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# Full Year 2018 Results Update

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02 April 2019

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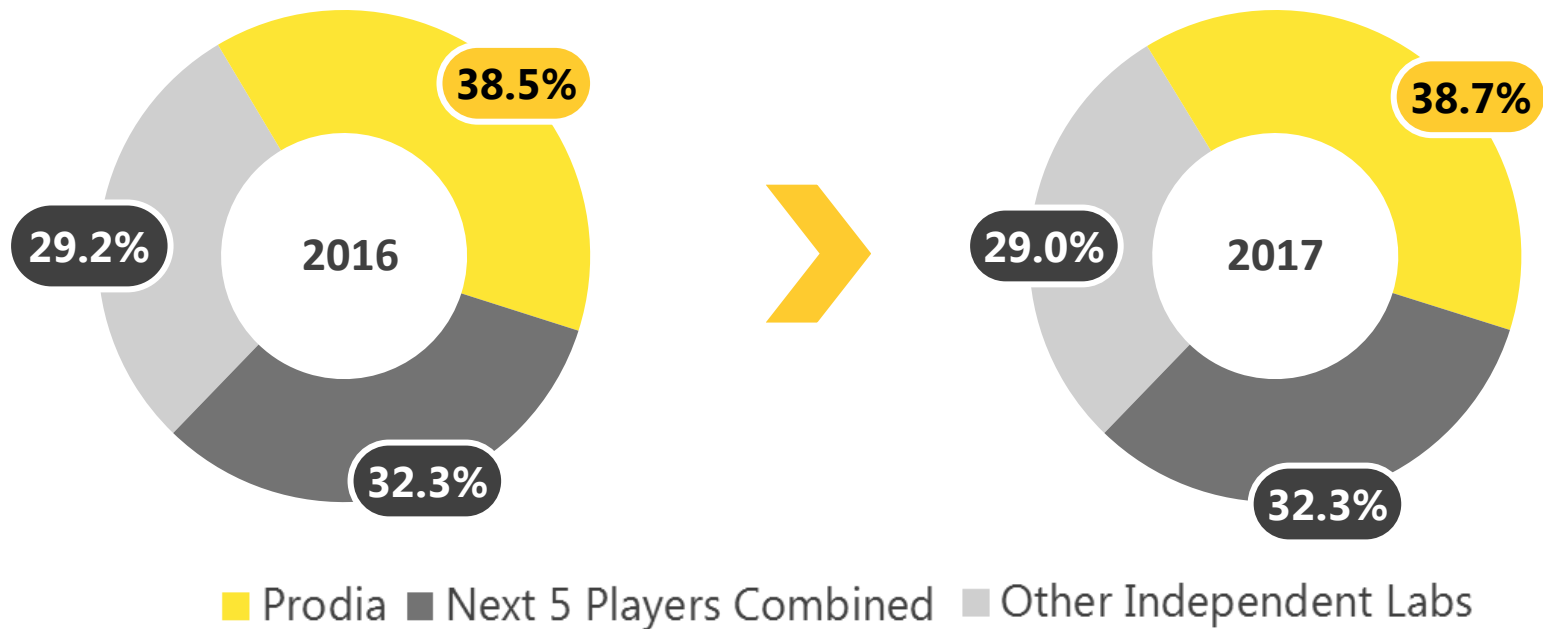
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# Market & Business Highlights

# Largest Network & Market Share in Independent Clinical Lab Industry

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

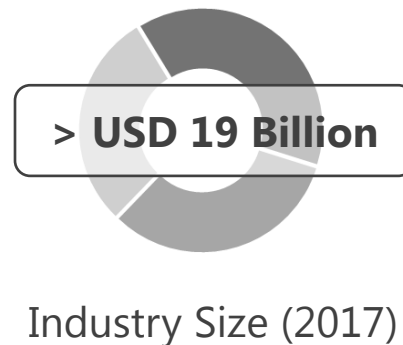
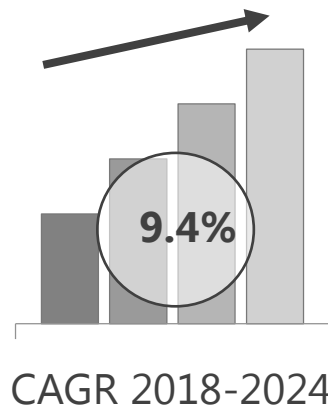


