



# PT Prodia Widyahusada Tbk

Q1 2018 Results Update  
April 2018

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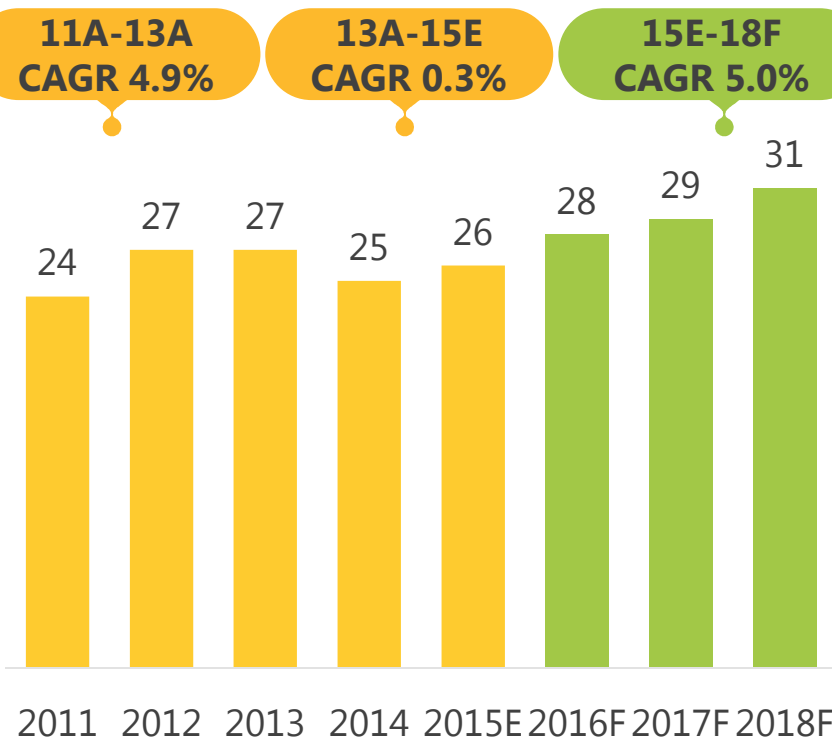


# Business Highlights

# Significant Growth Potential for Private Laboratories in Indonesia

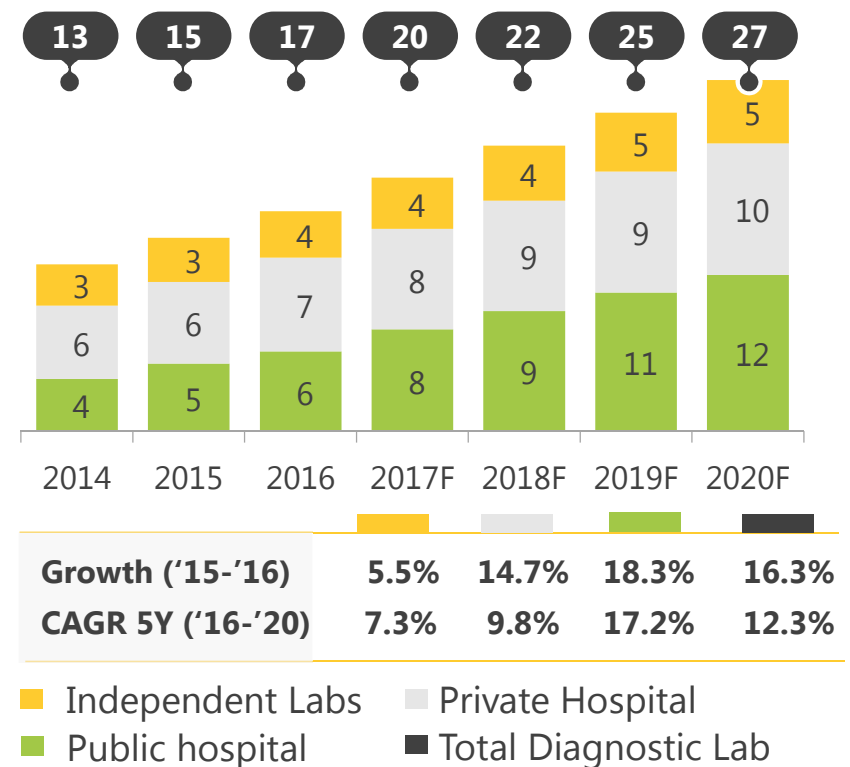


## Indonesian Healthcare Market is Growing Market size by revenue; In USD Billion



Source: Frost & Sullivan Analysis (2016)

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

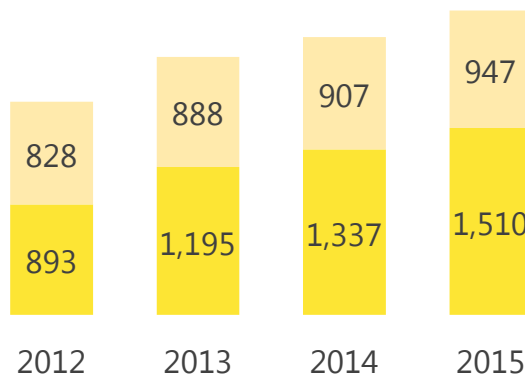


Source: IMS Health Analysis (2017)

