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**9M 2019**

# **Results Update**

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**October 2019**

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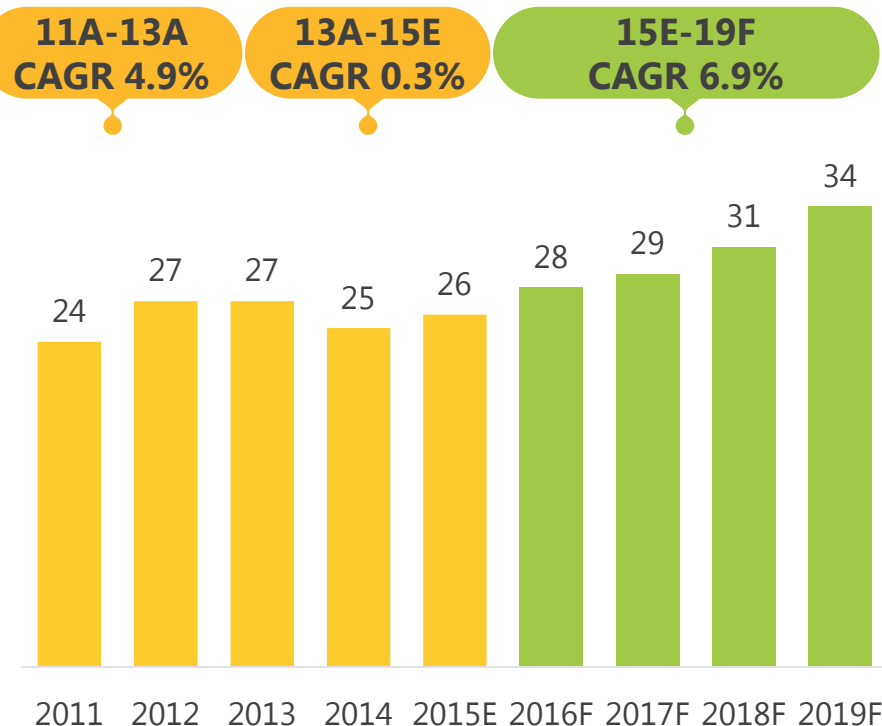
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# Market & Business Highlights

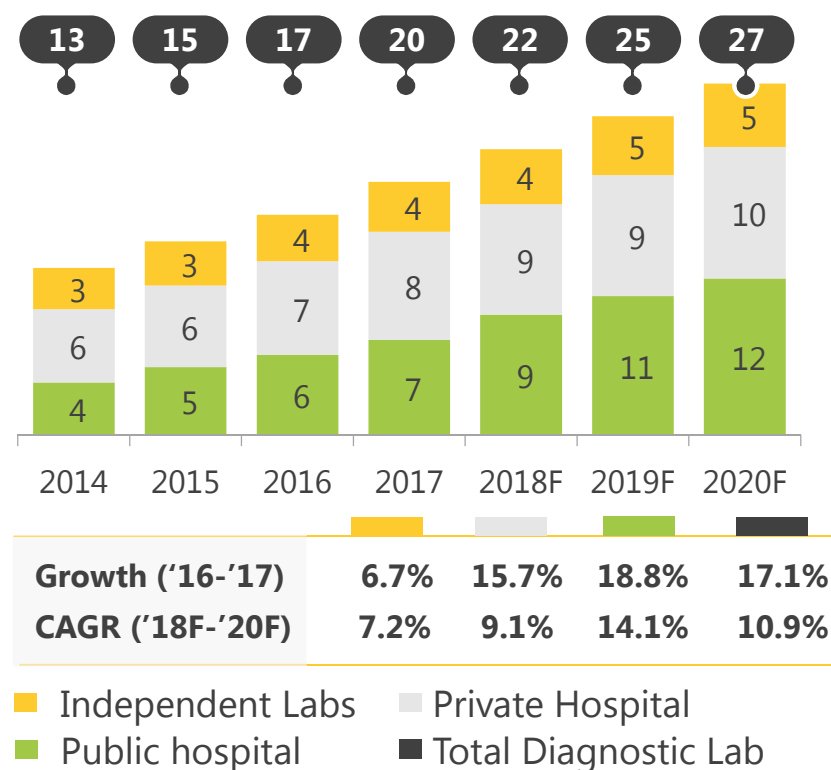
# Growing Market for the Healthcare and Diagnostic Lab Sector

## Indonesian Healthcare Market is Growing Market size by revenue; In USD Billion



Source: Frost & Sullivan Analysis (2016)