Source: IQVIA Analysis (2018)

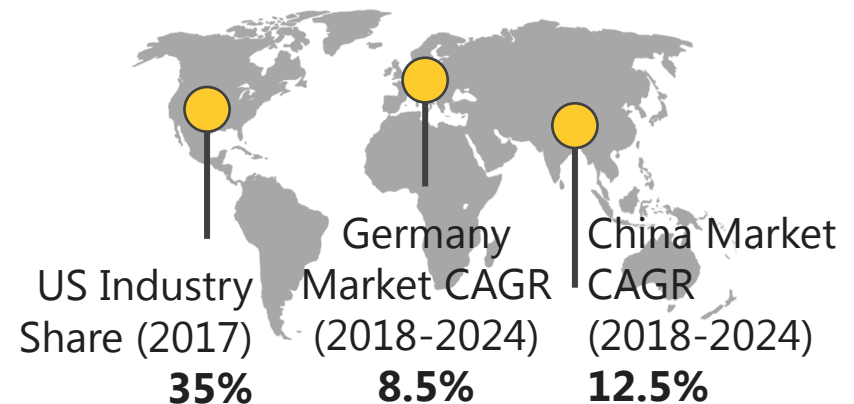
# Potential Growth for Esoteric & Genetic Testing

## Esoteric Testing Market

### Global Statistics



### Regional Outlook



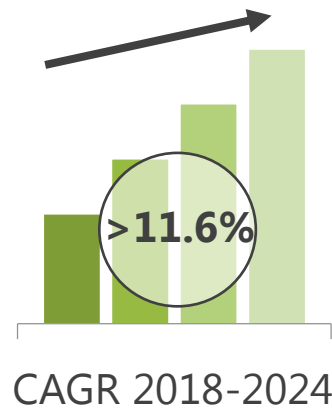
The Esoteric Testing Industry is projected to exceed **USD 35 Billion** by 2024

\*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



**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



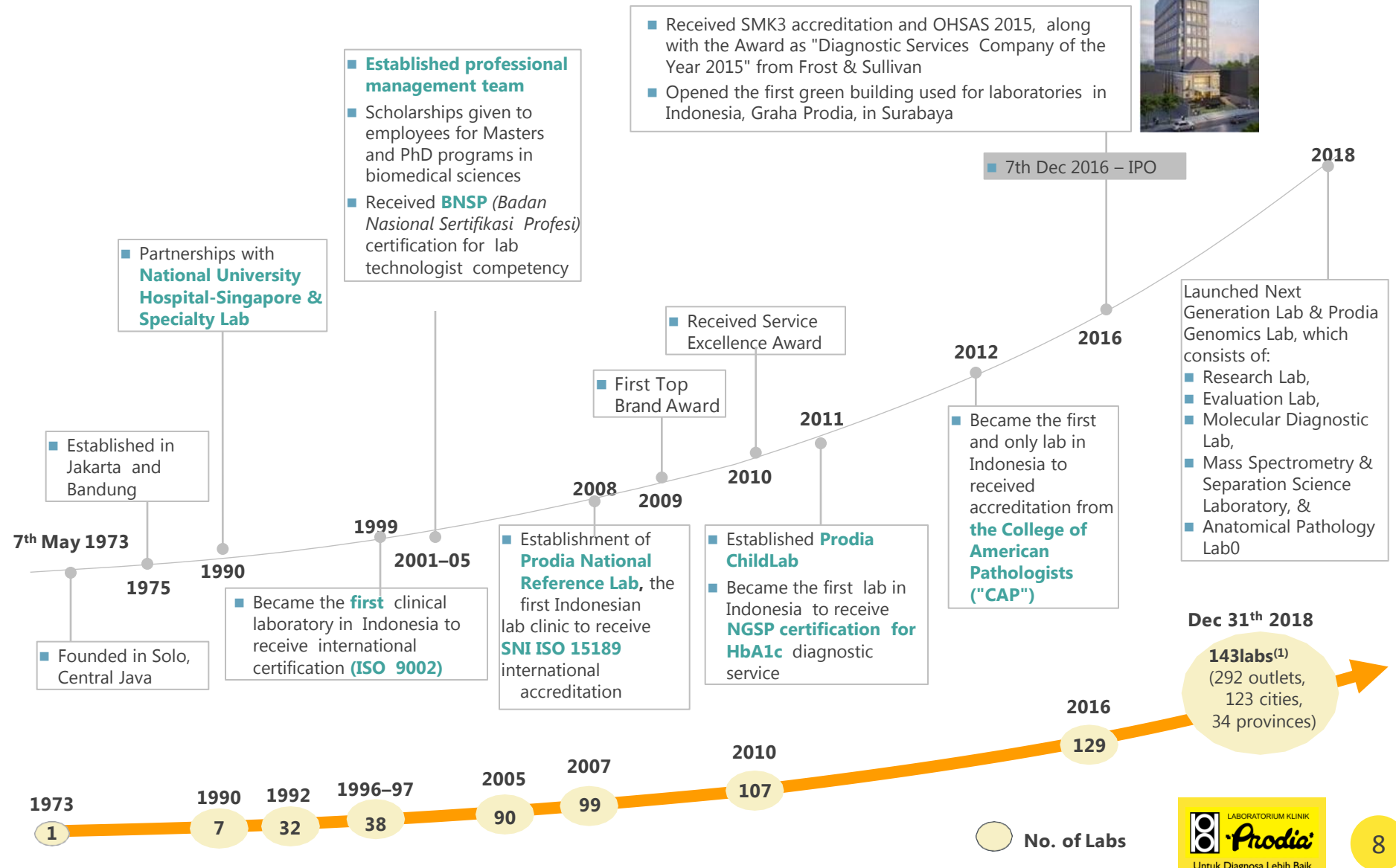
 <b>Routine Testing</b>	 <b>Non-Laboratory Testing</b>	 <b>Specialty Clinics</b>
 <b>Esoteric Testing</b>	 <b>Referral Lab Services</b>	 <b>Doctor Consultation</b>
 <b>Predictive, Preventive, Personalized Package Testing</b>	 <b>General Medical Check-Up Services</b>	 <b>Preventive Treatment</b>

