare Private Limited (IHPL) addresses these unmet needs with a strong leadership focus that incorporates customer-centric strategies and exemplifies best practice implementation. IHPL prioritizes innovation, customer needs, and employee satisfaction to offer state-of-the-art interventional imaging solutions. Further, the company ensures exceptional value for the price, enhancing customer satisfaction. It remains a trusted partner, earning a reputation for offering the overall best in the Indian interventional imaging market.

With its strong overall performance, IHPL earns Frost & Sullivan's 2023 Indian Company of the Year Award in the interventional imaging industry.

⁸ 1. The Times of India, "Innvolution Group Raises Funds from Orbimed to Accelerate Growth - Times of India," The Times of India, April 11, 2023, http://timesofindia.indiatimes.com/articleshow/99404418.cms?from=mdr&utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