## Indonesia Diagnostic Lab Forecasting Market size by revenue; In IDR Trillion

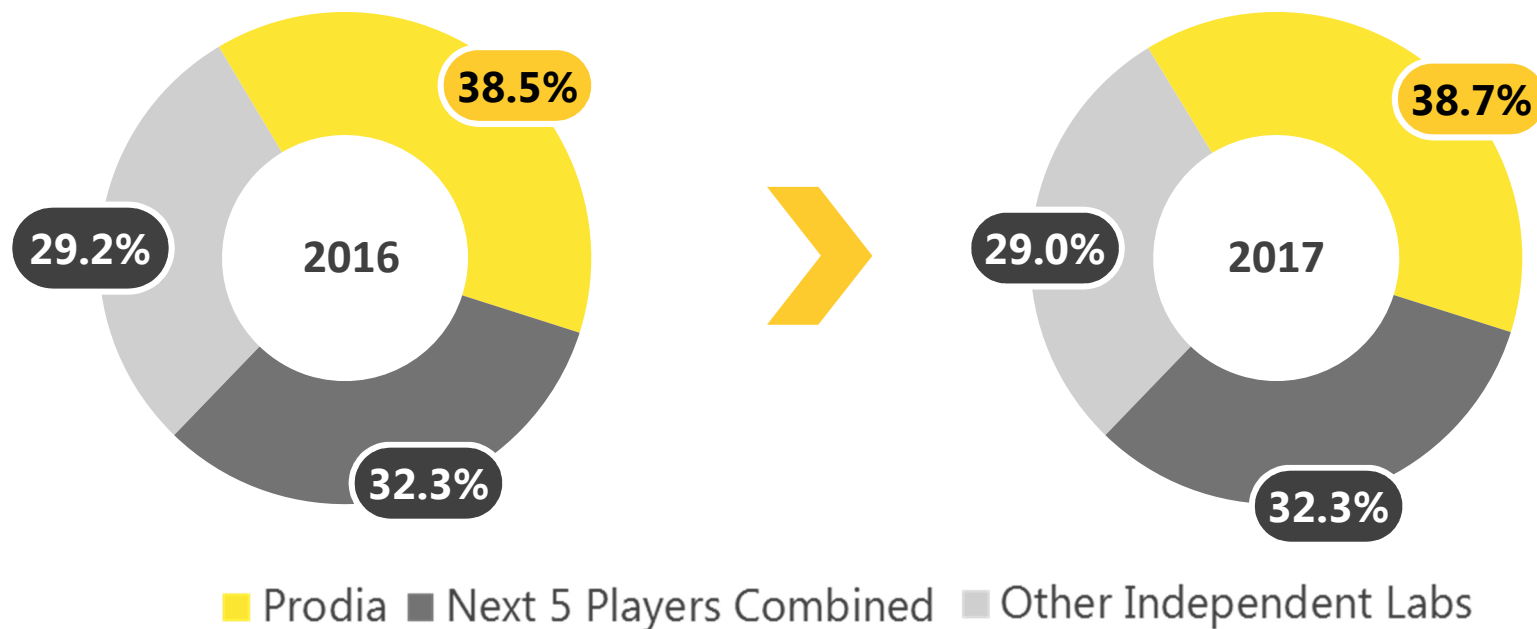


Source: IQVIA Analysis (2017 & 2018)

# Largest Network & Market Share in Independent Clinical Lab Industry



**Market Share by Revenue**  
Independent Clinical Labs (2016 & 2017)



Source: IQVIA Analysis (2018)

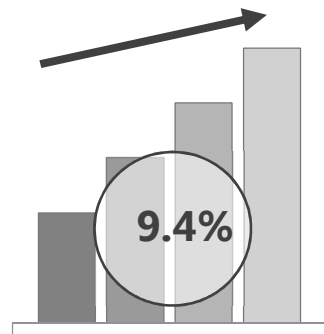
Note: Next 5 Players consists of: 1) Kimia Farma, 2) Pramita, 3) Parahita, 4) BioMedika , 5) Cito

# Potential Growth for Esoteric & Genetic Testing



## Esoteric Testing Market

### Global Statistics

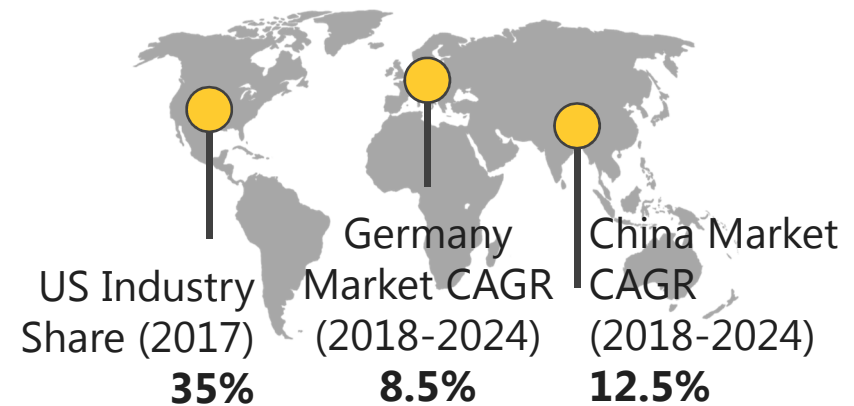


CAGR 2018-2024

> **USD 19 Billion**

Industry Size (2017)

### Regional Outlook



The Esoteric Testing Industry is projected to exceed **USD 35 Billion** by 2024

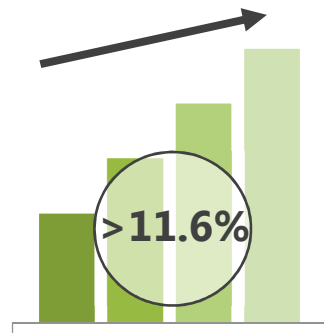
\*Source: Global Market Insights, retrieved Feb 2019 from [www.gminsights.com](http://www.gminsights.com)

# Potential Growth for Advanced & Genetic Testing



## Genetic Testing Market

### Global Statistics



CAGR 2018-2024

**USD 10.6 Billion**

Industry Size (2017)

### Landscape

#### By Application



Cancer Diagnosis  
Revenue Share  
(2017)  
**USD 5.6 Billion**



Cardiovascular  
Disease Diagnosis  
CAGR ('18-'24)  
**12.8%**

#### By Testing Type



Diagnostic  
Testing Revenue  
Share (2017)  
**USD 5.7 Billion**



Prenatal and  
Newborn Testing  
CAGR ('18-'24)  
**11.6%**



The Genetic Testing Industry is projected to exceed **USD 22 Billion** by 2024










\*Source: Global Market Insights, retrieved Feb 2019 from [www.gminsights.com](http://www.gminsights.com)







