

Melbourne – Australia's
Digital Health Centre

INVEST VICTORIA



OFFICIAL



Victoria, Australia

The Right Place to Invest

Australia



28 years of consecutive **economic growth** prior to COVID-19.



One of the only developed countries to avoid going into recession during the **2008 Global Financial Crisis**.

Victoria



Strong economy - Victoria has a track record as one of Australia's best performing economies.



Talent - Home to Australia's most highly educated workforce and nine globally-recognised universities.



Digital Health

The Right Settings



Strong Demand from Health Sector



Leading Research & Development hub



Australia's **Tech Capital**



The Right Skills and Talent



Gateway to Asia-Pacific



Lower Costs of Real Estate and Doing Business

Australia's large and dynamic Health and MedTech Sector



Pharmaceuticals
is **AU\$26bn**



Biotechnology
AU\$8bn



Medical devices
AU\$4bn



Digital health
AU\$2bn

Size

Healthcare is **Victoria's largest employer**, employing 12% of all Victorians.

Scale

Healthcare contributed over **\$36 billion** to the Victorian economy

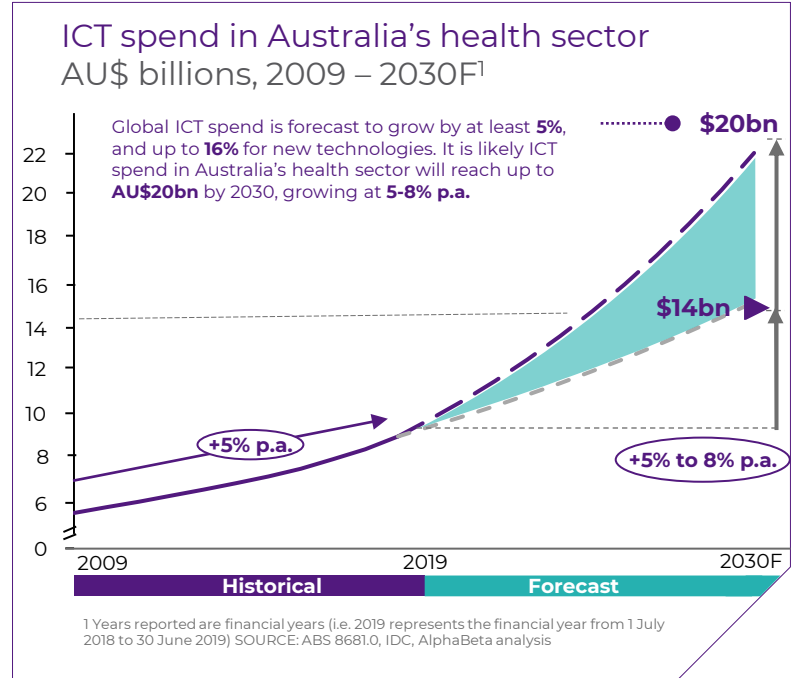
Ecosystem

More than 300 companies operating in Victoria's health ecosystem

Research

Over half of Australia's publicly-listed life sciences

Australia's ageing population, increasing expenditure on healthcare and COVID-19 will be key drivers in generating additional demand for medical devices, biotech and digital health



Strong growth expected to continue

Globally, the **digital health market is predicted to reach US\$505.4 billion** by 2025, up from US\$86.4 billion in 2018. The Australian digital health industry is well positioned to capitalise on this growth and drive Australia's economy and healthcare system into the future. The **demand for digital health will continue to grow** with COVID-19, ageing population and increasing expenditure in healthcare.

Victoria is the ideal market to invest in developing and growing digital health opportunities because:

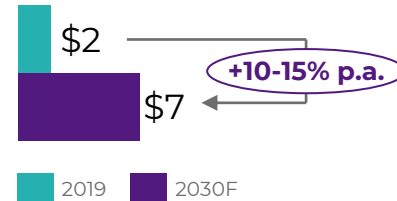
- Intrinsic market strength and fundamentals with a capacity to grow.
- Demand for telehealth, remote monitoring, symptom checkers and triage tools.
- Large and increasing start-up ecosystem.
- Connectivity within and between hospitals and research organisations

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Australia's Digital Health Market to More Than Triple Over the Decade