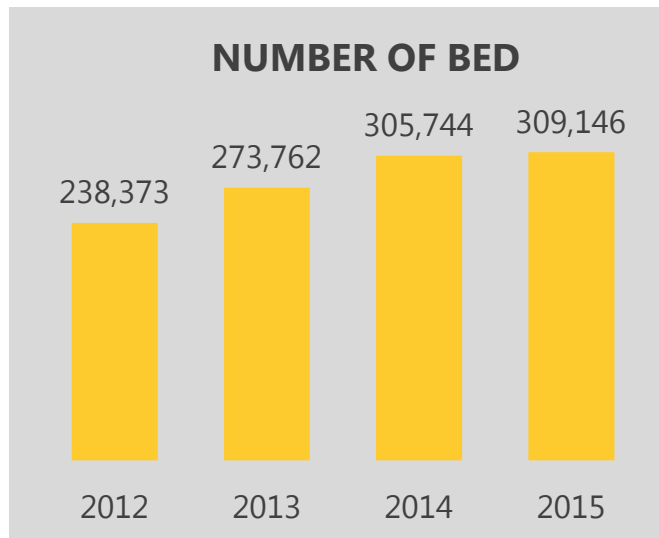


# Healthcare Infrastructure Continues to Develop

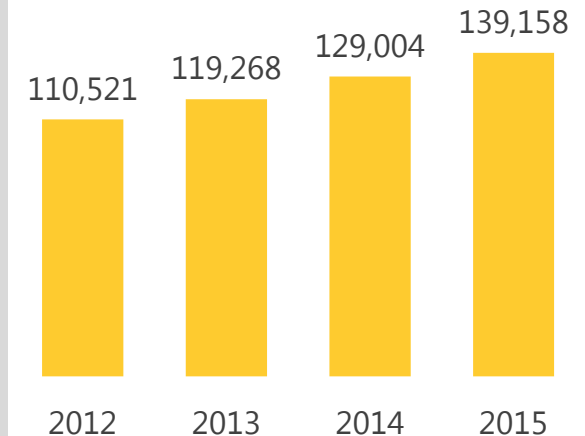
NUMBER OF HOSPITAL



NUMBER OF BED



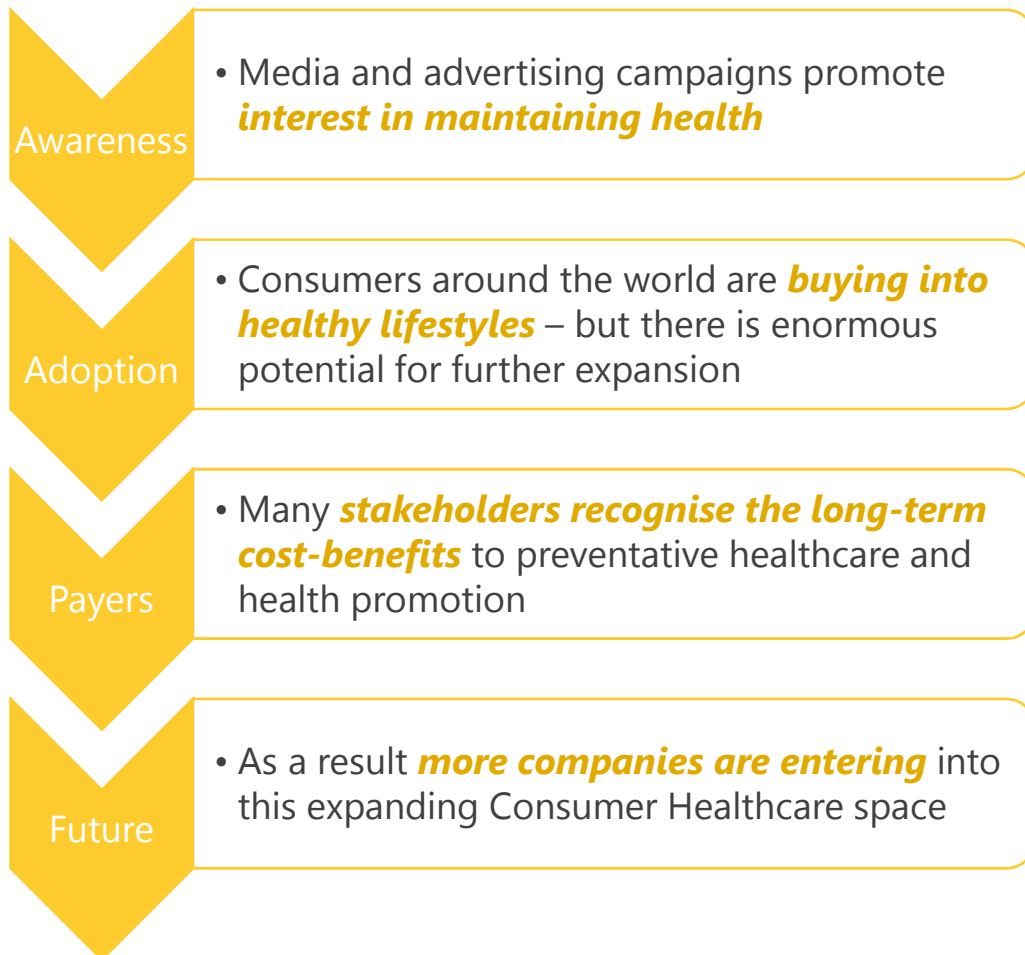
NUMBER OF DOCTOR



- According to data from Ministry of Health, there are 2,457 hospitals in Indonesia. The number of hospital has increased at 12.6% CAGR in past three years.
- There has been increase in the number of hospital beds (21.5% CAGR) into the healthcare sector in Indonesia. Investment into this sector is seen as attractive, given that the number of beds of 11 per 10,000 population.

Source: IMS Health Analysis (2017)

# Society is moving Towards Health Promotion Rather Than Just Treating Illness



Source: IMS Health Analysis (2017)

## Daily aspirin dose 'for everyone over 45'

Everyone aged over 45 should consider a small daily dose of aspirin to help protect themselves against heart disease and cancer, a panel of experts suggested yesterday.



Share:

in Share

Health News

News > UK News >  
Health > Stephen  
Adams >

IN HEALTH NEWS



## Nutrition

### Food for thought

In praise of omega-3s

Jan 19th 2006 | From the print edition

DRINKING fruit juice may British sailors the indignant "limeys", but it also save just as liver helps to treat unpolished rice prevents

Like

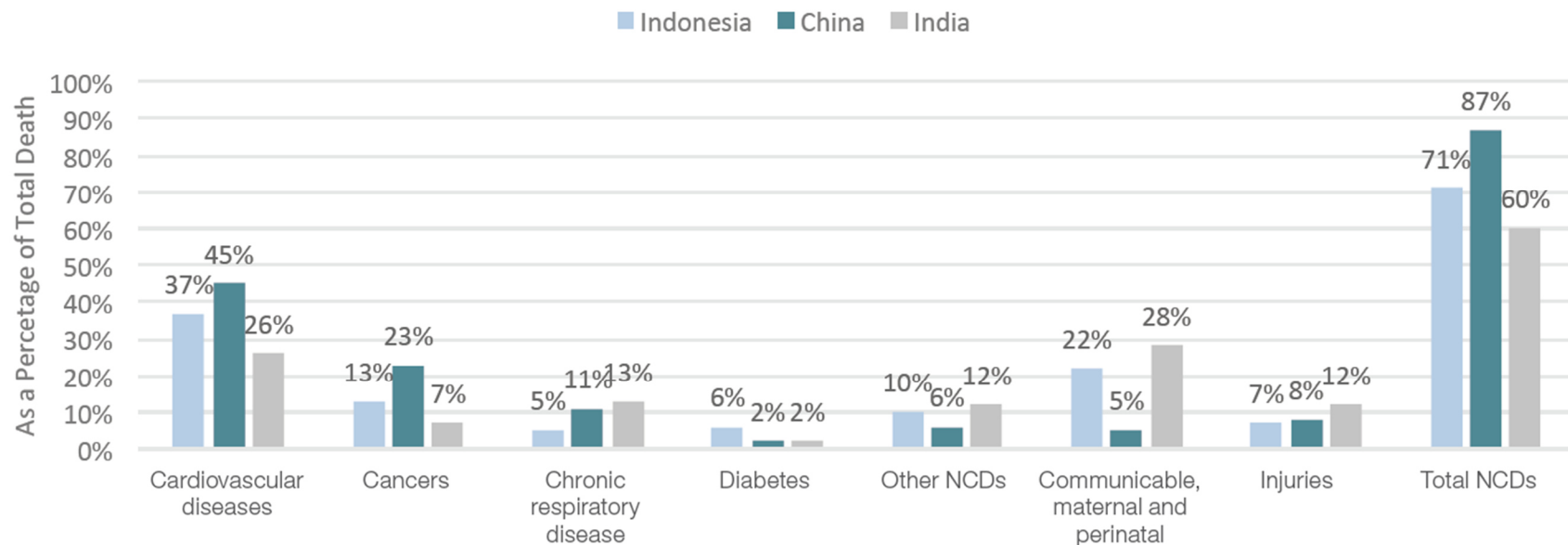
WHO Technical Report Series

916

## DIET, NUTRITION AND THE PREVENTION OF CHRONIC DISEASES

# Increasing Trend of Non-Communicable Diseases indicates need of Quality Diagnostics Service

## Proportional Mortality due to Non-Communicable Diseases in Indonesia, India and China, 2014 (% of Total Deaths, All ages, Both Sexes)