# Comprehensive Service Offering

Targets Multiple Customer Segments



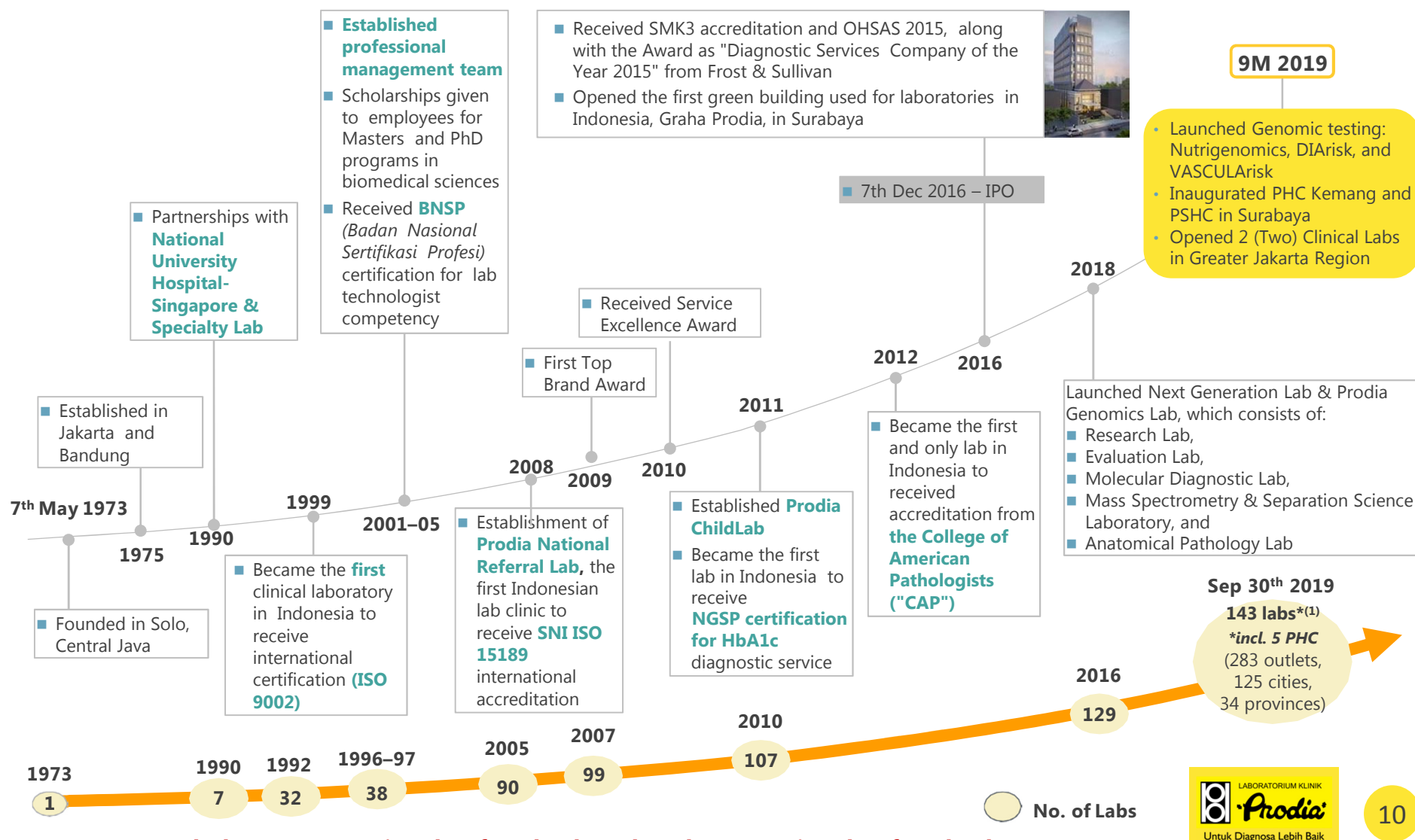
 <b>Routine Testing</b>	 <b>Non-Laboratory Testing</b>	 <b>Specialty Clinics</b>
 <b>Esoteric Testing</b>	 <b>Referral Lab Services</b>	 <b>Doctor Consultation</b>
 <b>Predictive, Preventive, Personalized Package Testing</b>	 <b>General Medical Check-Up Services</b>	 <b>Preventive Treatment</b>

 <b>Walk-In Customers</b>	 <b>Doctor Referrals</b>	 <b>External Referrals</b>	 <b>Corporate Clients</b>
<ul style="list-style-type: none"><li>• Individual Walk-In Patients</li><li>• Payment made out-of-pocket</li></ul>	<ul style="list-style-type: none"><li>• Patients referred by their doctors</li><li>• Payment made out-of-pocket</li></ul>	<ul style="list-style-type: none"><li>• Samples referred by other healthcare providers (i.e.: labs, hospitals)</li><li>• Funded by healthcare providers</li></ul>	<ul style="list-style-type: none"><li>• Customers whose employers offer them access to diagnostic testing as form of compensation</li><li>• Funded by corporate clients and private insurance</li></ul>

One-stop shop offering the most comprehensive range of clinical lab tests in Indonesia, allowing us to meet the needs of a wide range of customers

# Prodia Laboratories

## Indonesian Pioneer in Clinical Laboratory Testing



**Note: (1) Includes 1 (one) National Referral Lab and 3 (three) Regional Referral Labs**



# Scalable Hub and Spoke Model



## Significant Economies of Scale Achieved

- ✓ “Hub and spoke” model offers scalable platform reducing turnaround time and cost
- ✓ Spokes facilitate deeper penetration within region strengthening brand and driving higher volumes
- ✓ Efficiency of a clinical laboratory improves with increasing test volumes making automated tests less expensive and labs more cost efficient

# 2018-2019 Awards



**WOW Brand Award 2018 & 2019**  
from Markplus Inc.



**Indonesia Most Innovative Business Award 2018**  
from Warta Ekonomi



**Outstanding Corporate Innovator (OCI) Award 2018**  
From SWA



**Corporate Image Award (IMAC) 2018 & 2019**  
from Frontier Consulting Group & Marketing Magazine



**Top Brand Award 2018 & 2019**  
from Frontier Consulting Group & Marketing Magazine



**2018 Indonesia Best Brand Award**  
From SWA & MARS



**Service Quality Award 2018 & 2019**  
from Carre Service Quality Monitoring



**Digital Marketing Award 2018 & 2019**  
from Marketing Magazine and Mediawave



**Best e-Mark Award 2018**  
from Telkom University & SWA



**TOP CSR 2018, Healthcare Sector**  
from KNKG & Top Business Magazine



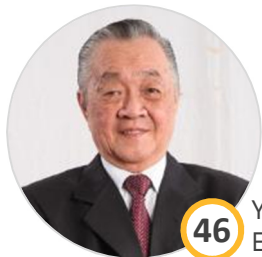
**Social Media Award 2018 & 2019**  
From Marketing Magazine & Mediawave



