



PT Prodia Widyahusada Tbk

9M2018 Results Update
October 2018

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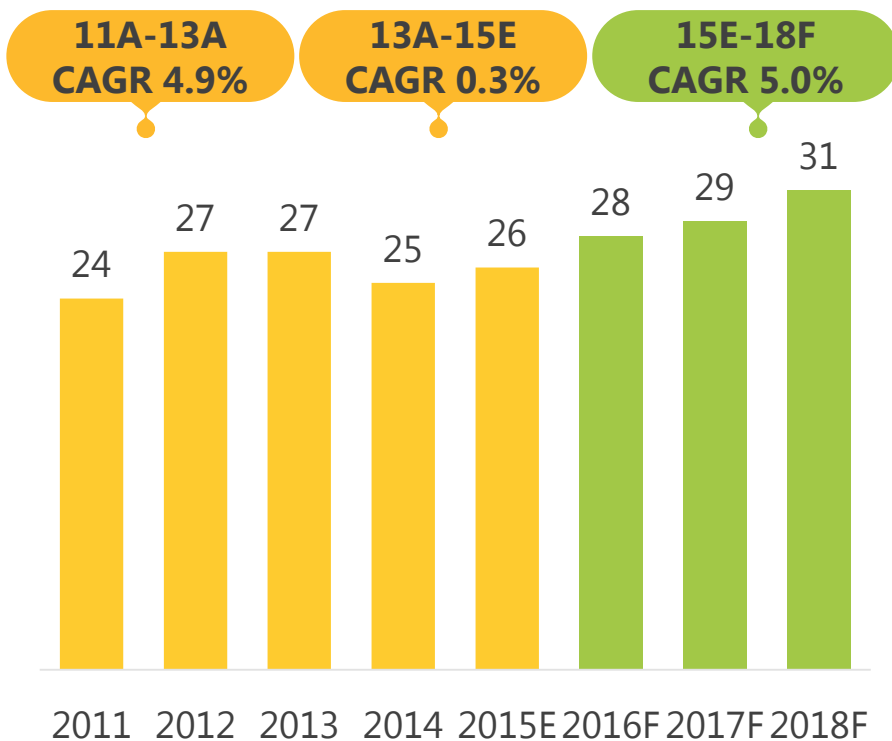


Business Highlights

Significant Growth Potential for Private Laboratories in Indonesia

Indonesian Healthcare Market is Growing

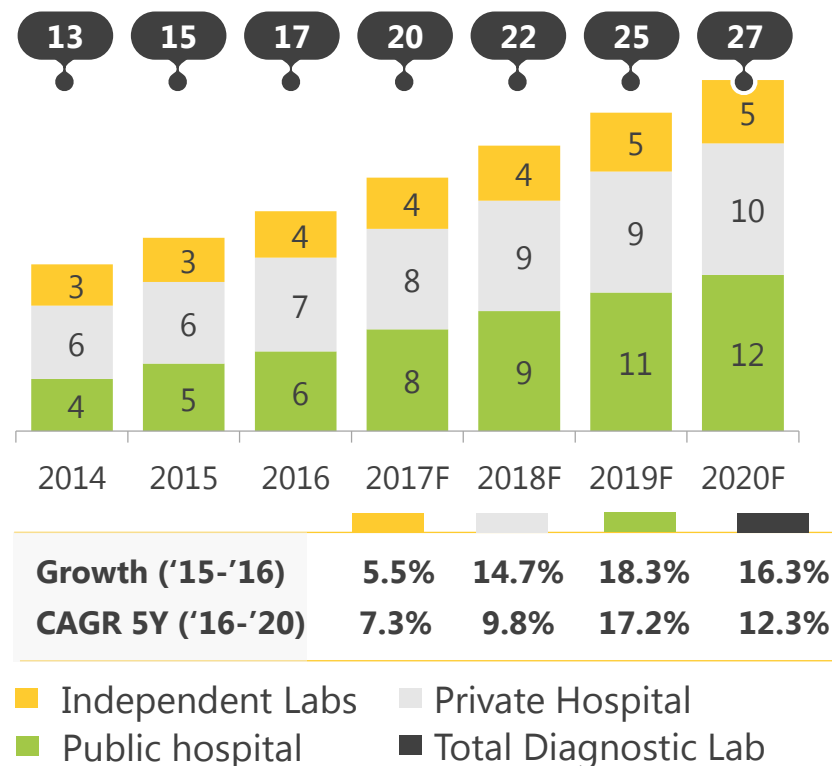
Market size by revenue; In USD Billion



Source: Frost & Sullivan Analysis (2016)