 <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**



# 2018 Highlighted Stories

New Outlets, Esoteric & Genomic Tests,  
Human Capital Developments & Digital Services



## Nationwide Network

- Opened **6 (six) new outlets**
- Officially operates in **all 34 provinces in Indonesia**

## Prodia Genomics Lab

### Launched:

- **Anatomical Pathology Lab**
- **Prodia Genomics Lab**
- **Cytogenetic Services**

## Information Security

**Certified for ISO : 27001** for Information Security Management

## Prodia Corporate University

- **Established ProU (Prodia Corporate University)**
- Programs include Branch Manager Readiness, Talent Acceleration Program, Customer Service Prodia Way, and more.

Introduced **new esoteric and genomic tests**, including:

- **CARisk**, to analyze 9 (nine) types of cancer risk
- **EGFR ctDNA Mutation**, for lung cancer treatment
- **ProHealthy Gut** for digestive health
- **ProSafe** for down-syndrome probability in early pregnancy
- **Fat Loss Panel** for obesity management

## Personalized Healthcare & Genomic Testing

- **Launched centralized call center, Kontak Prodia 1 500-830**
- **Launched ChatBot TANIA** (via Line, Facebook, etc)
- **Online Order & Results**

## Digitally Active Laboratory

# 2018 Expansion, Innovation & Collaboration Milestones

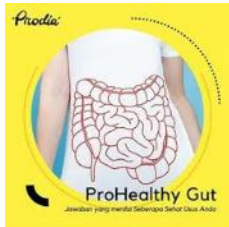


Officially  
operating  
in all 34

Provinces in  
Indonesia, Prodia  
**Opens New  
Branch in  
Bengkulu**

Launched  
**Jepara Branch**

Launched  
**ProHealthy Gut**



**Extension of  
MoU** in Research  
and Education  
with Faculty of  
Medicine, Trisakti  
University

Launched  
**EGFR ctDNA  
Mutation for  
Lung Cancer  
Treatment**



Launched centralized  
call center, **Kontak  
Prodia  
1500-830**

Jan-Feb 2018

March 2018

June 2018

Sep 2018

Dec 2018

Launched **Sorong  
Branch**

**Collaborate** with Faculty  
of Medicine, Krida  
Wacana Christian  
University and Extension  
of MoU in Research and  
Education with  
Universitas Sebelas  
Maret