# Senior Leadership and Management Team



**Experienced, Professional Management Team with a Track Record in Delivering Superior Growth and Innovation**

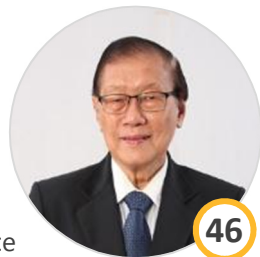


**46**

Years of Experience

**Andi  
Wijaya**

Co-Founder and  
Chairman



**46**

Years of Experience

**Gunawan  
Prawiro Soeharto**

Co-Founder and  
Commissioner



**36**

Years of Experience

**Endang  
Hoyaranda**

Commissioner



**30**

Years of Experience

**Scott Andrew  
Merrillees**

Independent  
Commissioner



**32**

Years of Experience

**Lukas Setia  
Atmaja**

Independent  
Commissioner



**32**

Years of Experience

**Dewi  
Muliaty**

President Director



**23**

Years of Experience

**Liana  
Kuswandi**

Finance Director



**23**

Years of Experience

**Indriyanti Rafi  
Sukmawati**

Business &  
Marketing Director

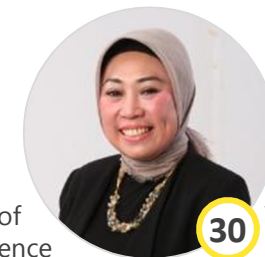


**22**

Years of Experience

**Andri  
Hidayat**

Diagnostics Service  
& IT Director



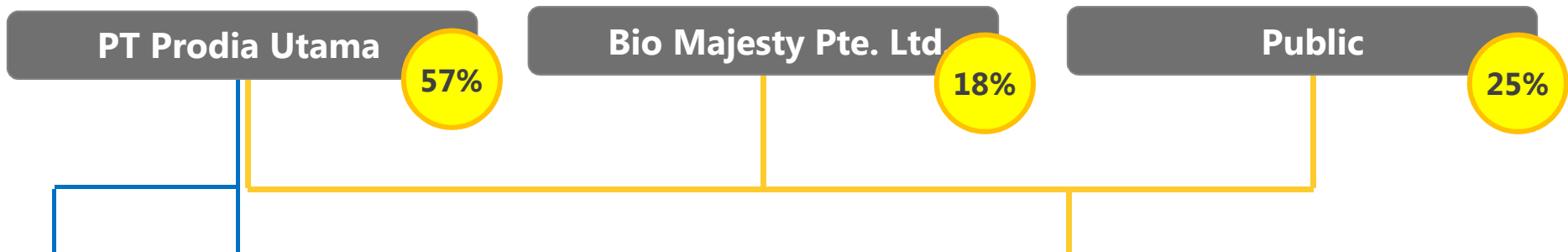
**30**

Years of Experience

**Tetty  
Hendrawati**

Independent  
Director

# Shareholder Composition



Contract  
Research  
Organization



Research, therapy  
and banking of  
stem cell



Distributor for  
healthcare  
products



Occupational  
Health  
Service



In Vitro  
Diagnostics  
(IVD) industry

*In 2015, Prodia disposed the 4 non-core subsidiaries to Prodia Group, in order to focus on core clinical lab business*



**PT Prodia Widyahusada Tbk**

Nationwide Outlet Network across Indonesia

- ✓ **No.1 clinical lab chain in Indonesia<sup>(1)</sup>**
- ✓ **Premium clinical laboratory brand**
- ✓ **Dominant and industry pioneer**

(1) Based on revenue share and network size





# Growth Strategy

# Growth Strategy



**A**

## Near-term



**Expand** our presence and grow our **network of outlets** in both existing and new markets in Indonesia



**Upgrade** existing clinical laboratories to provide wider range of tests and services and increase volume



Enhance internal **operating efficiency**



Focus on providing **quality diagnostic** and related healthcare tests and services

**B**

## Long-term



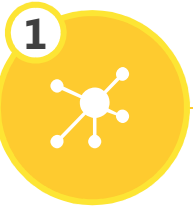
Focus on the development of **next-generation diagnostic technologies** for precision medicine



# Near Term Growth Plan



## Prodia's Network Expansion Plan 2016 - 2021



### Expand Network of Outlets

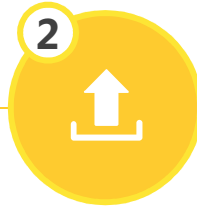
**3<sup>1</sup>** regional referral labs