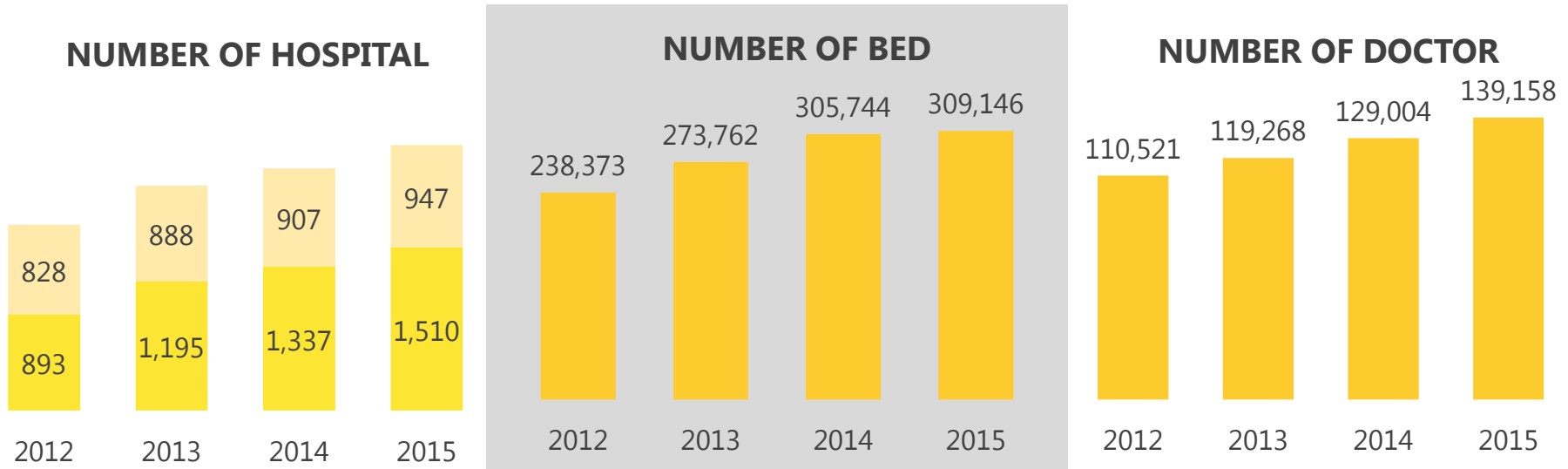
Indonesia Diagnostic Lab Forecasting

Market size by revenue; In IDR Trillion



Source: IMS Health Analysis (2017)

Healthcare Infrastructure Continues to Develop



- 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

Awareness

- Media and advertising campaigns promote **interest in maintaining health**

Adoption

- Consumers around the world are **buying into healthy lifestyles** – but there is enormous potential for further expansion

Payers

- Many **stakeholders recognise the long-term cost-benefits** to preventative healthcare and health promotion

Future

- As a result **more companies are entering** into this expanding Consumer Healthcare space

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.



There is a growing body of evidence that the benefits of taking aspirin for many healthy people aged 45 and older outweigh the risks of side effects. Photo: PHOTOGRAPHY

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Health News
News > UK News >
Health > Stephen
Adams >

IN HEALTH NEWS
31



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

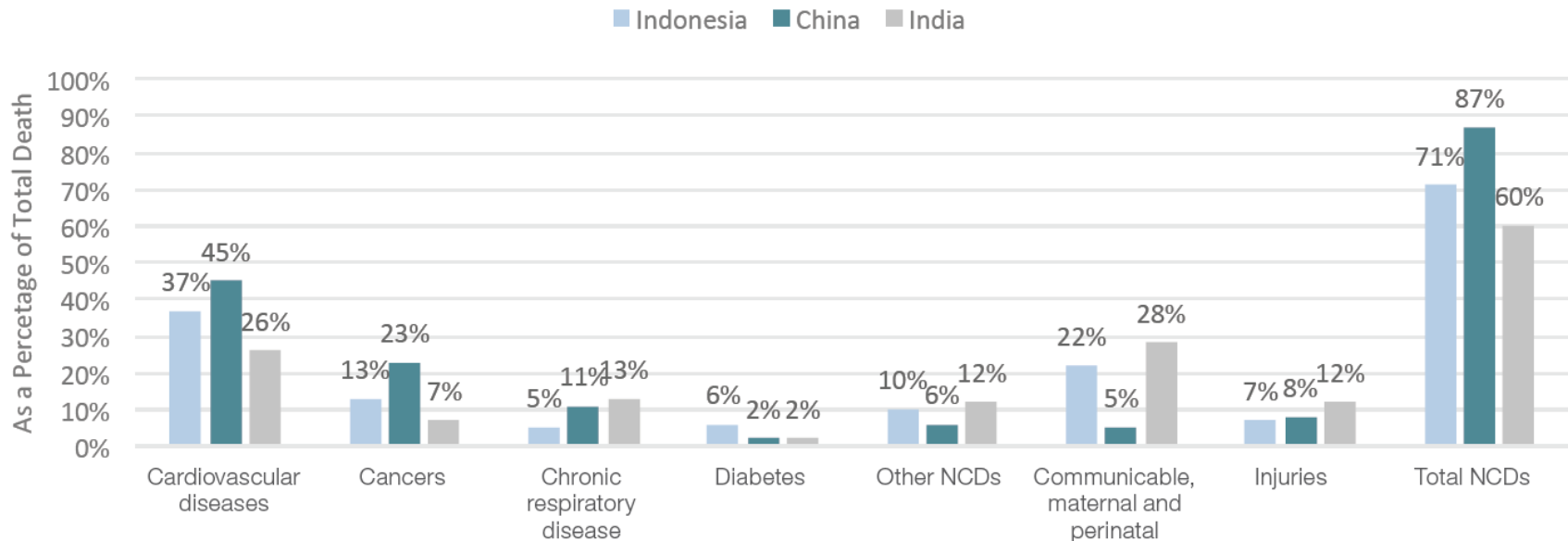
WHO Technical Report Series

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)