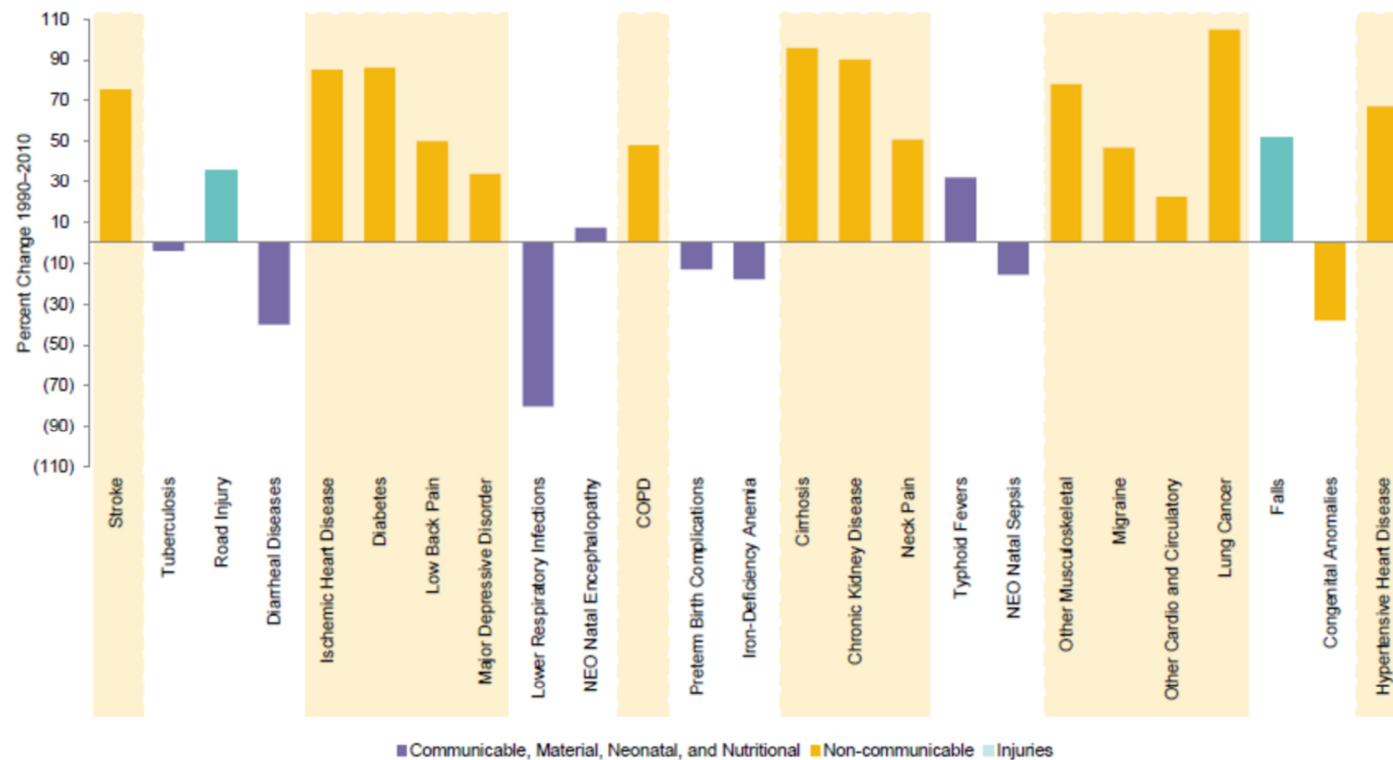


Source: World Economic Forum, Harvard, School of Public Health

# Increasing Trend of Non-Communicable Diseases indicates need of Quality Diagnostics Service

Increasing DALYs<sup>(1)</sup>: 1990 – 2010 for Indonesia

(Leading Causes, % of Change)



The rising prevalence of chronic diseases will continue to drive the growth of the overall healthcare spending as well as demands for clinical lab services in Indonesia, for both more specialized tests used in treatment decisions, as well as for more preventative diagnostics

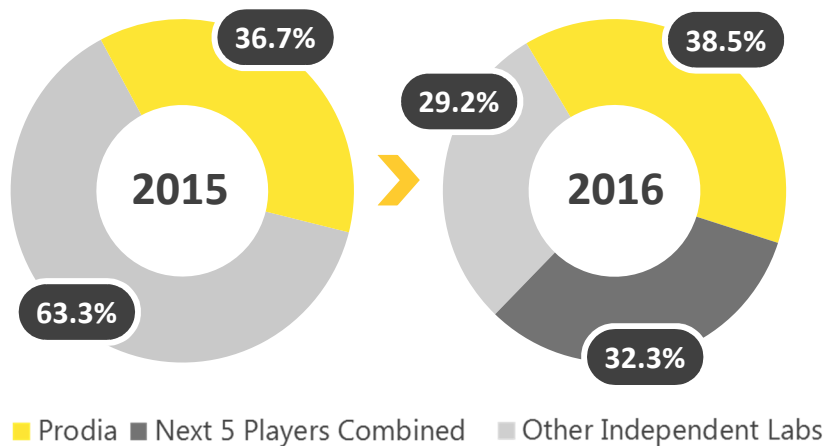
Note: (1) Disability-adjusted Life Year.

Source: Global Burden of Disease Study 2010 (Institute for Health Metrics and Evaluation, University of Washington).