AU\$ billions, 2009 – 2030F¹



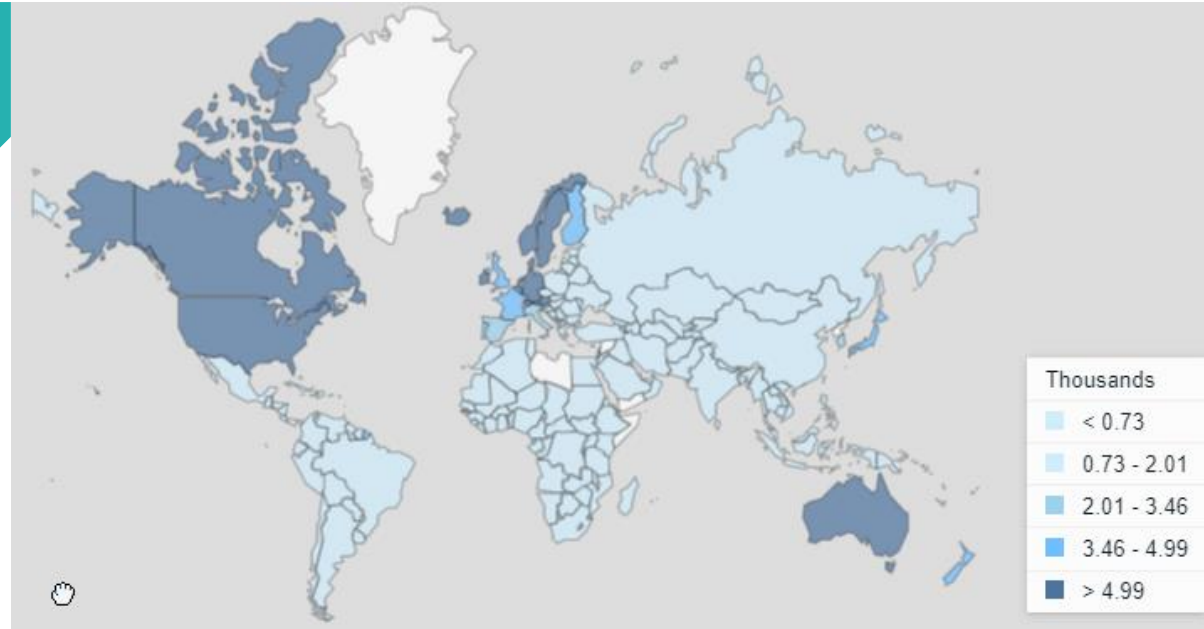
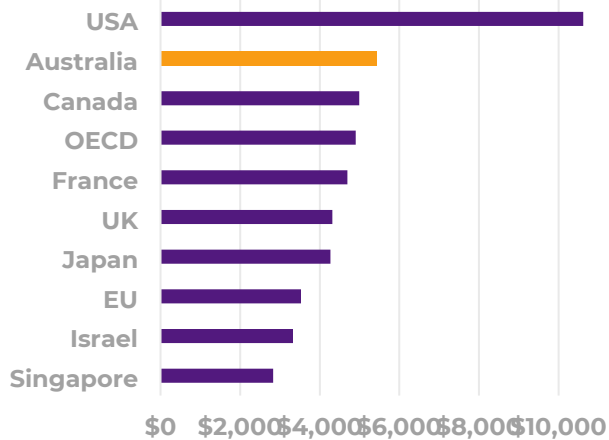
¹ Years reported are financial years (i.e. 2019 represents the financial year from 1 July 2018 to 30 June 2019) SOURCE: Department of Health, IBISWorld, AlphaBeta analysis

Significant investment by the Federal Government, and substantial State-led initiatives:

- Connecting Care Electronic Medical Record, Victoria
 - e-Health, NSW
 - E-Health, QLD
 - Centre for Digital Transformation of Health, the Commission on Excellence and Innovation in Health, South Australia
- have created the necessary infrastructure upon which digital medicine and digital therapeutics companies can begin to build

Australia has long been a leading nation in health care investment for its citizens

Australia ranks in the **top ten globally** for health expenditure per capita (**US\$5,425**), ranking higher than the OECD average and spending more per capita than



Robust Regulatory Regime. Therapeutic Goods Administration

Prioritises product safety
and allows a swift path to
market

Regulation in Australia is undertaken by the Therapeutic Goods Administration (TGA) - a founding member of the International Medical Device Regulator Forum.

The TGA regulatory approval pathways allow for stronger reliance on FDA and/or European Medicines Agency (EMA) approval documents, thereby **facilitating faster approvals of therapeutics, with less duplication** of effort by Sponsors and the TGA.

Recognised Comparable
Overseas Regulators[^]

Jurisdiction	Prescription Medicines	Medical Devices
EU	X	X
USA	X	X
Japan	X	X
Canada	X	X
Singapore	X	
Switzerland	X	
UK	X	

[^]Source: Therapeutic Goods Administration, <https://www.tga.gov.au/list-countries-and-jurisdictions-determined-be-comparable-overseas-regulators-cors> and <https://www.tga.gov.au/comparable-overseas-regulators-medical-device-applications>

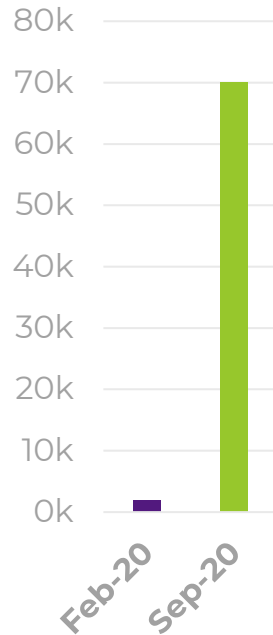


COVID-19 Challenges: Innovative Solutions

COVID-19 is forcing healthcare systems around the world to rise to unique challenges, which often require innovative solutions, presenting opportunities for digital health providers.

The **demand for telehealth services in Victoria has increased exponentially:**

- Prior to the COVID-19 pandemic there were less than 2,000 video consultations in February 2020.
- In September 2020 there were over 70,000, with 120 hospitals providing services.



The challenges of COVID-19 is driving frontline health care services in Victoria to innovate.

Technology, data and artificial intelligence are combining to optimise patient outcomes by allowing recuperating patients to be monitored each day, supporting clinicians as they triage care remotely. At Austin Health it's called COVID-Care.