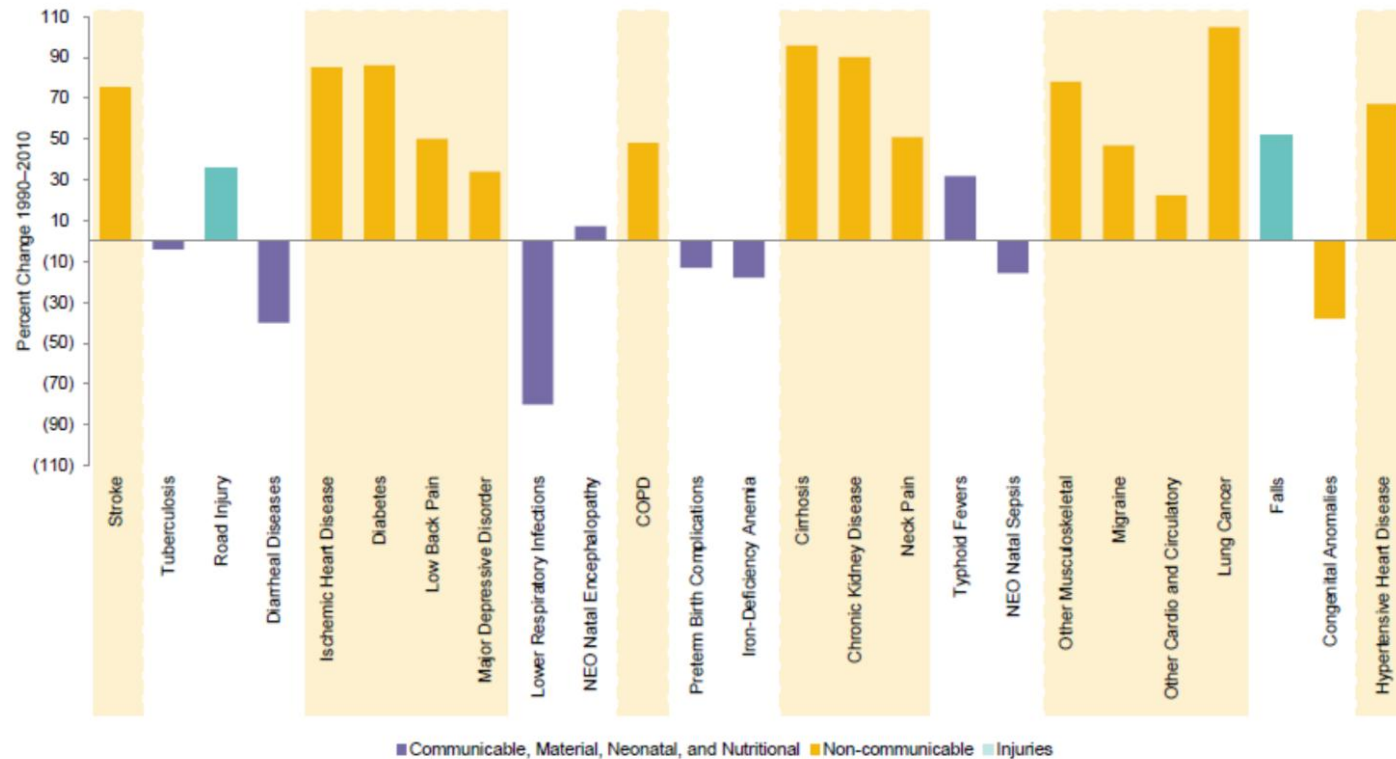


Source: World Economic Forum, Harvard, School of Public Health

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

Increasing DALYs⁽¹⁾: 1990 – 2010 for Indonesia

(Leading Causes, % of Change)



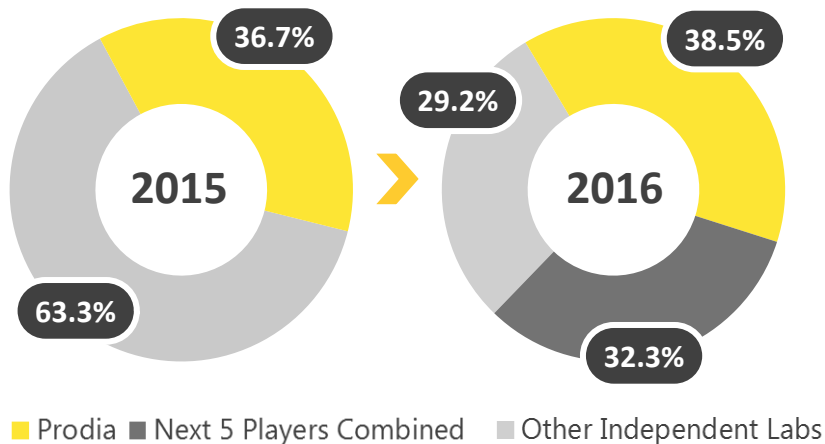
The rising prevalence of chronic diseases will continue to drive the growth of the overall healthcare spending as well as demands for clinical lab services in Indonesia, for both more specialized tests used in treatment decisions, as well as for more preventative diagnostics

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)



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

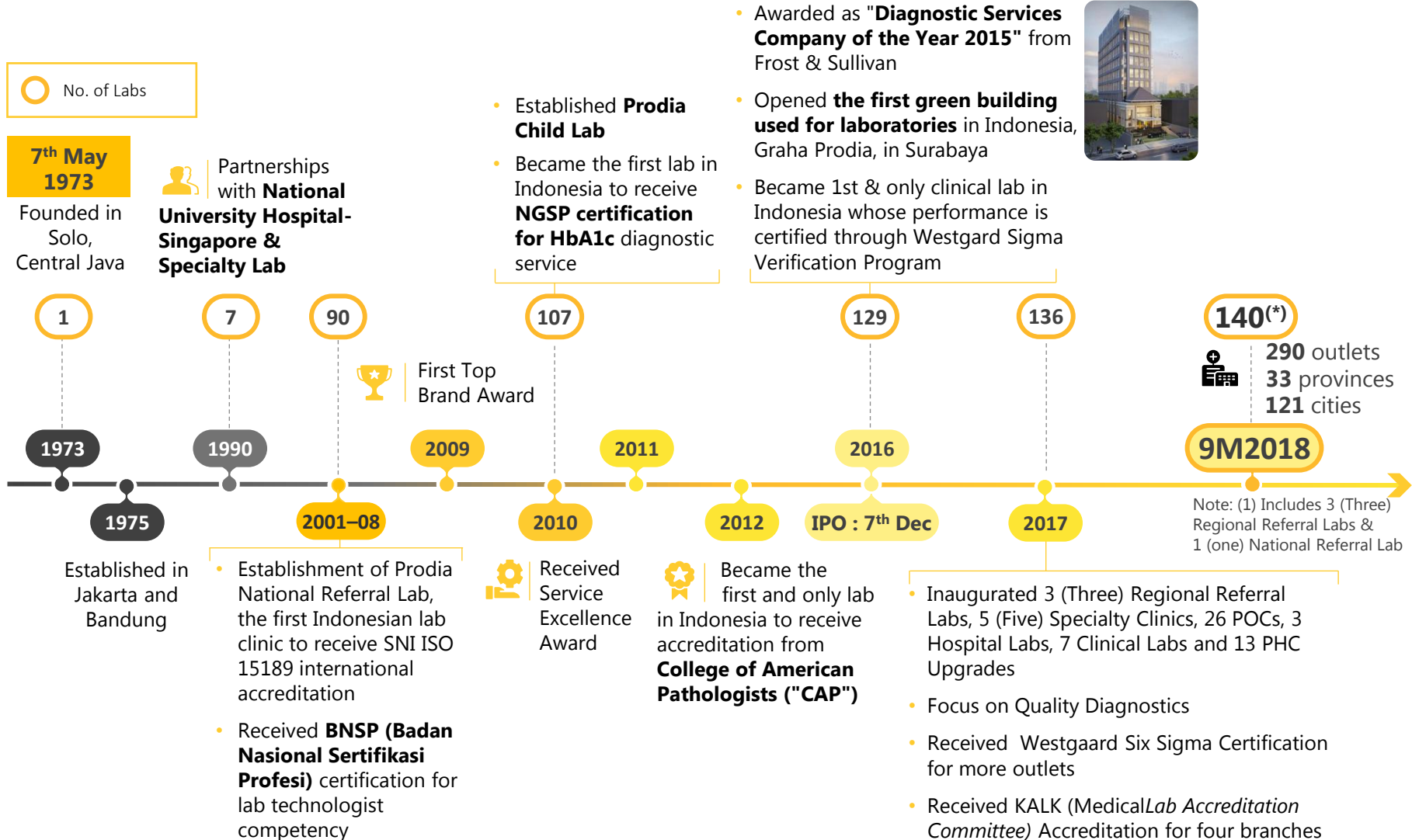
Key Private Independent Lab Players	No. of Clinical Laboratories		
	Java	Outside Java	Total
 Prodia	79	58	136
 Kimia Farma	26	19	45
 Pramita	26	12	38
 Cito	19	1	20
 Parahita	15	1	16
 Biomedika	13	1	14