Up to **33** additional clinical labs over next five years

Up to **20** new POC collection centers per year

**3-5** new hospital labs per year

**10<sup>1</sup>** new specialty clinics<sup>2</sup> over next five years



### Upgrade Clinical Labs

Upgrade up to **39** clinical labs to PHC<sup>3</sup> Clinics

**24** Clinical Lab Improvements



### Enhance Operating Efficiency

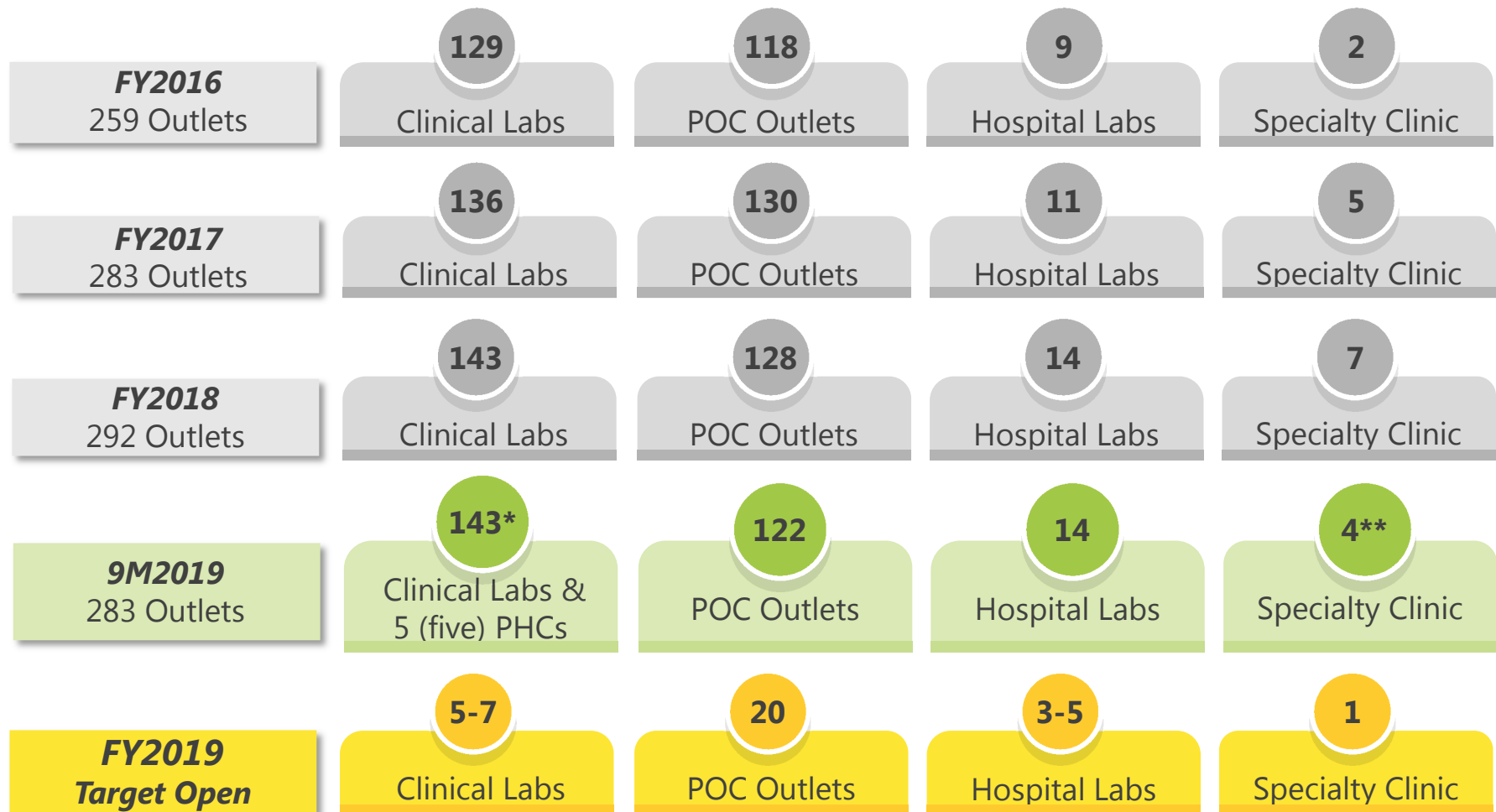


### Focus on Quality

1) Per 9M2019, referral labs and specialty clinics target are revised to 3 (Three) and 10 (Ten) respectively, 2) Specialized clinic facilities for specific customer types; Includes Prodia Children's Health Center ("PCHC"), Prodia Women's Health Center (PWHC), and Prodia Senior Health Center ("PSHC").  
3) Prodia Health Care (PHC), which in addition to being clinical laboratories, PHC Clinics offers wellness services focusing on preventive care.

## Business Updates

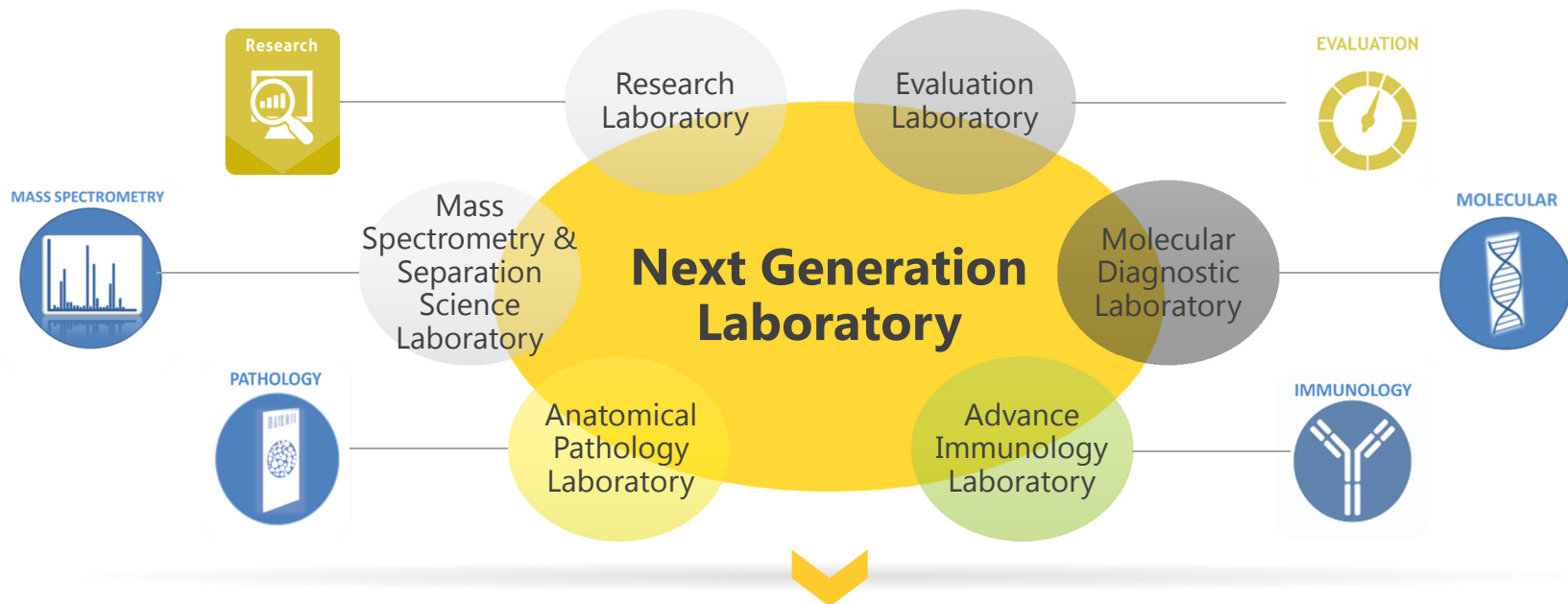
# FY2016-9M2019 Total Outlets & FY2019 Development Targets



\*includes 1 (one) Standalone PHC Kemang, and 4 (four) specialty clinics that operate in existing clinical lab branches: 1)PCHC Jakarta, 2) PCHC Medan, 3) PWHC Medan, 4) PCHC Surabaya. \*\*consists of standalone specialty clinics (PWHC and PSHC Surabaya, PWHC and PSHC Jakarta)



# Leader in Next Generation Technology



## Personalized Treatment and Prevention

## The Concept of Precision Medicine

## Targeted Therapy



Global initiative to move towards personalized treatment and prevention



Leverages genomics, proteomics, and metabolomics analysis



Key to the successful offering of precision medicine is the availability of diagnostic information





# 9M 2019 Business & Financial Updates

## Business Updates

# New Clinical Labs & Clinic 9M 2019



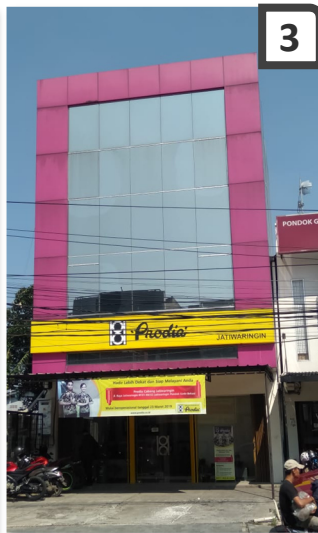
- 1 Prodia Health Care, Kemang, Jakarta
- 2 Clinical Lab, Tangerang City, Banten
- 3 Clinical Lab, Jatiwaringin, West Java
- 4 Prodia Senior Health Centre, Surabaya, East Java