Austin Health, one of Melbourne's largest tertiary and quaternary health services partnered with Arden Street Labs, a Melbourne start-up that specializes in the rapid delivery of Azure native solutions to deliver COVID-Care.

Their approach places symptom management at the heart of remote patient management and contact tracing by leveraging the Azure native ecosystem to support thin, web-based patient and clinical portals. Data can then be provided to doctors and nurses ahead of any scheduled consultation so that they are fully informed about the patient they are about to see. This technology has the potential to closely monitor the progress of patients from afar without breaking quarantine or isolation, keeping patients connected.

Victoria is a leading research and development hub for Digital Health

Victoria is the nation's leading hub for health and medical research, **consistently receiving more than 40% of Federal Government funding** from the National Health and Medical Research Council (NHMRC).

Generous R&D tax incentives for eligible companies

- Strong R&D tax incentives in Australia - up to a **43.5%** refundable tax credit.
- Australia is **28% cheaper** than the US before tax incentives; and 60% cheaper after-tax incentives.

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Australasian Institute for Digital Health (Melbourne based)



Australia's National Digital Health Initiative - Australia's only digital health accelerator (Melbourne based)



Digital Health Cooperative Research Centre (DHCRC)

- 60 university and industry partners (Monash, RMIT, La Trobe, Swinburne are all partners - strong Melbourne-based university partnerships)



Melbourne Digital Health Ecosystem - RMIT is launching Australia's first digital healthcare ecosystem, in partnership with the European Connected Health Alliance.



Victoria's Connecting Care Electronic Medical Record (EMR) program in Parkville - Peter Mac, RMH and RWH working together to create a world-class electronic medical record, going live in August 2020.

^Source: Healthier Lives, Stronger Economy: Victoria's Health and Medical Research Strategy 2016-2020

^Source: https://andhealth.com.au/wp-content/uploads/2020/07/Digital-Health_-_Australias-Sleeping-Giant_FINAL.pdf

^Source: https://www.business.vic.gov.au/_data/assets/pdf_file/0010/1275454/Medtech-and-Pharma-Strategy-web-version-20160308.PDF

World Class Research and Development Ecosystem



Highly Regarded Medical Research Institutes

11 Teaching Hospitals

9 World-class Universities

“Victoria has world-class clinicians and researchers, well-supported by the infrastructure at its leading universities and research institutes. The quality of the science compares favourably to the other major hubs where we operate in the UK and US, and gives rise to numerous opportunities for projects to commercialise and develop new therapies and medical devices”

 Michael Molinari
Managing Director, IP Group Australia

Digital health firms have flourished in Victoria and are continuing to grow



Atmo Biosciences:

Developing an ingestible electronic pill-shaped sensor that profiles the gases within the gut – developed by researchers at RMIT University.

Seer Medical:

Epilepsy diagnosis. Deployed tech that allows patients to undergo EEG and ECG monitoring from their own homes, dramatically reducing patient wait times from years to weeks and improved

accessibility. Provides users with a medical kit, including a digital stethoscope, non-contact thermometer and an app to help take of their health



Health Delivered: Melbourne-based start-up whose dietary management platform tackles the growing rates of obesity, diabetes and other chronic health issues. Support tool for corporate wellness programs, aged care and



Blamey Saunders hears: Delivers a simple and customer focused solution for hearing aids, calibrating hearing aids by utilising online hearing tests.



Vitalic medical: Targeted, smart trigger system assisting nurses identify early signs of deterioration and potential falls in at-risk risk patients.



Planet Innovation: Healthtech innovation, manufacturing and commercialisation company based in Melbourne and California.



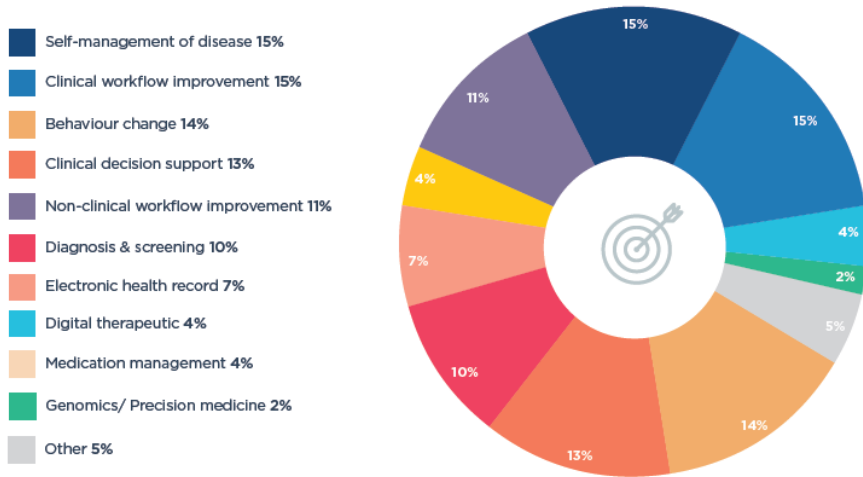
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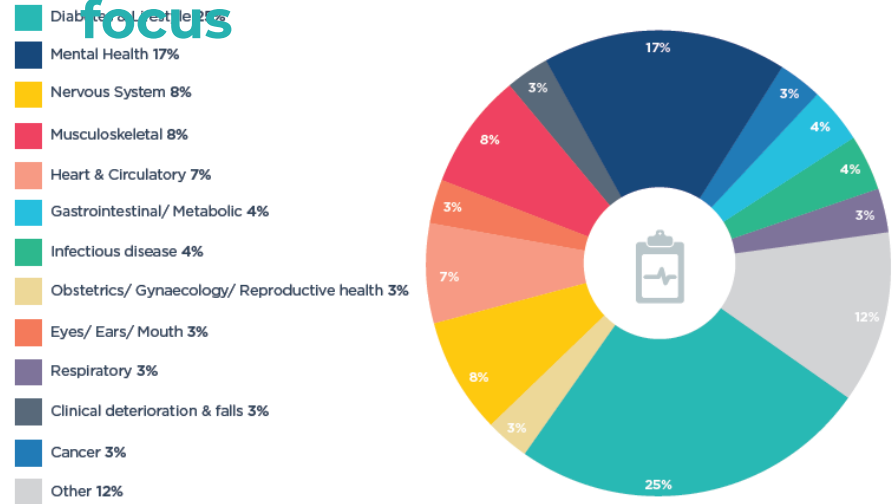
Australian Digital Health companies are pursuing solutions across a wide variety of clinical areas