# Pioneer and Leader in Indonesian Independent Clinical Lab Industry



## Market Share by Revenue Independent Clinical Labs (2015 & 2016)



Source: IMS Health Analysis (2017)

## Prodia Market Share vs. Competitor Independent Clinical Labs (2016)

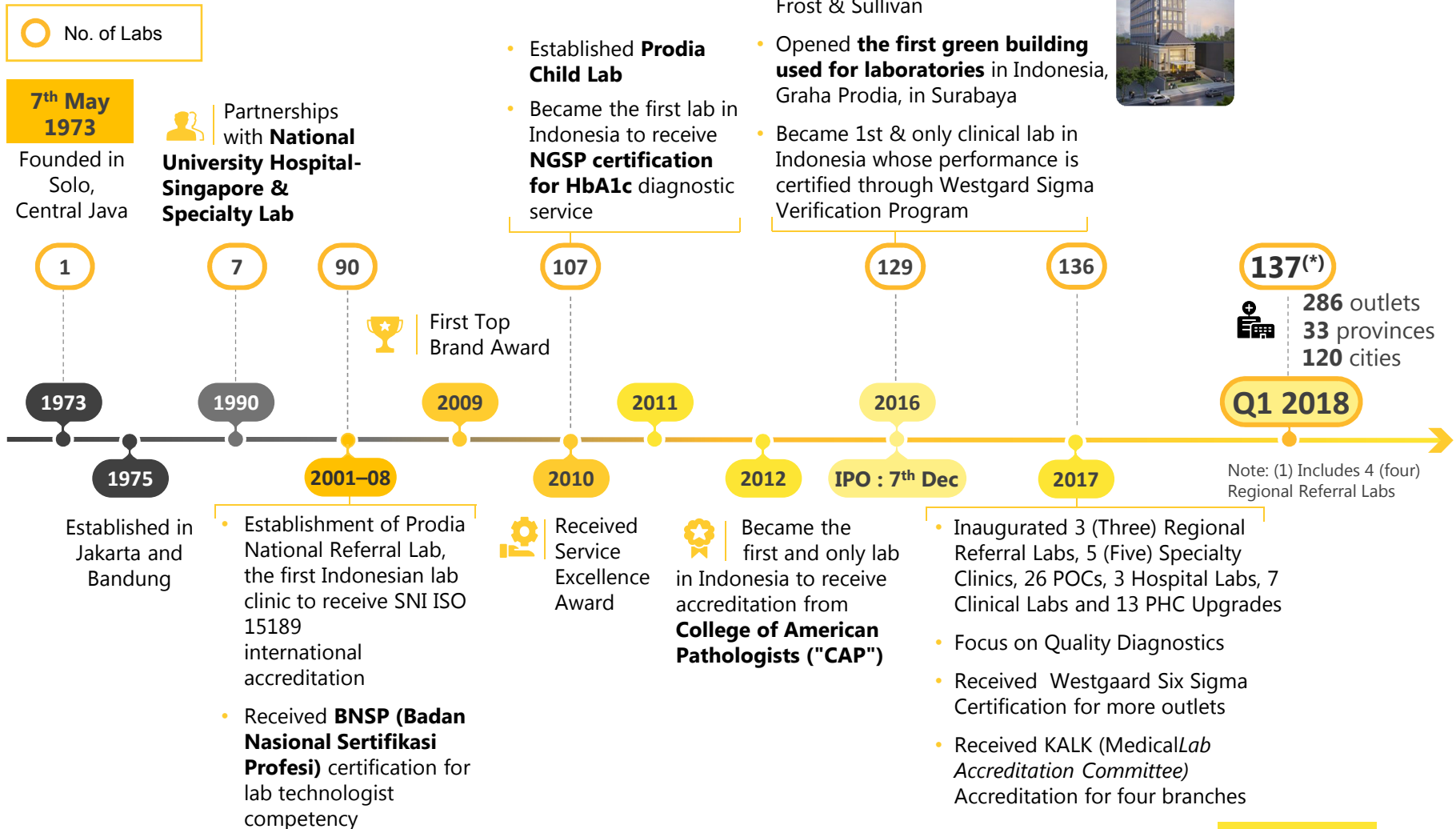
Key Private Independent Lab Players	No. of Clinical Laboratories		
	Java	Outside Java	Total
LABORATORIUM KLINIK Prodia	79	58	136
Kimia Farma	26	19	45
PRAMITA Lab	26	12	38
CITO	19	1	20
PARAHITA	15	1	16
Bio Medika	13	1	14

**Total Clinical Labs for Next 5 Players 133**

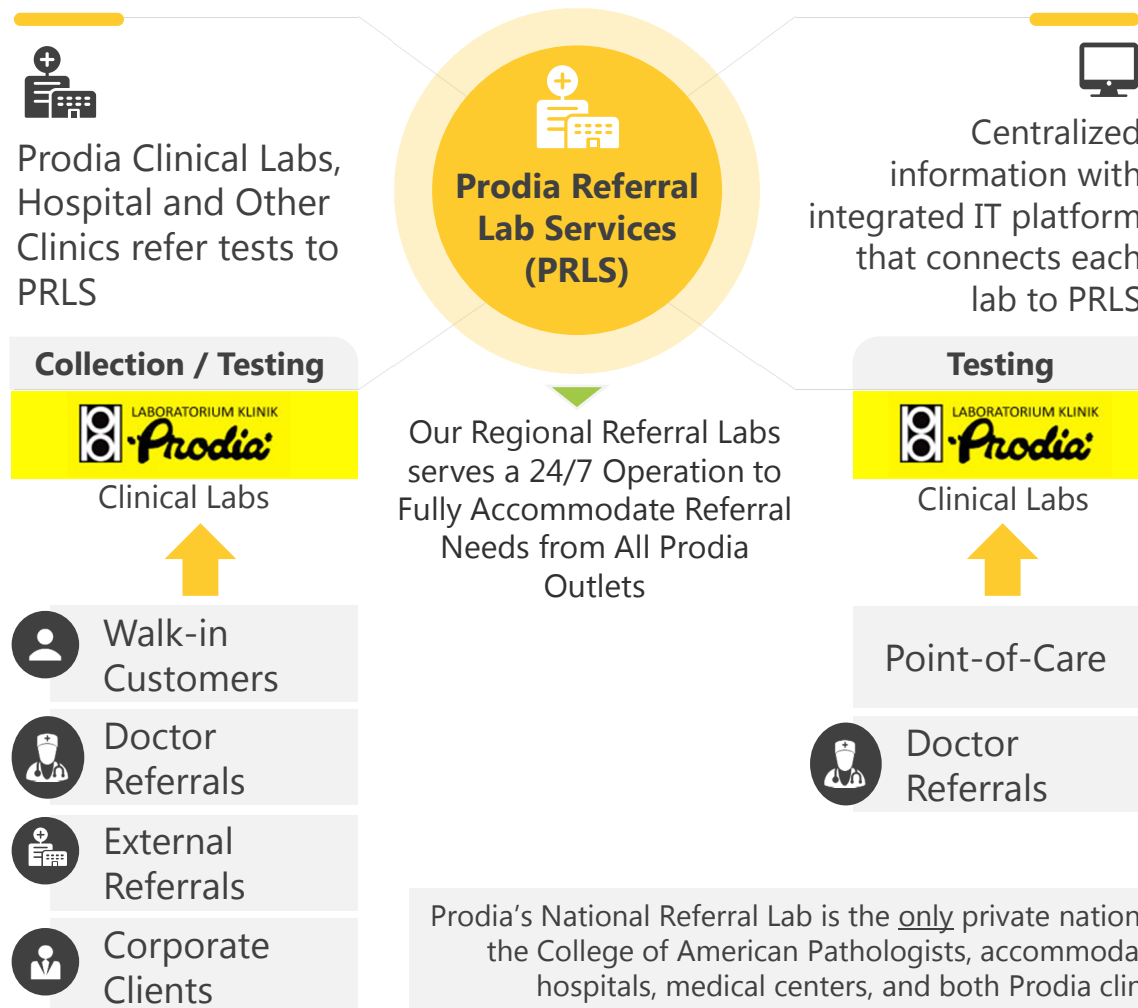
Source: IMS Health Analysis (2017)



# Pioneer in Clinical Laboratory Testing



# 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

Prodia's National Referral Lab is the only private national referral laboratory in Indonesia accredited by the College of American Pathologists, accommodating international researches, referrals from hospitals, medical centers, and both Prodia clinical labs as well as external clinical labs.