Feb 2019

Mar 2019

Jun 2019

9M 2019



283 outlets  
34 provinces  
125 cities

**143\* Clinical Labs**  
\*incl. 5 PHCs



## 9M 2019 Revenue (Unaudited)

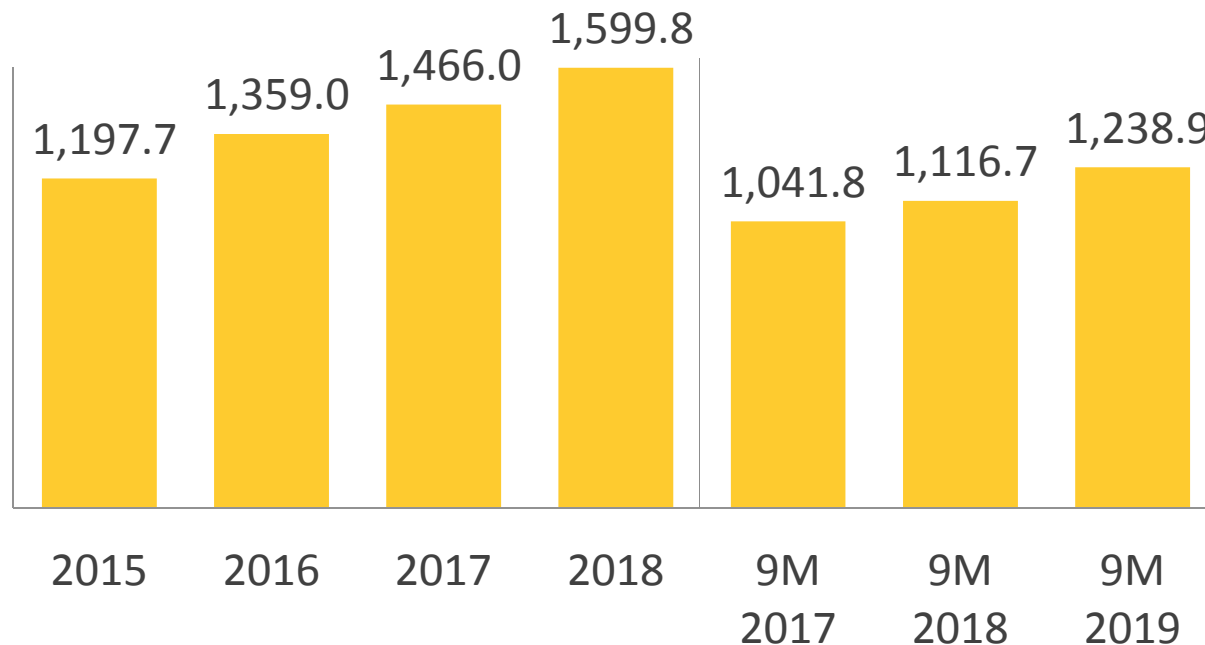


Revenue (in IDR Billion)

FY15-FY18 CAGR +10.1%

g+7.2%

g+10.9%

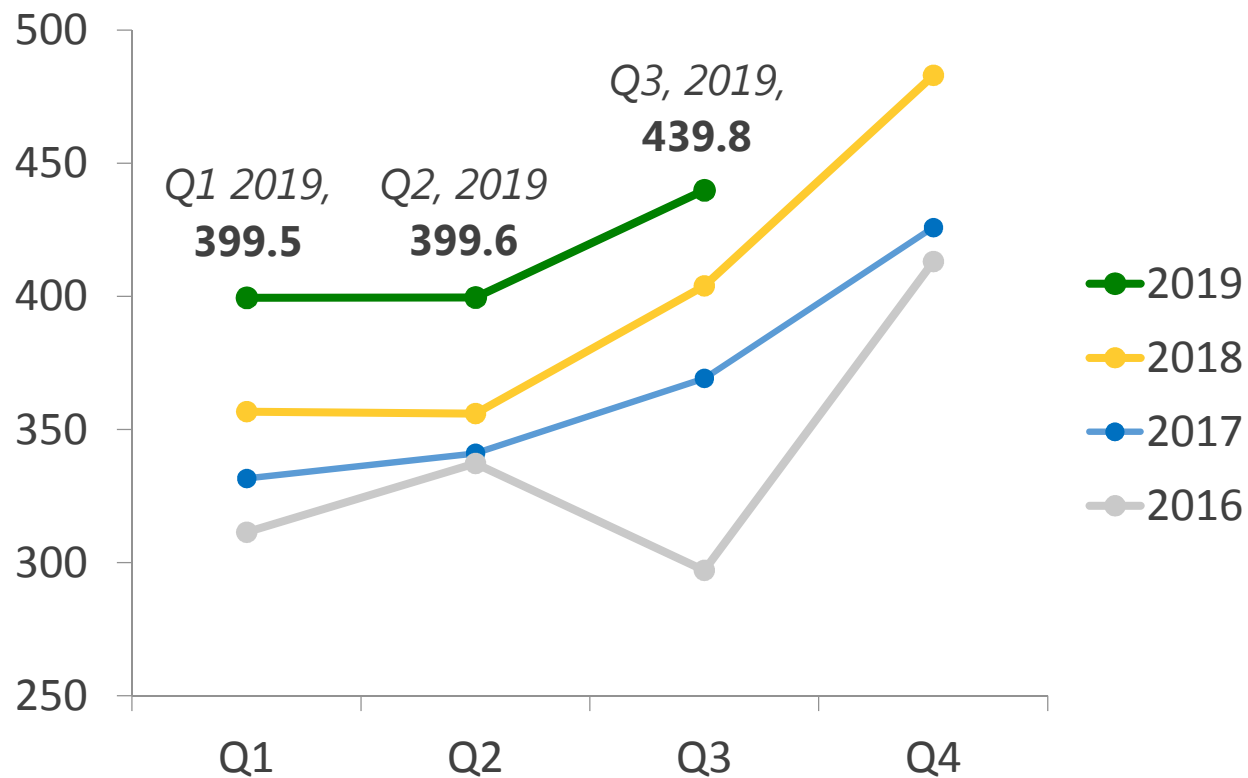


Visit and volume expansion continue to support double digit top line growth

## Quarterly Revenue Trends (Unaudited)



Quarterly Revenue 2016 – 2019 (in IDR Billion)



Quarterly revenue illustrates seasonality in the business that is affected by different variables each quarter, including Public Holiday & Corporate Check-Up Season

## Value-based Lab Testing



### Predictive, Preventive & Screening

1. NIPT (ProSafe)
2. Telomere Analysis
3. Vitamin A & E
4. ProHealthy Gut (GCMS)
5. Varicella Zoster IgG
6. Fenilalanin Neonatus
7. 17-OH Progesteron Neonatus
8. CA Risk
- 9. DIARisk**
- 10. Prodia Nutrigenomics**
- 11. VASCULARisk**
- 12. Nutrition Panel (Urine)**
- 13. Toxic Panel (Urine)**
- 14. Amino Profile – 19**
- 15. Vitamin B1 & B6**
- 16. Rasio s-Flt1/PIGF**
- 17. NBS Amino Acid**