ANDHealth has engaged with more than 300 high potential Australian Digital Health companies.

Company purpose



Company clinical area of focus



Melbourne: Home to world leading telehealth platforms developer

Leading global developer of virtual reality telehealth platforms XRHealth, has **established its Asia Pacific HQ and Fulfilment Centre** in Melbourne. XRHealth's Telehealth and Remote Monitoring Service uses **proprietary extended reality technology to innovatively treat** a wide range of health symptoms.

The company was founded by former Israeli Air Force pilots Eran Orr and Miki Levy in 2016, following extensive combat simulation experience utilising virtual reality platforms. The investment by XRHealth is a further boost to **Victoria's thriving tech sector which contributes \$38.4 billion** to the State's economy and supports more than 139,000 workers across 19,941 businesses.



“This investment by XRHealth in Melbourne speaks volumes about our culture of innovation, strong tech capabilities and our highly skilled workforce.”

The Hon. Tim Pallas MP, Minister for Economic Development

“Our technology has proven to enhance healthcare outcomes for patients around the globe. Our technology utilises AR/VR technology to create therapeutic and engaging treatments for patients with a variety of conditions like pain management, anxiety & stress, Parkinson's, and rehabilitation.”

Eran Orr, CEO of XRHealth

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Digitising of Health Services

The Victorian Government is progressively digitising its health care systems

- Implementing digital clinical systems to improve patient safety, improve clinical effectiveness and provide base clinical data that can be shared in the continuation of patient care and be available for research and analysis, including the building of genomic profiles.
- Sector-wide shared clinical information utilising patient clinical data.
- Sector-wide clinical-grade integration and interoperability, conforming to national and international standards.
- Preventative health and early intervention, leveraging stored clinical information, genomics, research and other data sources.
- Person-centred and place-based health and wellbeing.

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Source

https://global.vic.gov.au/_data/assets/pdf_file/0005/343796/International-Health-Strategy-2016-2020-1.pdf



Victorian healthcare sector benefiting from leading health rostering solution provider

After recently coming to Victoria, Allocate Software is now the leading provider of health specific rostering solutions for Victoria's public hospitals and health services that includes: The Royal Melbourne Hospital, The Royal Women's Hospital, Barwon Health, Eastern Health, Peninsula Health, Ballarat Health Service, Hume Rural Health Alliance and Hospitals in the Grampians.

A UK company with over 800 clients and over a million healthcare workers rostered daily, Allocate Software serves the largest public and private sectors institutions around the world.

In Australia, Allocate Software's solutions roster more than 250,000 healthcare workers, including those employed by the Victorian Public Health Services, private hospitals, aged care organisations and other healthcare



"Eastern Health went through a rigorous procurement process. The team chose Allocate Software for its ability to meet Eastern Health's core requirements around cost effectiveness, flexibility, and ease of use."

Matt Durston,
General Manager

Melbourne is Australia's tech city

The tech talent capital of Australia

Victoria produces the **largest number of tech graduates in Australia** and is home to the country's top university, The University of Melbourne. It's no wonder more than **half of Australia's top 20 tech companies** have chosen Melbourne for their headquarters.

Global tech firms are choosing Melbourne

High-growth global tech companies, such as Alibaba, Cognizant, Slack, Dataminr, KnowBe4, Square, GoPro and Zendesk have chosen to base themselves in Melbourne.

Australia's most vibrant start-up and venture capital ecosystem

The early-stage start-up ecosystem in Victoria is **valued at \$3.19 bn**, a 40% increase since 2018. Victoria leads the nation in start-up and tech funding with more than **65 per cent of Australia's funding market** share in 2018-19.

VICTORIAN UNICORNS

\$11.8 billion	\$7.2 billion	\$3.2 billion	\$1.8 billion	\$1.7 billion	\$1.6 billion	\$1 billion	\$2.3 billion	\$1.8 billion	\$1 billion

(approximate AUD valuations)



MELBOURNE THE ONLY AUSTRALIAN CITY

Identified amongst the best 22 global cities for tech companies.