# Most Recognized Clinical Lab Brand in Indonesia



**The only clinical lab** in Indonesia accredited by College of American Pathologists ("CAP"<sup>(1)</sup>)



Won the **Top-Brand Award for 9 (nine) years in a row** since 2009



**1<sup>st</sup>** clinical laboratory in Indonesia that received international certification



**1<sup>st</sup> and the only** clinical lab in Indonesia to receive **NGSP<sup>(2)</sup>** certification for HbA1c<sup>(3)</sup> diagnostic service



**1<sup>st</sup>** Indonesian clinical laboratory that received **SNI ISO 15189**



All labs are **owned and operated** by Prodia to maintain better control and ensure consistency in quality standards

**Pioneer in Indonesian Laboratory Services**

**Center of Excellence**

**Largest Lab Network and Service Offering**

**Customer Focused**

**Quality as a Way of Life**

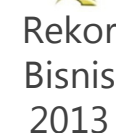
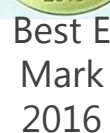
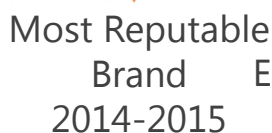
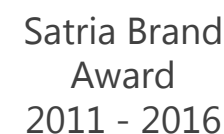
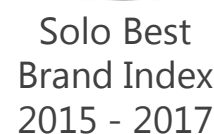
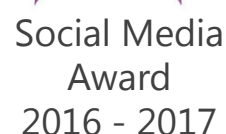
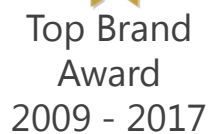
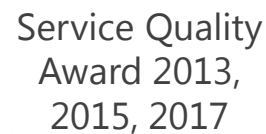
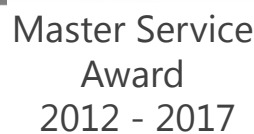
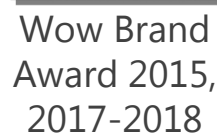
**Leading Referral Laboratory Services**

**Awards**

Note: (1) CAP is considered the highest accreditation in the clinical lab industry worldwide. (2) NGSP stands for the National Glycohemoglobin Standardization Program. (3) HbA1c, also known as the haemoglobin A1c or glycated haemoglobin, is an important blood test that gives a good indication of how well your diabetes is being controlled.



# Most Recognized Clinical Lab Brand in Indonesia



# Comprehensive Service Offering

## Targets Multiple Customer Segments



### Routine Testing



### Non-Laboratory Testing



### Esoteric Testing



### General Medical Check-Up Services



### Referral Lab Services



### Specialty Clinics



#### Walk-In Customers

- Individual Walk-In Patients
- Payment made out-of-pocket



#### Doctor Referrals

- Patients referred by their doctors
- Payment made out-of-pocket



#### External Referrals

- Samples referred by other healthcare providers (i.e.: labs, hospitals)
- Funded by healthcare providers



#### Corporate Clients

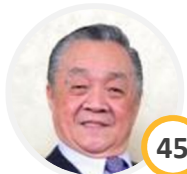
- Customers whose employers offer them access to diagnostic testing as form of compensation
- Funded by corporate clients and private insurance

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

# Senior Leadership and Management Team



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

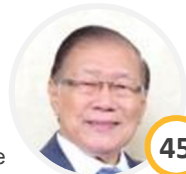


45

Years of Experience

**Dr. Andi Wijaya, MBA**

Co-Founder and Chairman



45

Years of Experience

**Drs. Gunawan Prawiro Soeharto**

Co-Founder and Commissioner



35

Years of Experience

**Dr. Endang Hoyaranda**

Commissioner



29

Years of Experience

**Scott Andrew Merrill**

Independent Commissioner



31

Years of Experience

**Lukas Setia Atmaja**

Independent Commissioner



31

Years of Experience

**Dr. Dewi Muliaty, M.Si**

President Director



22

Years of Experience

**Liana Kuswandi, M.Fin**

Finance Director



22

Years of Experience

**Dr. Indriyanti Rafi Sukmawati, M.Si**

Marketing Director



21

Years of Experience

**Dr. Andri Hidayat, M.Kes**

Operation Director



29

Years of Experience

**Tetty Hendrawati, M.Si**

Independent Director

**Laboratory Services  
Company of the Year  
2017**



**Top Brand Award  
2017**



# Shareholder Composition



**No. 1 Clinical lab chain in Indonesia<sup>(1)</sup>**



**Premium clinical laboratory brand**



**Dominant and industry pioneer**

## PT Prodia Widyahusada Tbk

Nationwide Outlet Network  
Across Indonesia

57%

### PT Prodia Utama

- PT Prodia OHI International
- PT Prodia Stemcell Indonesia
- PT Prodia Diagnostic Line
- PT Inovasi Diagnostika
- PT Prodia Diacro Laboratories