Total Clinical Labs for Next 5 Players 133

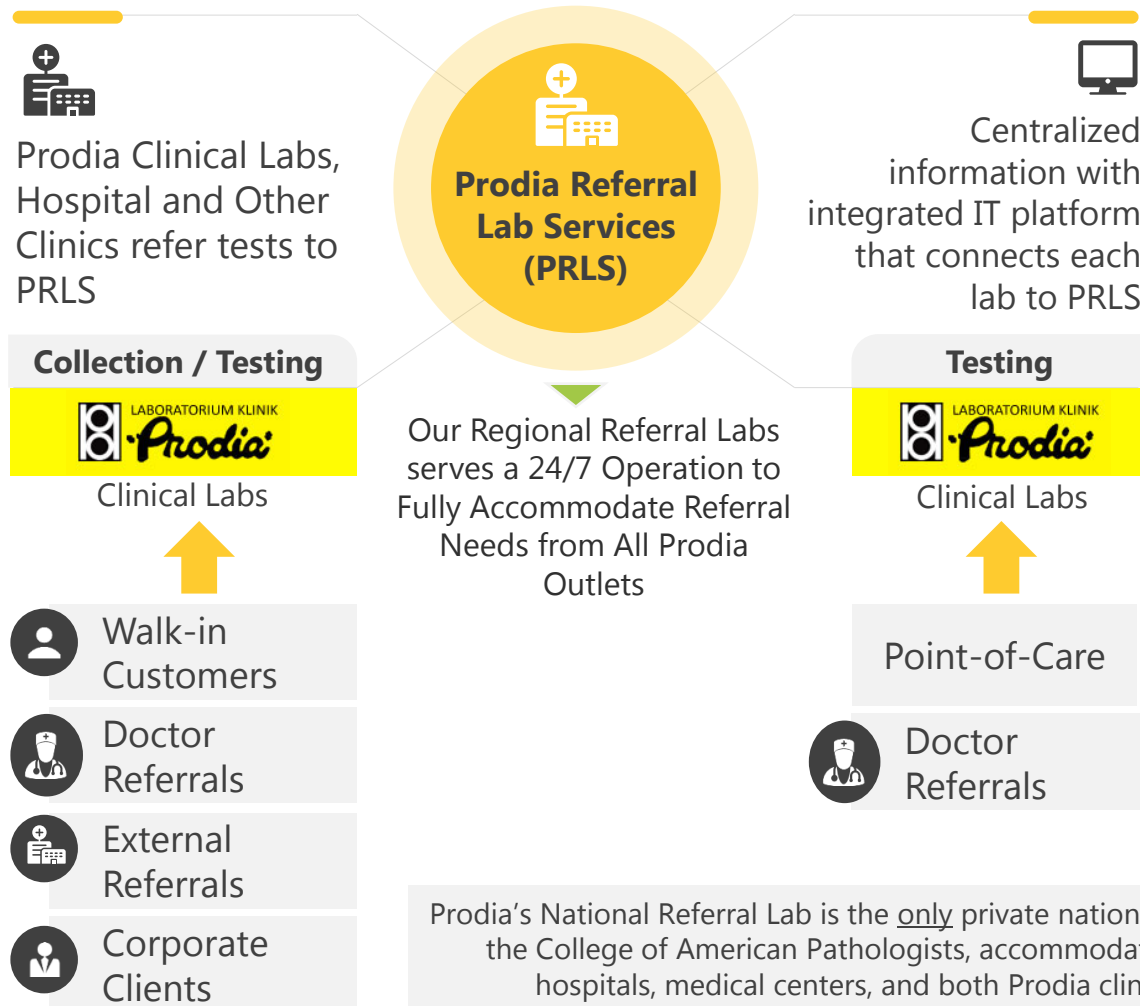
Source: IMS Health Analysis (2017)

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"⁽¹⁾)