Source: Savills Tech Cities Index



Ben Pfisterer,
Former Head of
Square Asia Pacific
and Australia
Square

"When we set up in a city, we look for key things; we look for a strong education system, a thriving entrepreneurial community, a strong appetite for innovation and real talent pool coming through in the tech community. For me, Melbourne was the obvious choice."



Square

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Victoria has an extensive pipeline of talent



Australia's **most highly-educated workforce.**



Largest number of tech graduates in Australia.

Victorian universities are partnering with industry and rolling out Digital Health related courses



Graduate Certificate in Digital Health
Short course-Digital Health Strategy and Change Graduate



Master of Digital Health
Graduate Certificate in Digital Health

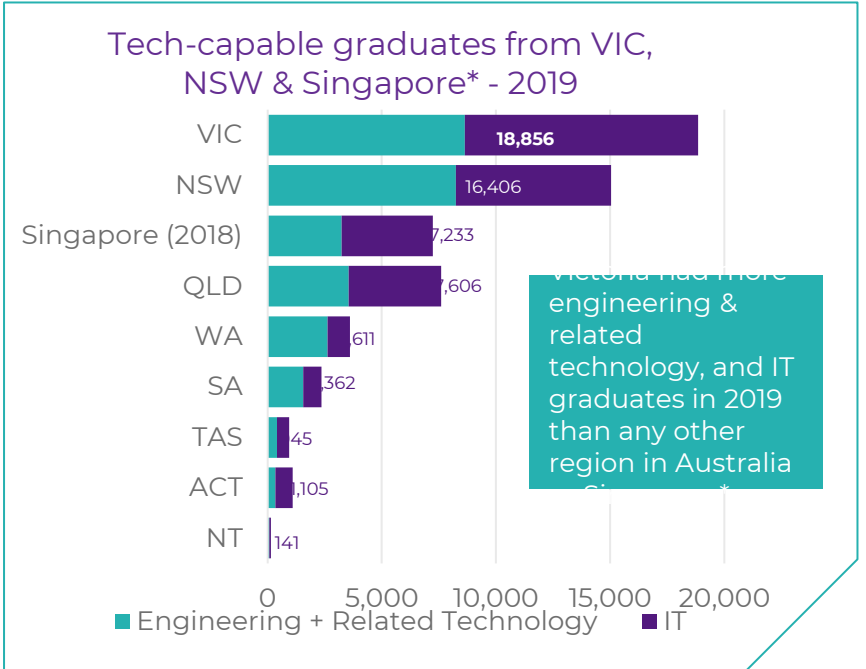


Graduate Certificate in Health Informatics and Digital Health



MONASH University

Short course-Introduction to Digital Health

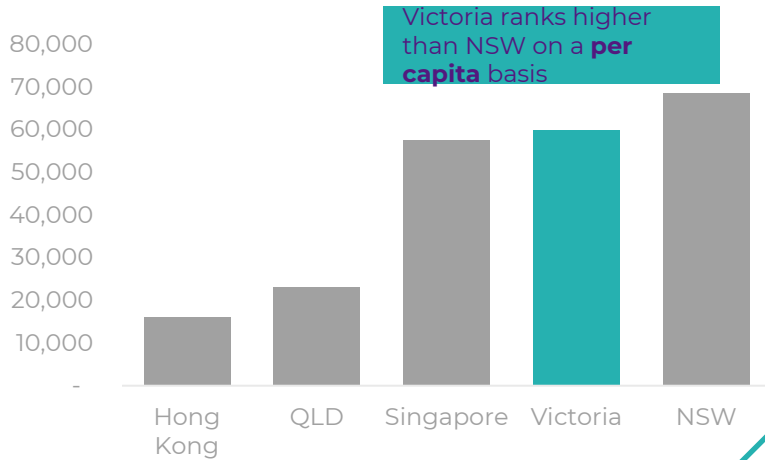


Skills

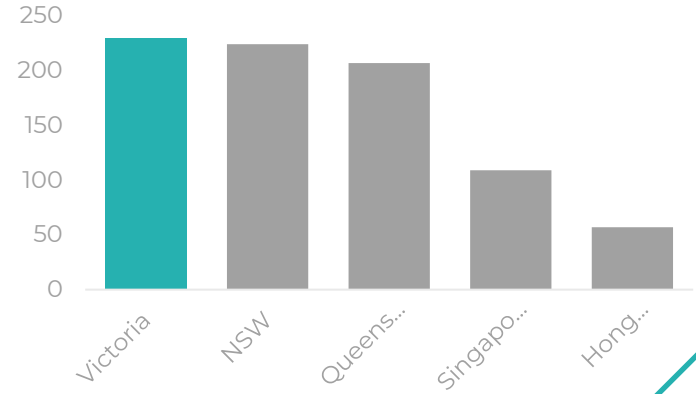
Victoria's tech talent pool has more professionals with Software Development skills than Singapore and Hong Kong, and is growing faster than anywhere else in Australia.

Victoria is also home to more Biomedical Engineers than NSW or Queensland and has a comparable number of data scientists with NSW.