### Diagnostic

18. Jak2 Mutation
19. Kidney Stone Analysis (FTIR)
20. AMA & ASMA IF
21. CT/NG RT PCR (Geneexpert)
22. MTB/MOTT-DNA PCR
23. Fragmentation of DNA Sperm
24. Rotavirus Antigen
- 25. Anti-AChR Binding**
- 26. ANCA IF**



### Targeted Therapy

26. Jak 2 Mutation
27. Mutation EGFR
28. Mutation EGFR ctDNA
29. Estrogen Receptor
30. Progesteron Receptor
31. HER2/neu
32. Ki67
33. BCR ABL (Geneexpert)
34. Ultrasensitive Mutation EGFR ctDNA (T790M)
- 35. Oncoprecise**



### Pharmacogenomics

36. Warfarin Indiv Test (CYP2C9 & VCORC1 genotype)
37. CYP2C19

\*added in FY2018

\*\*added in 9M2019



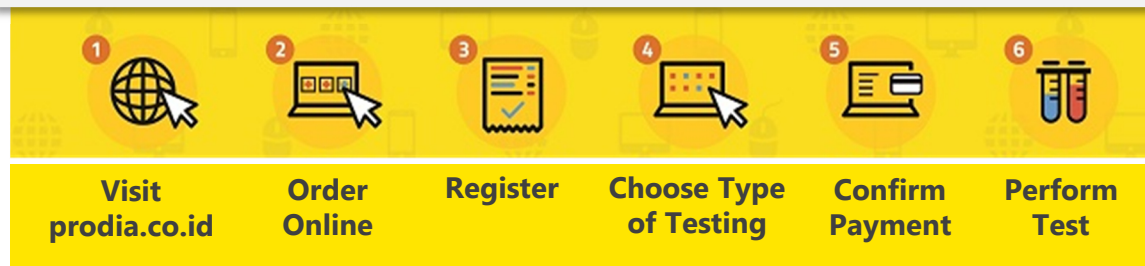
## Business Updates

# Technology to increase Customer Satisfaction



- Launched **e-Prodia, an Online Order & Result** Platform, for easier registration, payment system, & results
- Customers can choose type of testing & outlet via **Online Order** or **Prodia Mobile** Apps
- **Online Results are available** for customers through Prodia website, apps or via email
- Payment can be made through ATM Transfer or Credit Card

### Online Order via Prodia Website



### Launching of Kontak Prodia and Chatbot TANIA

- Launched **contact center, Kontak Prodia**, allowing customers to easily contact Prodia for queries, including results, using a centralized phone number
- Launched **ChatBot Tania**, available via LINE, Facebook, Telegram, and Website (@prodia.id)

### Collaboration with Startup

- Collaborate with Halodoc to increase online accessibility for customers

### Online Customer Service

- [www.prodia.co.id](http://www.prodia.co.id)
- Laboratorium Klinik Prodia
- @Prodia\_Lab
- Laboratorium Klinik Prodia
- @Prodia\_Lab
- info@prodia.co.id

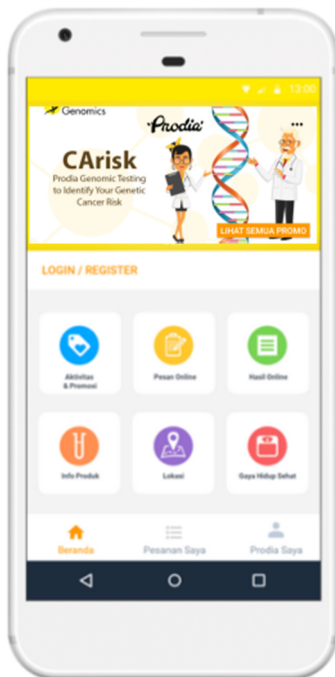


## Business Updates

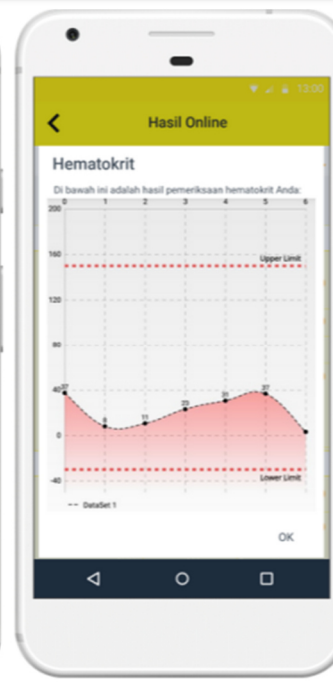
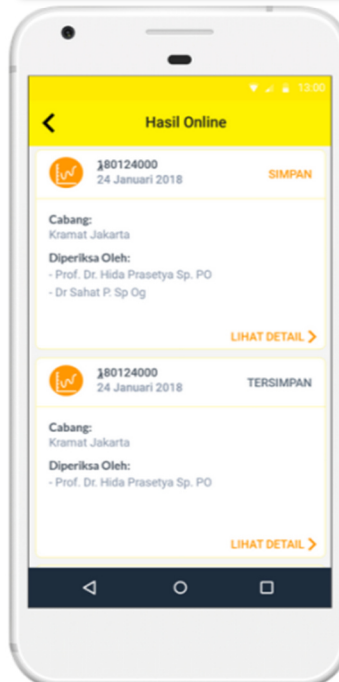
# Technology to increase Customer Satisfaction



### Online Order via Prodia Mobile



### Online Results via Prodia Mobile



## Financial Updates

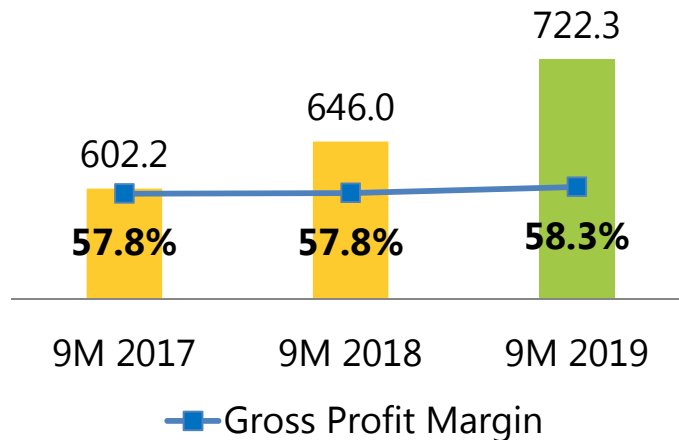
### 9M 2019 Gross Profit & Net Income (Unaudited)