18%

### Bio Majesty Pte. Ltd.

25%

### Public

(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

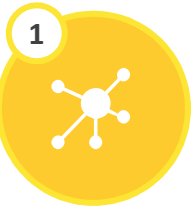
Long-term



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

# Near Term Growth Plan

## Prodia's Network Expansion Plan by 2021



### Expand Network of Outlets

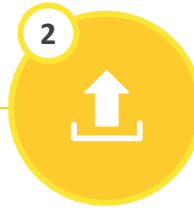
4 regional referral labs<sup>(1)</sup>

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

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

**5** new hospital labs per year

**13** new specialty clinics over next five years<sup>(2)</sup>



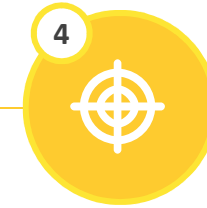
### Upgrade Clinical Labs

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

**24** Clinical Lab Improvements



### Enhance Operating Efficiency



### Focus on Quality

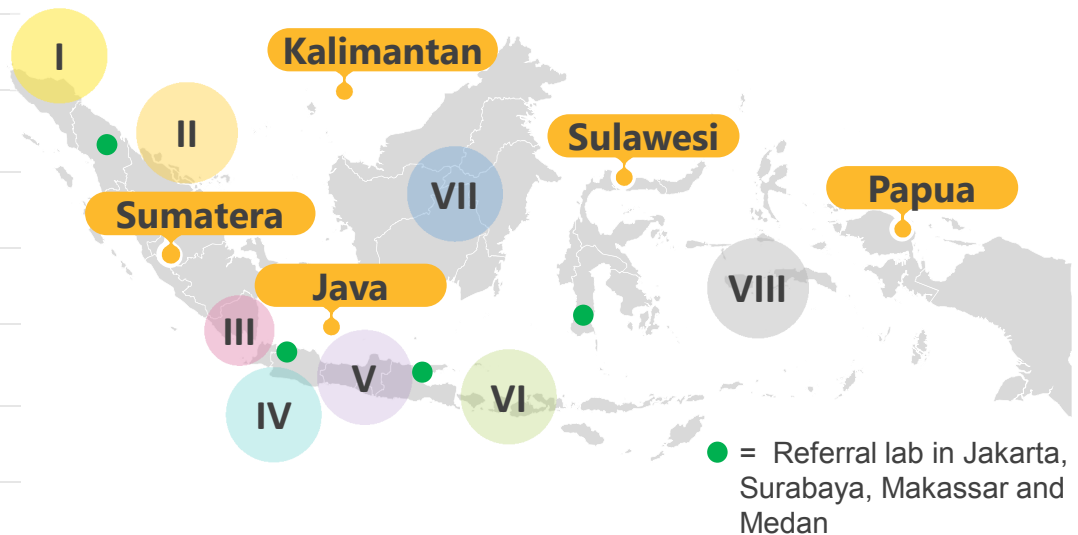


#### Note

1. Three out of Four Regional Referral Labs already opened by Q1 2018
2. Four specialty clinics already opened by Q1 2018
3. PHC Clinic Licenses already added at 14 clinical labs by Q1 2018

# Largest Nationwide Network Q1 2018

	Clinical Labs	POC Outlet	Hospital Labs	Specialty Clinic
I	15	5	1	-
II	7	15	1	-
III	35	32	4	3
IV	20	23	1	-
V	22	24	1	-
VI	17	15	1	2
VII	7	2	-	-
VIII	14	17	1	-



137  
& 1

Clinical Labs and 1 PHC  
(Upgrade PHC : 13)