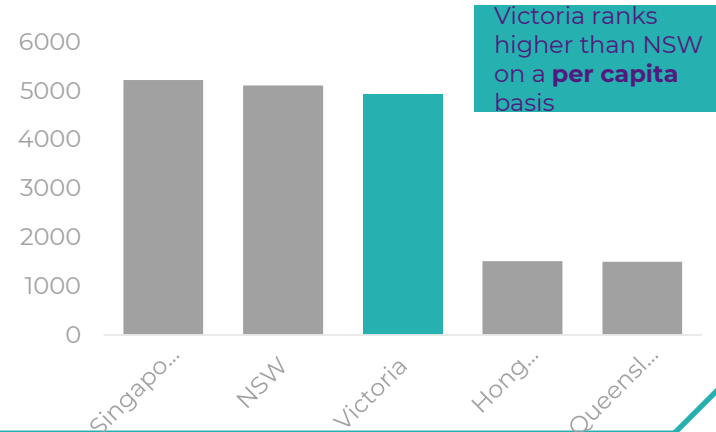
Number of Professionals Skilled in Software Development



Number of Biomedical Engineers and similar roles

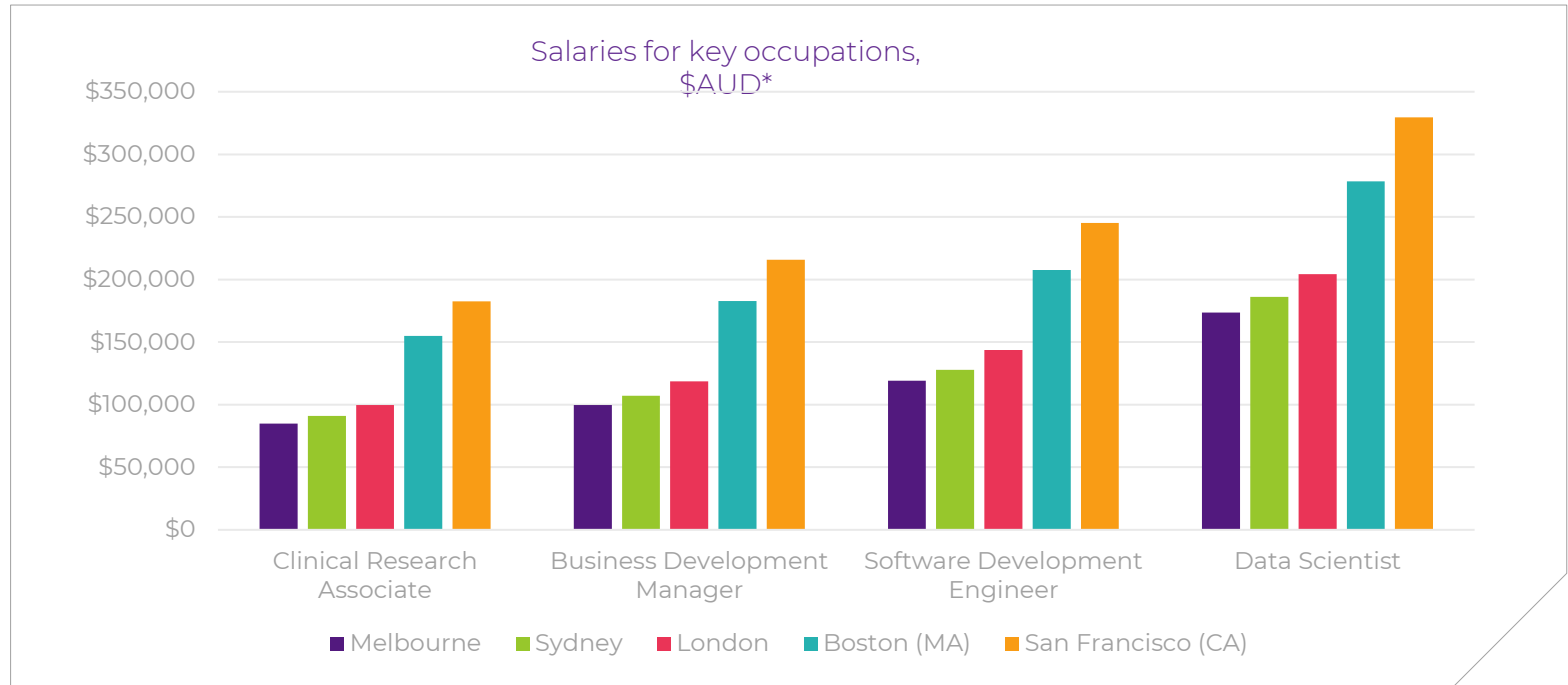


Number of Data Scientists and similar roles



SOURCE: LinkedIn Talent Insights, as at 30 November 2020.

The Right Talent and Skills



Favourable Visa settings

Global Talent Visa Program

- Australia is supporting attraction of the **best and brightest** to help grow a strong economy.
- The Australian Government has established the **Global Business and Talent Attraction Taskforce** to attract **high-value** businesses and exceptionally **talented** individuals to Australia, along with their **ideas, networks and capital**.
- Australia has dedicated talent attraction programs designed to turbocharge the Australian economy.
- Through Australia's Global Talent Visa program, **Invest Victoria** can help bring highly talented individuals who will create opportunities by bringing their cutting edge skills to contribute to Australia's economy by driving innovation and supporting the creation of local jobs.