#### Gross Profit (in IDR Billion)

Growth +7.3%

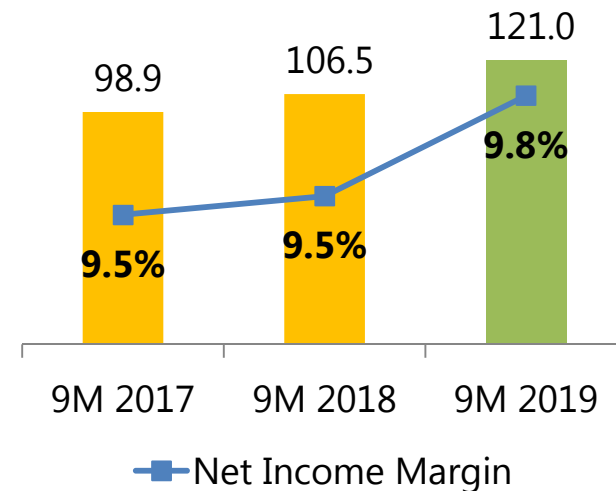
Growth +11.8%



#### Net Income (in IDR Billion)

Growth +7.7%

Growth +13.6%



Gross profit up by +11.8% as gross margin improves by 45 BPS



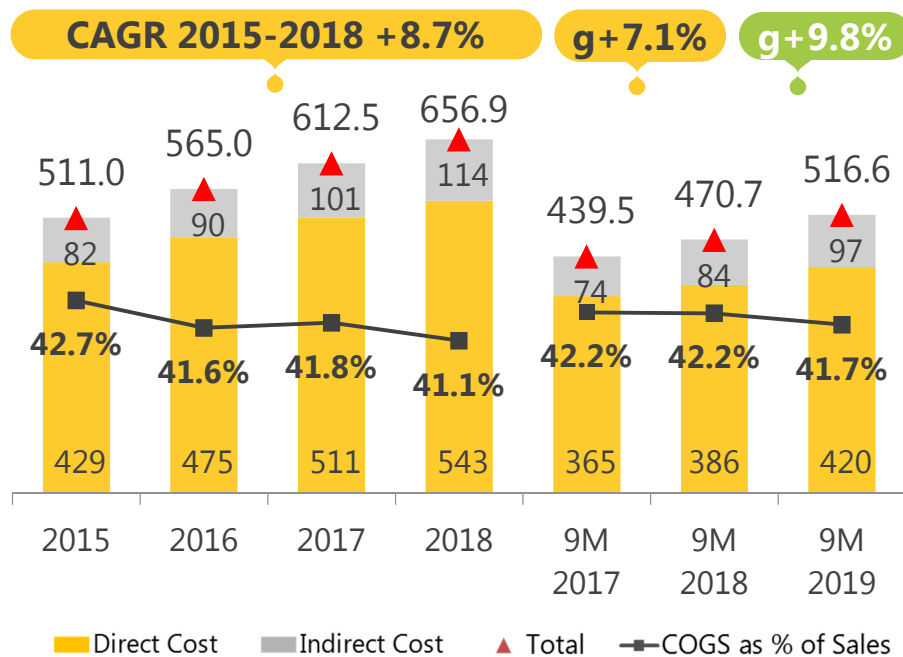
Net income grew +13.6% and NPM expands 22 BPS

## Financial Updates

# 9M 2019 COGS & OPEX (Unaudited)

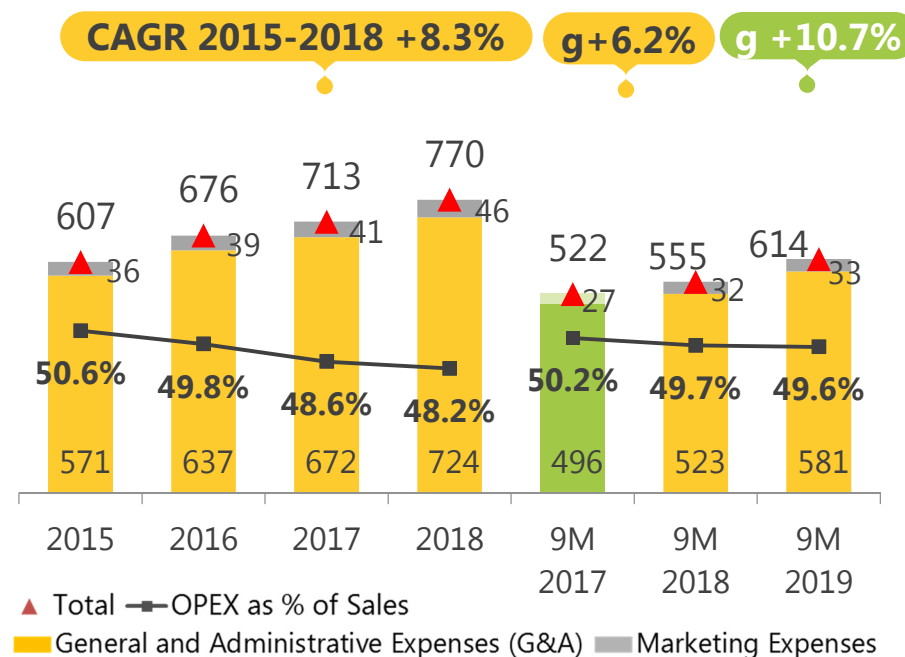


### COGS (in IDR Billion)



COGS as % of sales improved by 45 BPS

### OPEX (in IDR Billion)



OPEX as % of sales continues to thin out

## Financial Updates

# Financial Summary 9M 2019 (Unaudited)



(in IDR Bn)	9M 2019	9M 2018	Change
Revenue	1,238.9	1,116.7	+ 10.9%
Gross Profit	722.3	646.0	+ 11.8%
EBIT	111.0	98.9	+ 12.2%
EBT	148.3	130.5	+ 13.6%
Net Income	121.0	106.5	+ 13.6%
EPS	129.0	113.6	+ 13.6%
EBITDA	188.8	166.0	+ 13.7%
EBITDA %	15.2%	14.9 %	+ 37 BPS
Debt to Equity %	15.8%	17.1%	– 126 BPS
Debt to Asset %	18.9%	20.0%	– 106 BPS

# Thank You

For more information :

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