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



1st clinical laboratory in Indonesia that received international certification



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



1st 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



Wow Brand
Award
2015,
2017-2018



Solo Best
Brand Index
2015 - 2018



Jogja Best
Brand Index
2015 - 2018



Corporate
Image Award
(IMAC)
2012 - 2018



Satria
Brand
Award
2011 - 2018



Master
Service
Award
2012 - 2017



Outstanding
Corporate
Innovator,
2018



Indonesia
Best
Brand Award
2013 - 2016



Indonesia
Most
Creative
Companies
2017



Digital
Marketing
Award
2017 - 2018



Service
Quality Award
2013, 2015,
2017-2018



Top
Brand
Award
2009 - 2018



Social
Media
Award
2016 - 2018



Frost &
Sullivan
Award
2015, 2017



2016 & 2017



Most
Reputable
Brand
2014-2015



SEA Service
Excellence
Award
2010-2013



Best
E Mark
2016,
2018



Brand Champion
Consumer
Awards
2015



Rekor
Bisnis
2013



Indonesia
Original
Brand
2012 - 2016



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

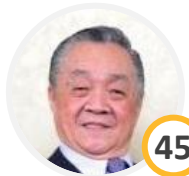
- Customers whose employers offer them access to diagnostic testing as form of compensation
- Funded by corporate clients and private insurance

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



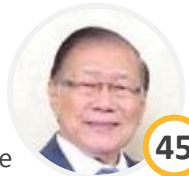
Experienced, Professional Management Team with a Track Record in Delivering Superior Growth and Innovation



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 Merrillees

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



Untuk Diagnosa Lebih Baik



No. 1 Clinical lab chain in Indonesia⁽¹⁾



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

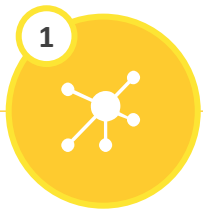
Long-term



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

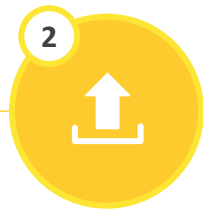
4 regional referral labs⁽¹⁾

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⁽²⁾



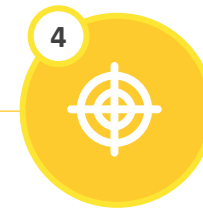
Upgrade Clinical Labs

Upgrade up to **39** additional clinical labs to PHC Clinics⁽³⁾

24 Clinical Lab Improvements



Enhance Operating Efficiency



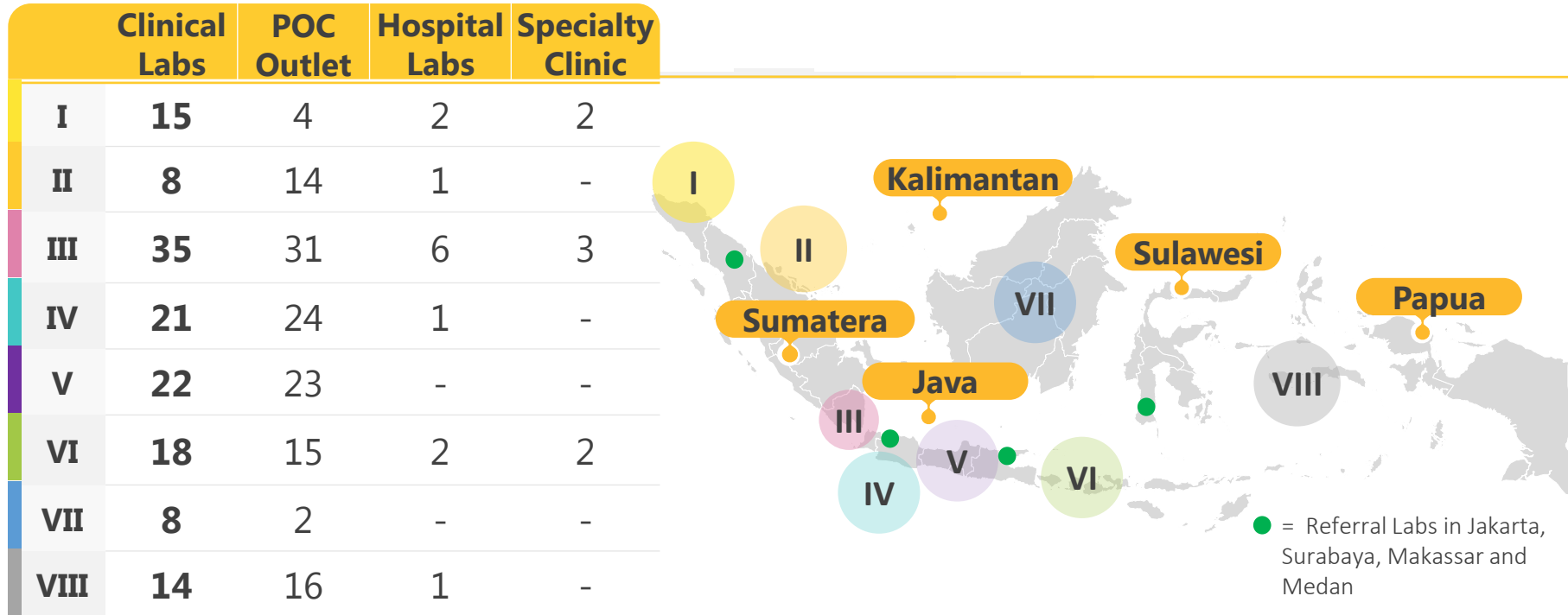
Focus on Quality



Note

1. Three out of Four Regional Referral Labs already opened by 9M2018
2. Six specialty clinics already opened by 9M2018
3. PHC Clinic Licenses already added at 28 clinical labs by 9M2018

Largest Nationwide Network 9M2018



141

Clinical Labs
(PHC License Upgrade: 28)