Global Talent Visa Program is designed to help grow innovation and tech economies that will create opportunities for Australians by transferring skills, promoting innovation and creating jobs.

The Program is a **streamlined visa pathway for highly skilled professionals to work and live permanently in Australia.**

Australia is after the brightest and best global talent to work in **seven future-focused sectors:**



Global Talent Employer Sponsored (GTES) program aims to bring globally mobile, highly-skilled and specialised individuals to Australia who can act as 'job multipliers' in Australian businesses, **helping them to hire more local staff and fill critical areas of need.**

GTES allows employers to sponsor overseas workers for **highly-skilled niche positions** that cannot be filled: by Australian workers; through other standard visa programs – in particular, the Short-term stream and Medium-term stream of the Temporary Skills Shortage (TSS) visa.

GTES allows employers access to highly-skilled talent through two streams: established business, and

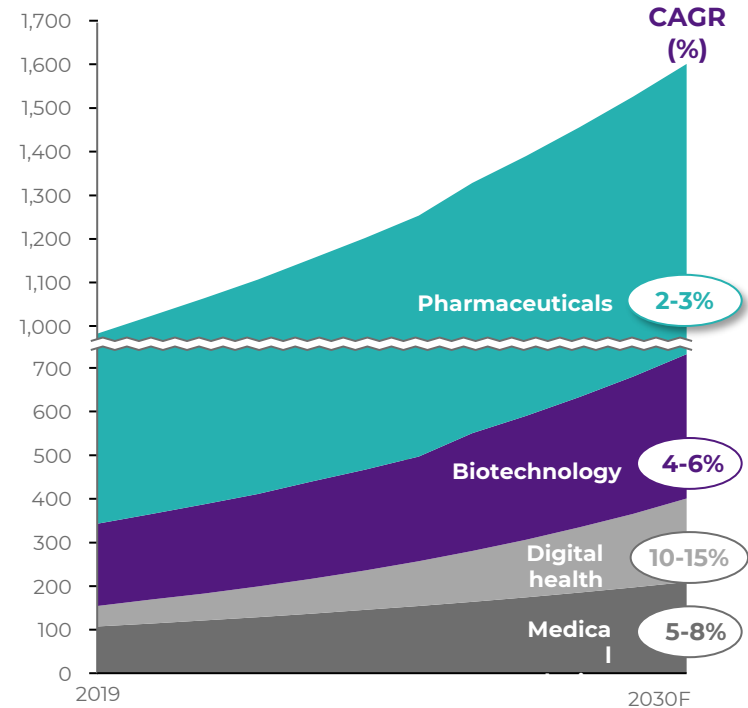
Victoria – Gateway to APAC

Victoria's time zone is perfectly aligned for doing business regionally.

Melbourne	8am	9am	10am	11am	12pm	1pm	2pm	3pm	4pm	5pm	6pm	Time difference
Tokyo	8am			11am					3pm		6pm	-1 Hour
Shanghai		8am		11am					3pm		6pm	-2 Hours
London								8am			11am	-9 Hours
New York	6pm	8pm										-14 Hours
Chicago	5pm		8pm									-15 Hours
San Francisco	3pm				8pm							-17 Hours

The APAC health and medtech market is large and growing fast, and has a potential market size of **US\$1,600bn in 2030**.
 Strong growth will be driven by Asia's ageing population, particularly in China and Japan, as well as a growing consumer electronics market for wearable tech.

APAC health and medtech market size by sub-sector
 US\$ billions, 2019 – 2030F





Lower costs and an easier place to do business

Lowest tax burden

Victoria has the **lowest business tax burden** of any state in Australia.

Competitive office costs

Melbourne's office lease costs are up to **38% cheaper** compared to Sydney.

Business friendly

- > Australia is one of the **easiest, safest, and most transparent** locations in the world to conduct business.
- > One of the **easiest places in the world to start a business** – taking on average just 2 days to register a business.
- > Australia ranks **5th** in the **Global International Property Rights Protection Index**, reflecting the safe legal and political environment for business.
- > Victoria ranks **1st** as the **most business friendly** state in Australia (by the Business Council of Australia).

Melbourne is the co-working capital of Australia



In 2019, there was a **41% increase in co-working supply** created in Australia, pushing average desk rates down across all markets



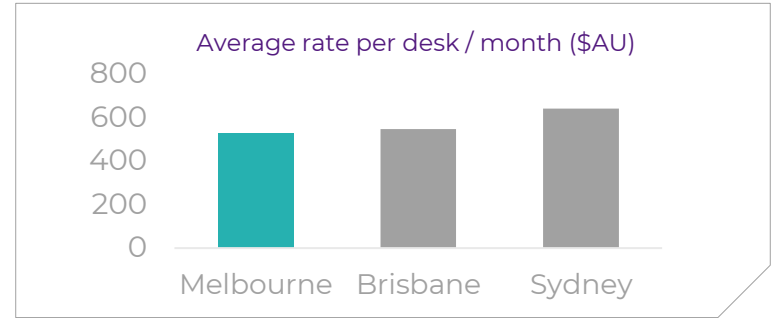
Melbourne's appetite for co-working outstrips the other capital cities, with more than **2,000 desks** available in key locations.



Melbourne accounts for **56% of the total co-working space** available between Melbourne, Sydney and Brisbane.