133

POC Outlets

10

Hospital Labs

5

Specialty Clinic



# FY 2018 Network Development Targets



5-7 Clinical Labs

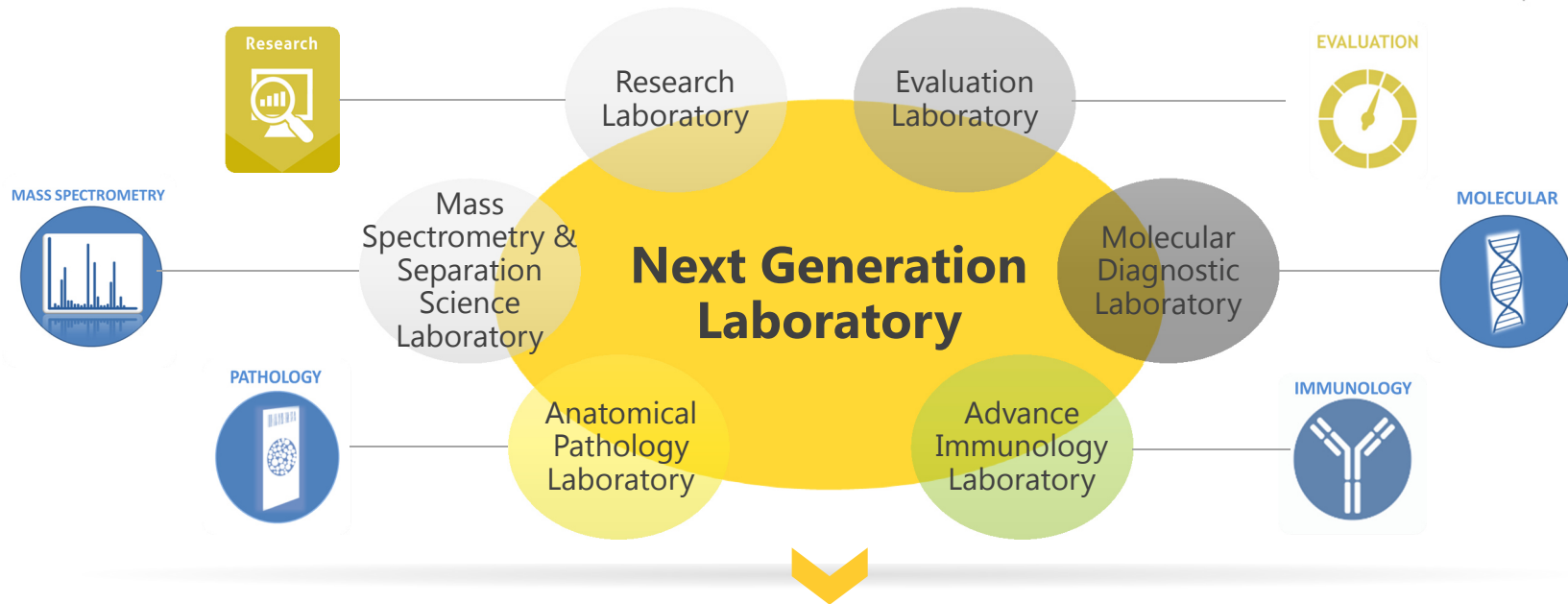
2-3 Specialty Clinics

20 POC Outlets

3 Upgrade Clinical Labs to PHC Clinics

3-5 Hospital Laboratories

# 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





# Q1 2018 Business & Financial Updates

## Business Updates

# New Clinical Lab Outlets FY 2017 – Q1 2018



**1 Banjarbaru, South Kalimantan**

Apr 2017



**3 Serang, Banten, West Java**

Aug 2017



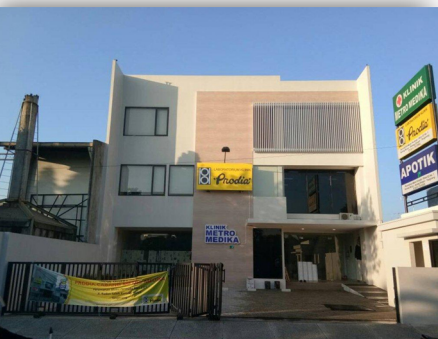
**5 Bogor 2, West Java**

Nov 2017



**7 Wiyung, Surabaya, East Java**

Dec 2017



**2 Metro Medika, Banten, West Java**

Jun 2017



**4 Sunter Griya, DKI Jakarta**



**6 Jayapura, Papua**



**8 Sorong, Papua Barat**

Feb 2018

**137 Clinical Labs**



286 outlets  
33 provinces  
120 cities

Q1 2018

## Business Updates

# Q1 2018 Revenue

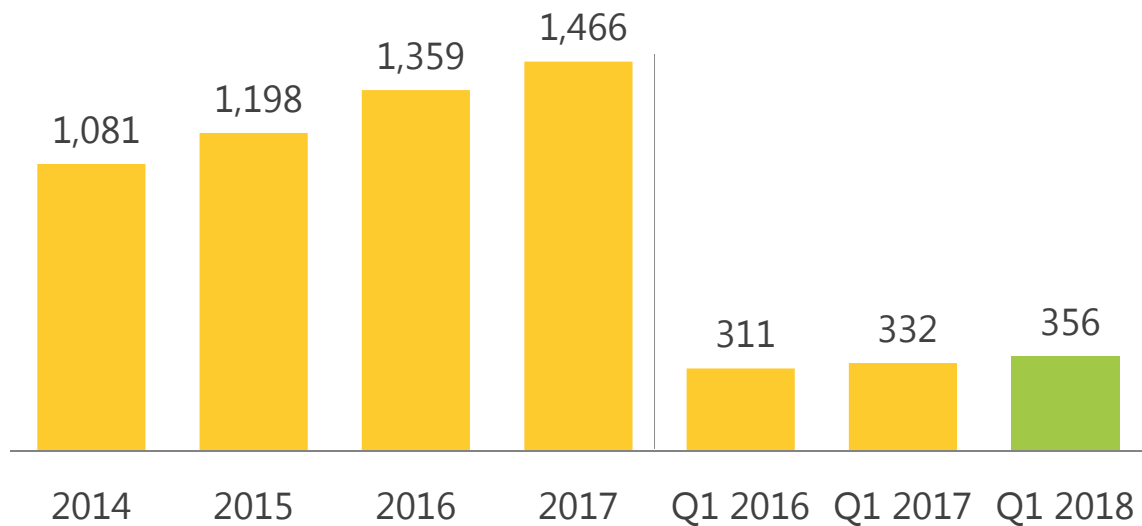


Revenue (in IDR Billion)

**FY14-FY17 CAGR +10.7%**

**Growth +6.5%**

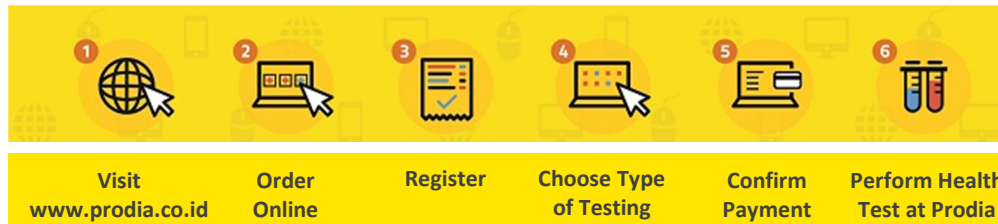
**Growth +7.5%**



Revenue increased by 7.5 %  
driven by double digit  
growth of external referral  
and corporate clients

# Technology to increase Customer Satisfaction


- Launched **e-Prodia**, an e-Pay and e-Registration Online Platform, to increase distribution channel and provide easier registration and payment system
- Customers can access their online laboratory results through Prodia website, apps or via email
- Payment can be made through ATM Transfer or Credit Card
- Customers can choose type of testing & the outlet to do the tests via e-Registration and Mobile Application



### Digital Service for Customers

 [www.prodia.co.id](http://www.prodia.co.id)

 Laboratorium Klinik Prodia

 Laboratorium Klinik Prodia

 @Prodia\_Lab

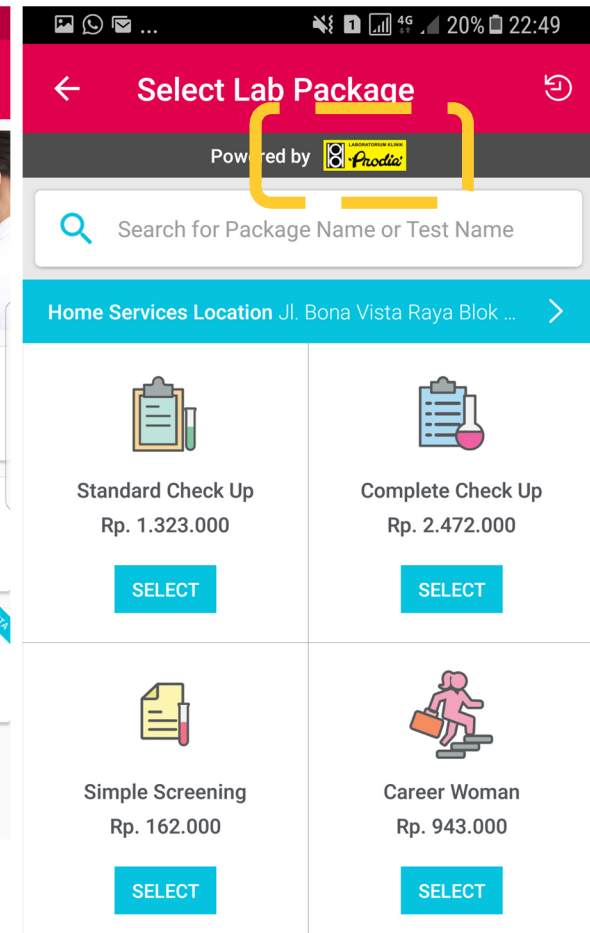
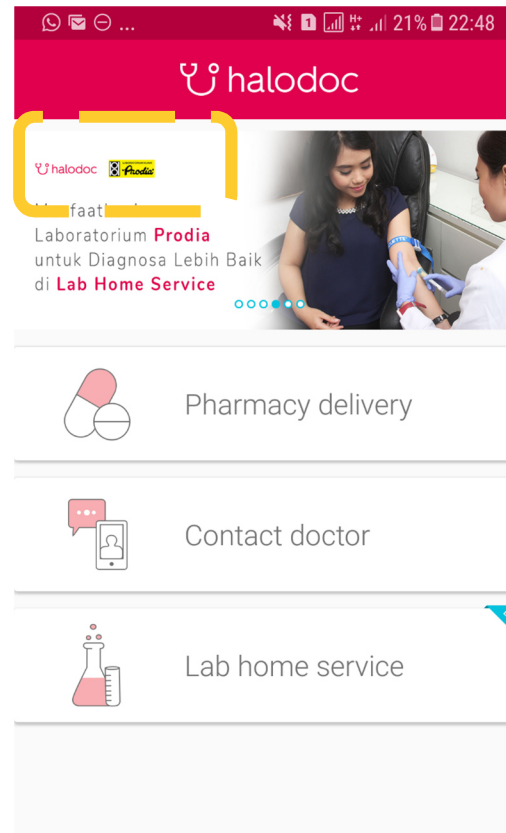
 @Prodia\_Lab

 [info@prodia.co.id](mailto:info@prodia.co.id)