129

POC Outlets

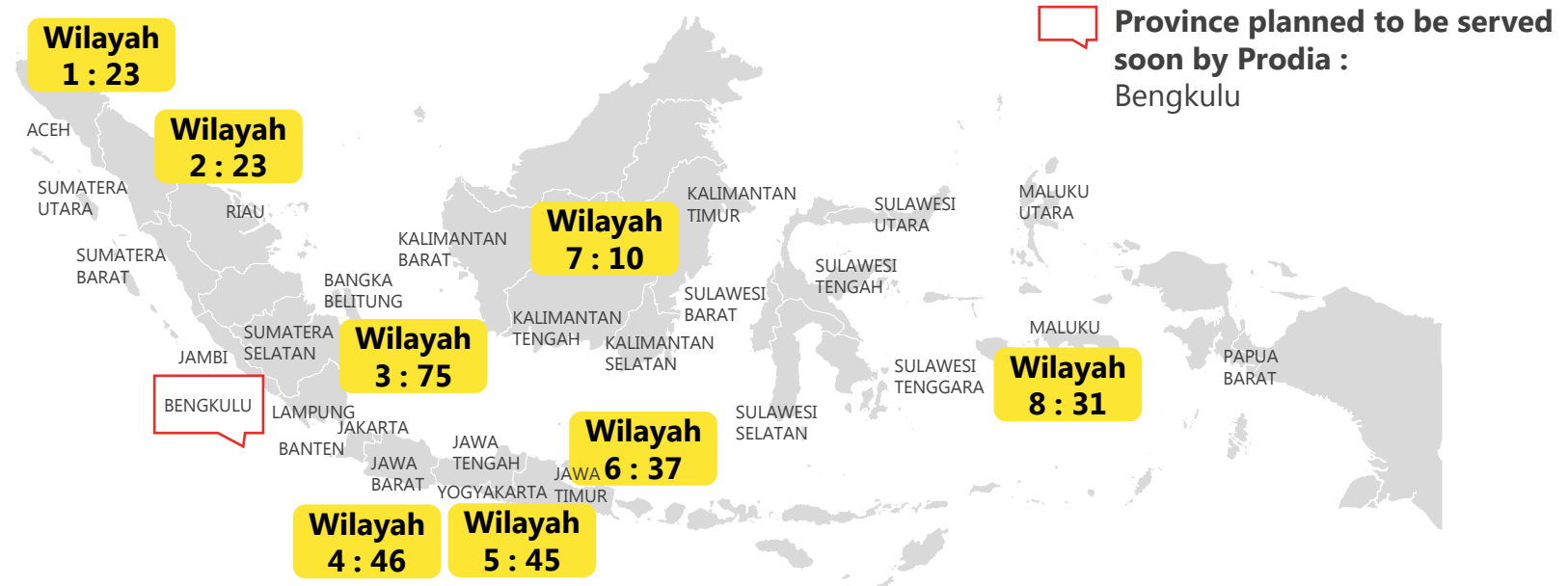
13

Hospital Labs

7

Specialty Clinic

FY 2018 Network Development Targets



5-7 Clinical Labs

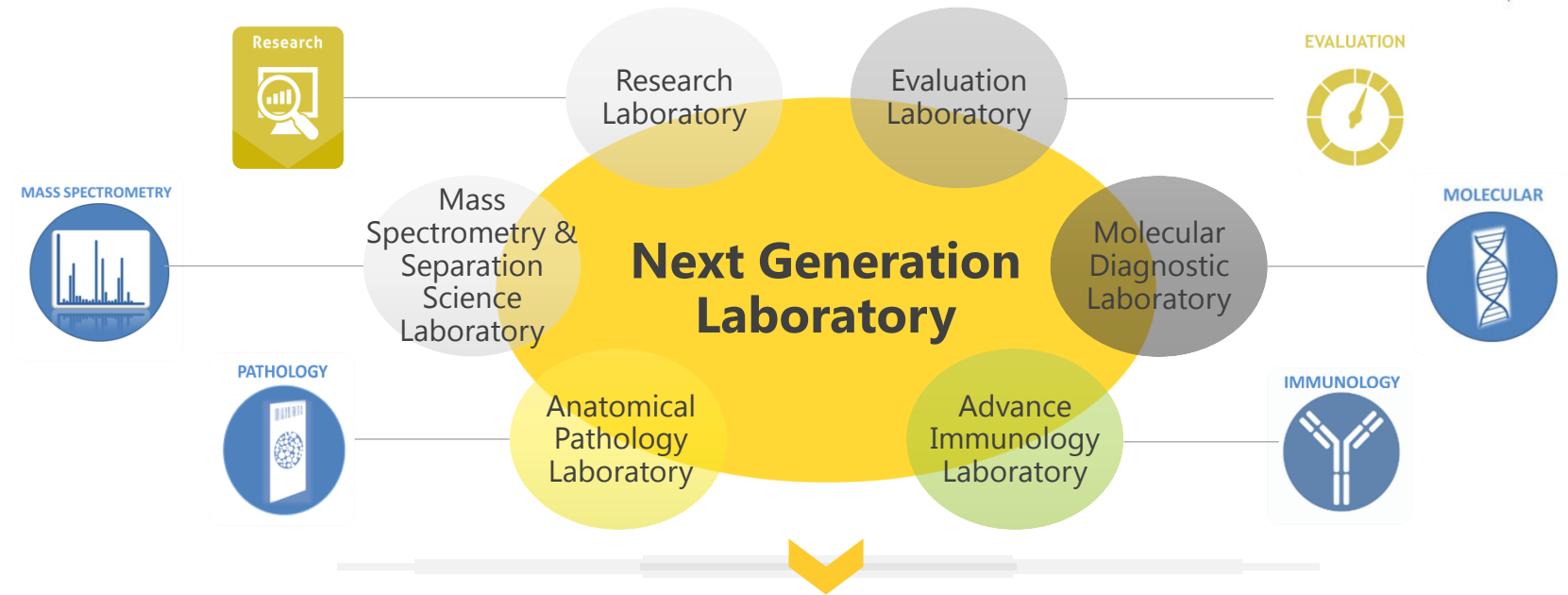
2-3 Specialty Clinics

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





9M2018 Business & Financial Updates



3 Prodia Children Health Centre
Medan, North Sumatera



4 Prodia Women's Health Centre
Medan, North Sumatera

**141
Clinical
Labs**



290 outlets
33 provinces
121 cities

May 2018

9M2018

Feb 2018

Jun 2018

Jul 2018

1 Clinical Lab,
Sorong,
West Papua



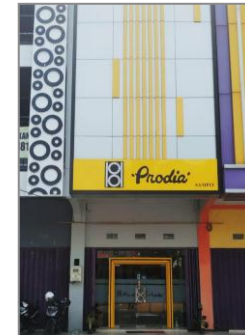
2 Clinical Lab,
Jember,
East Java



5 Clinical Lab,
Sukabumi,
West Java



6 Clinical Lab,
Sampit,
Central Kalimantan



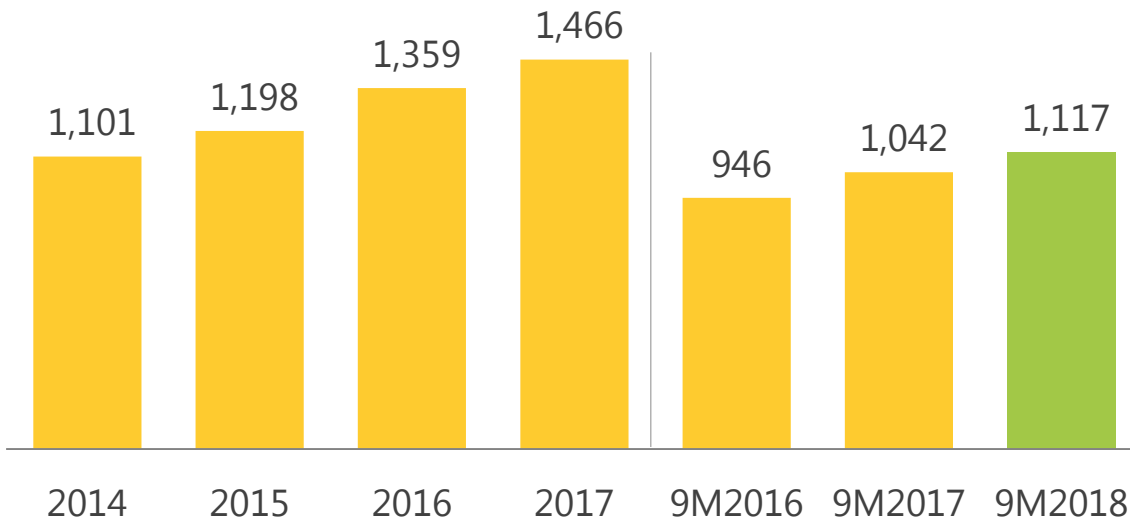
9M2018 Revenue (Unaudited)