Corporates are increasingly transferring to coworking spaces and the sophistication of spaces and services is evolving rapidly.



YBF VENTURES is a world-class coworking space, curated community, and support for startups, scaleups, and corporates who are pushing the boundaries of tech and innovation, located in the heart of the Melbourne CBD



it seeks to create an active community of entrepreneurs, mentors, and investors who share ideas and experience.

- Has accommodated hundreds of tech start-ups, corporates and investors since opening in 2011.
- Specialises in growing businesses and linking start-ups with corporate partners and investors.

World-renowned liveability

Global Events

- > Victoria is Australia's sporting and cultural capital

World-Class Education

- > Top 3 best university-city for students in the world
- > Australia's highest ranked university

Cosmopolitan and Multicultural

- > One of the most cosmopolitan, multicultural and multilingual cities in the world
- > Australia's best shopping, restaurants, food, wine and entertainment.

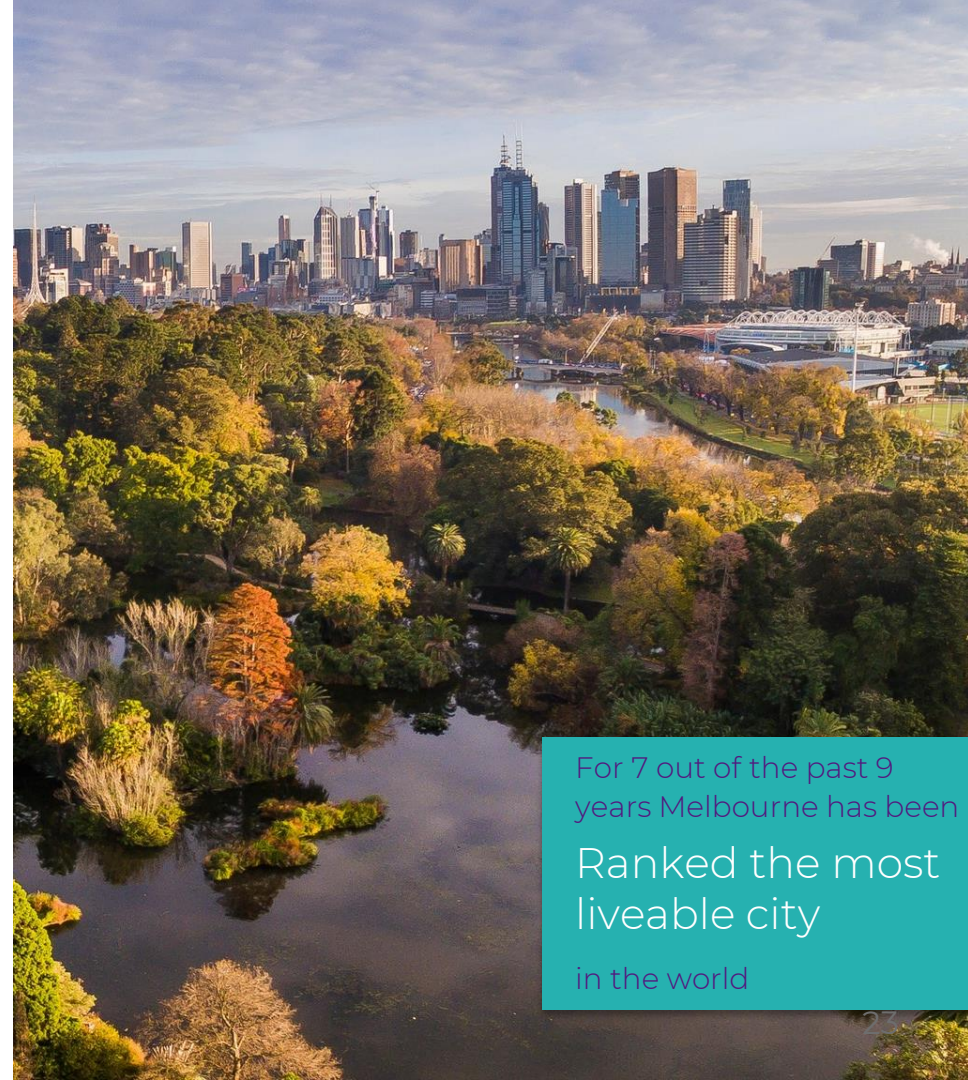
Environment and Lifestyle

- > Clean air and more parks and gardens within 5km of the CBD than any other Australian city

Health and Safety

- > Melbourne is one of the safest cities in Asia Pacific.
- > Healthcare rated a perfect 100 in the EIU Liveability Scale

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For 7 out of the past 9
years Melbourne has been

Ranked the most
liveable city

in the world

Invest Victoria

Invest Victoria makes it easy for you to do business in Victoria, Australia.



We'll show you why Victoria is the best place in the world to live, work and invest.



Our world-class, professional investment team has deep connections into government, industry and Australia's leading research institutions.



**INVEST
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We have a comprehensive approach to support you on your investment journey.



Bespoke market entry business case development



Local market overview of existing companies, key stakeholder and opportunity areas



Information on R&D capabilities



Information on labour market conditions, location and costs



Site selection assistance



Introduction to Australia's financial and data regulatory environments



Introductions to potential industry partners, suppliers, service providers and customers



THANK YOU.

Ian McLean

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