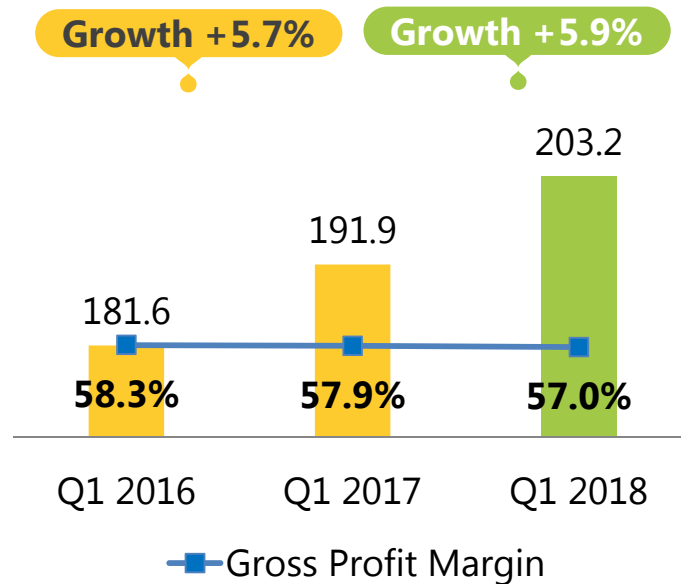
# Technology to increase Customer Satisfaction

- Established collaboration with **Halodoc**
- The partnership supports our attempt to increase our accessibility for customers and to expand our ever growing digital presence



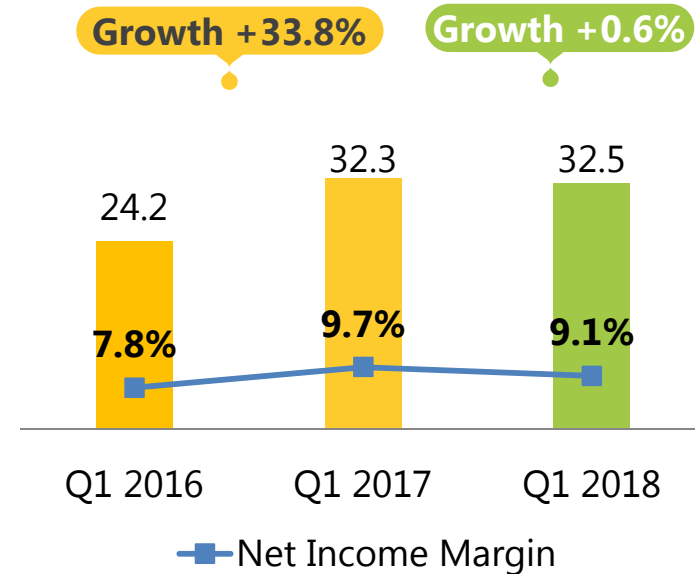
# Q1 2018 Gross Profit & Net Income

## Gross Profit (in IDR Billion)



Gross Profit margin is less by 89 bps from last year's as the volume for our expanding number of network catches up

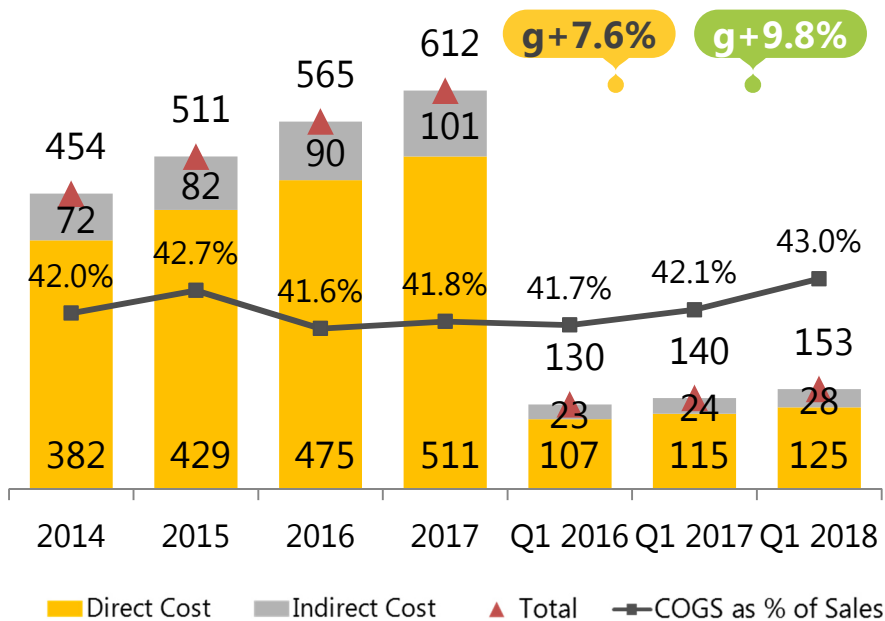
## Net Income (in IDR Billion)



Bottom line slowed down while the costs for ramping up our new outlets are also reflected in the operating costs

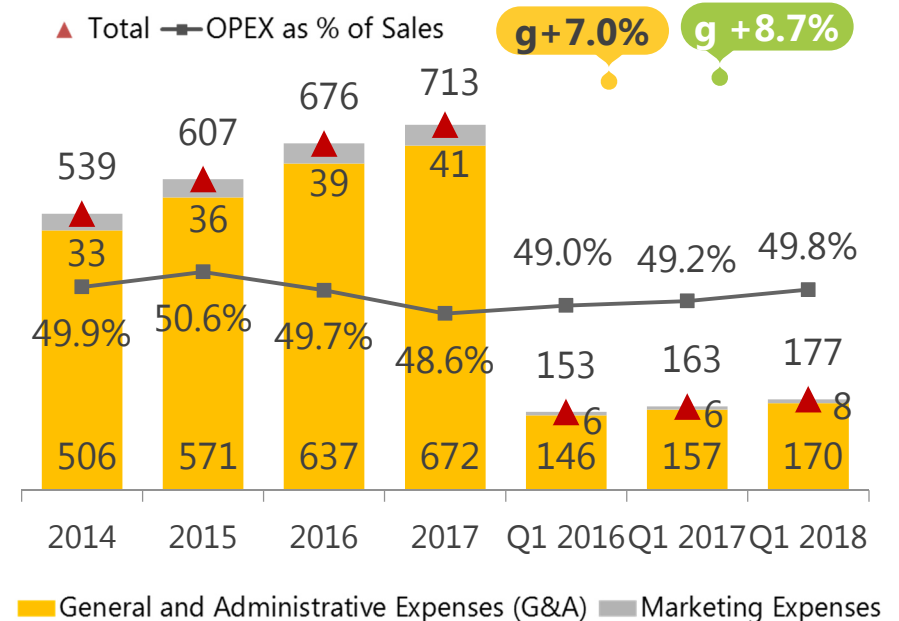


## COGS (in IDR Billion)



COGS as % of sales increases by 89 bps

## OPEX (in IDR Billion)



OPEX as % of sales increased by 55 bps

# Terima Kasih

For more information :

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