Revenue (in IDR Billion)

FY14-FY17 CAGR +10.0%

Growth +10.2%

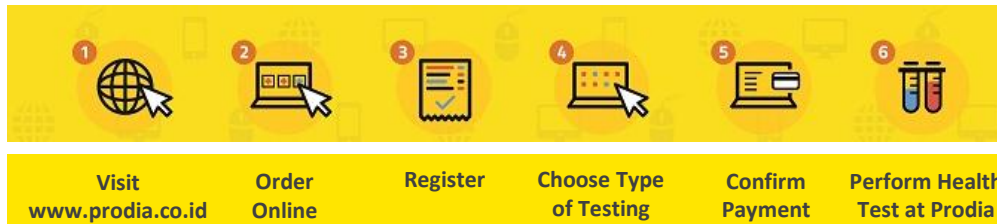
Growth +7.2%



Continuing 1H2018 trend, sales growth is primarily 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



Laboratorium Klinik Prodia



Laboratorium Klinik Prodia



@Prodia_Lab



@Prodia_Lab



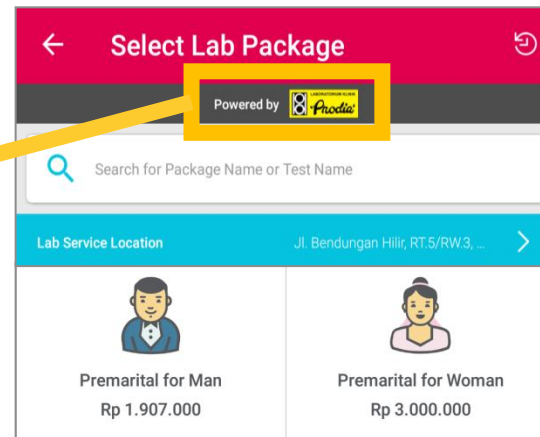
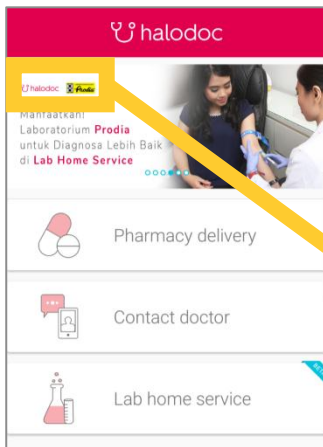
info@prodia.co.id

Technology to increase Customer Satisfaction

- Launched contact center, **Kontak Prodia**, allowing customers to easily contact Prodia for queries, including test results completion, using one centralized phone number

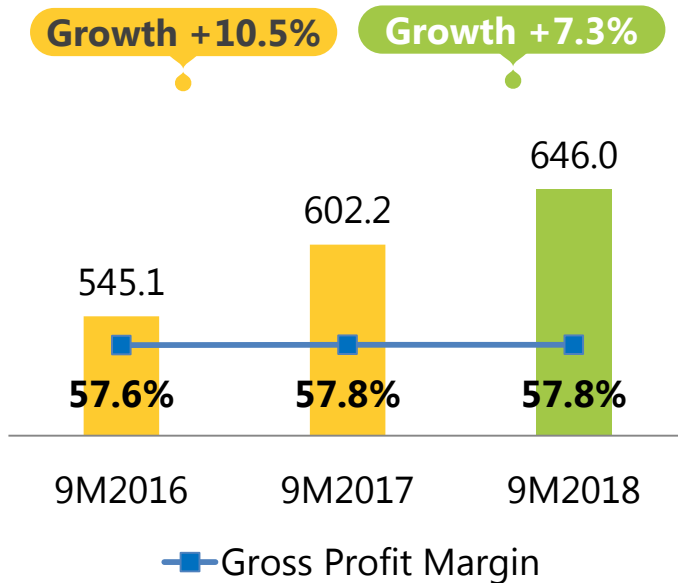


- Established collaboration with **Halodoc** to increase our accessibility for customers and to further expand our digital presence



9M2018 Gross Profit & Net Income

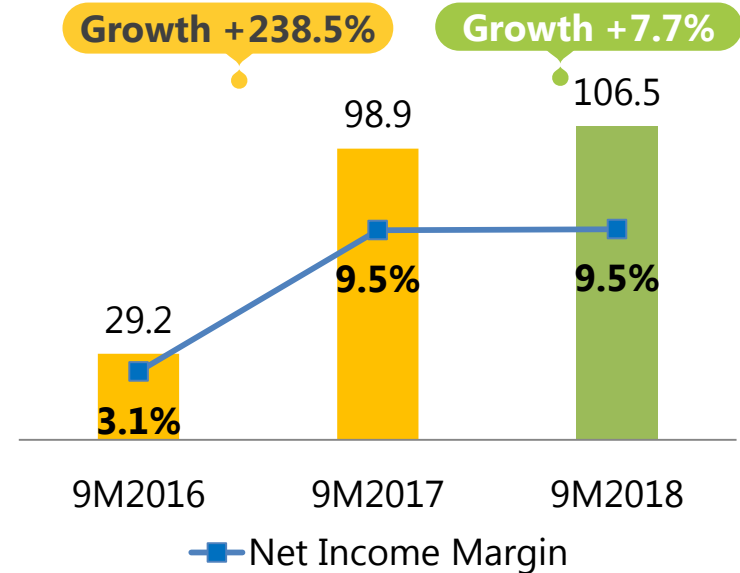
Gross Profit (in IDR Billion)



Gross profit grows while margin remains stable



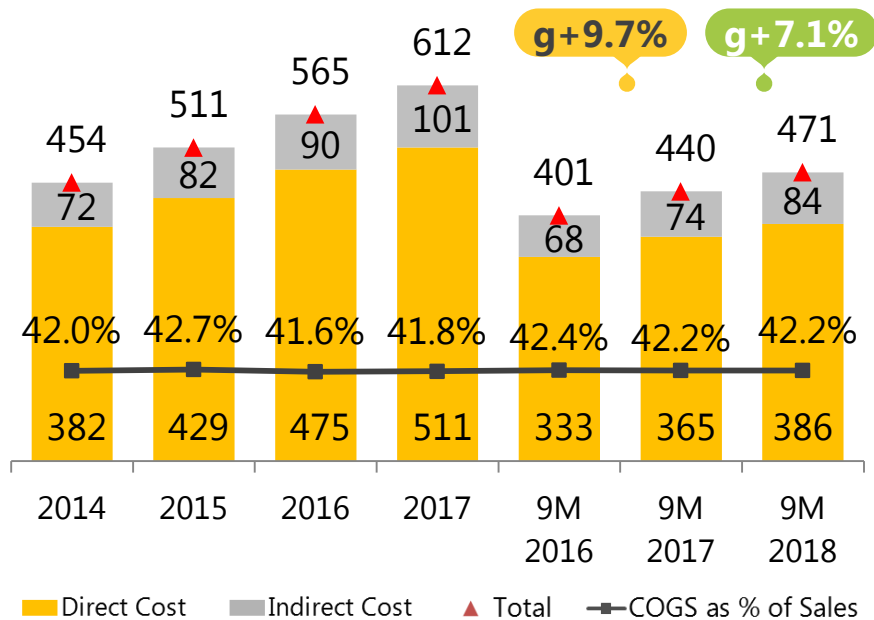
Net Income (in IDR Billion)



Net income margin remains stable

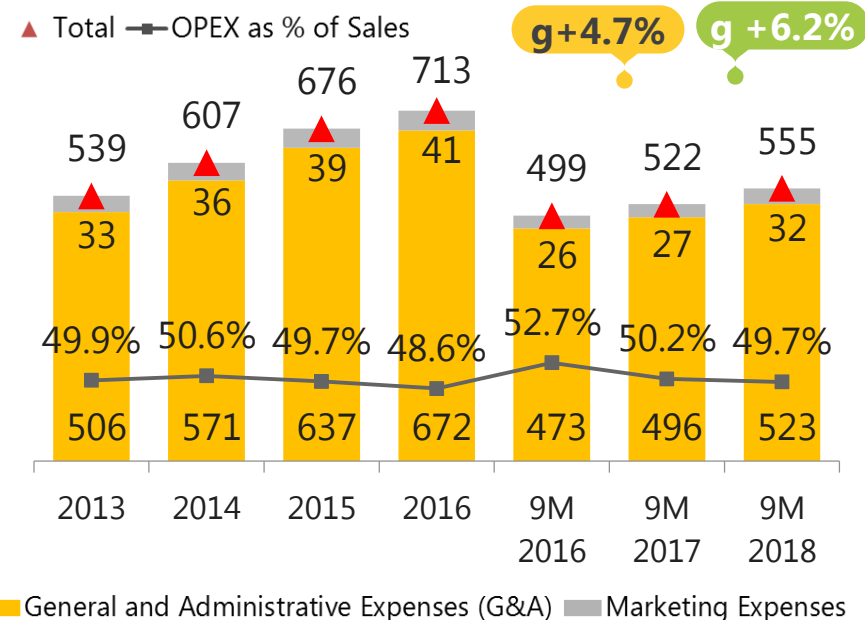


COGS (in IDR Billion)



COGS as % of sales remains stable at 42.2%

OPEX (in IDR Billion)



OPEX as % of sales decreased by 48 bps

Terima Kasih

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