April-May 2018

AGMS: Distributed a  
**40% Dividend** per  
2017 Profit

Launched **Jember  
Branch, East Java**

Jul - Aug 2018

Launched **Pluit  
Branch**

Launched  
**Sukabumi Branch**

Launched **Breast  
Cancer Panel**

Oct-Nov 2018

Launched **CARISK,  
Genomic Testing  
for Cancer Risk  
& ProSafe**

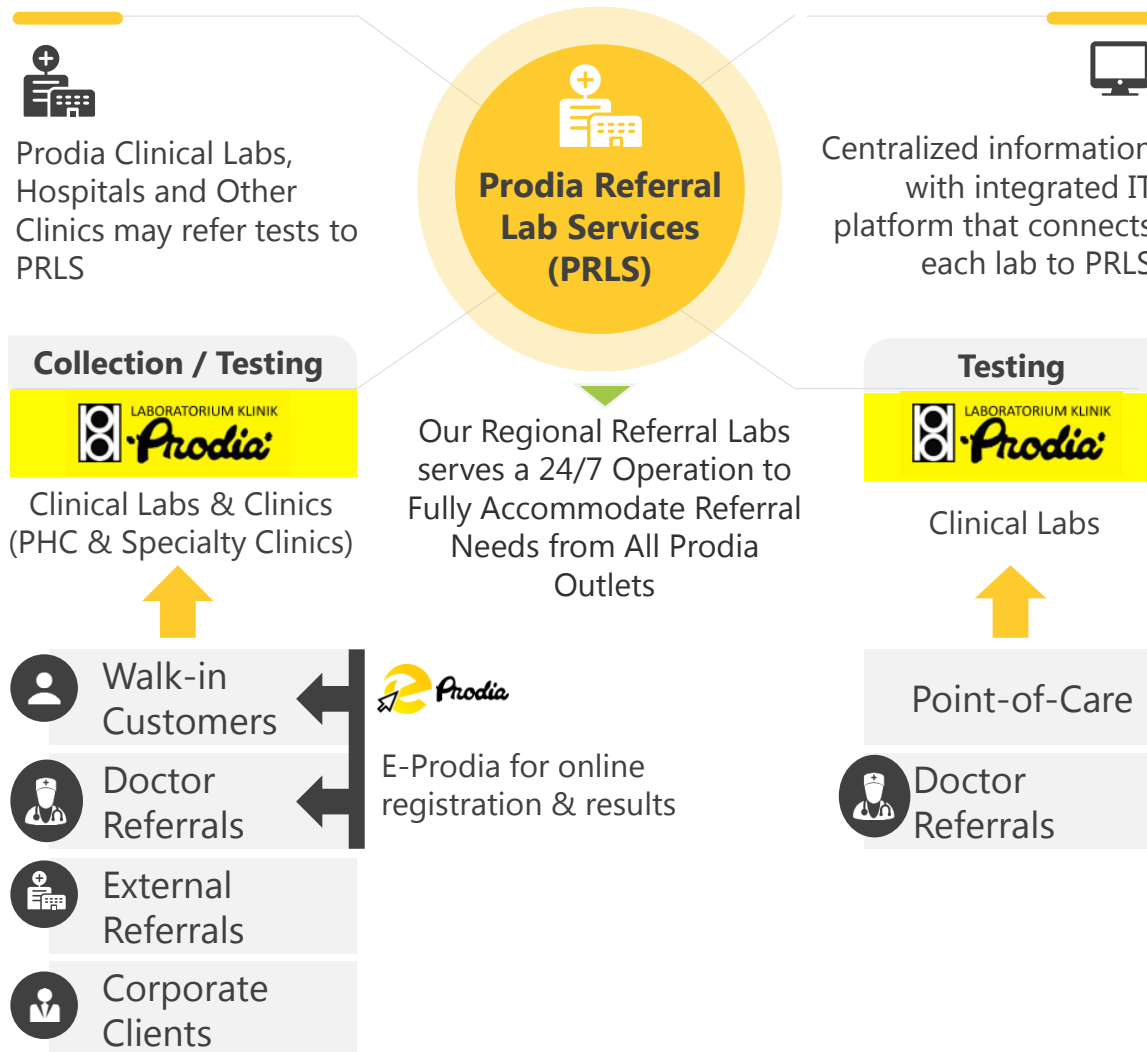
Launched  
**Chatbot**



**Extension of MoU**  
in Research and  
Education with  
Faculty of  
**Medicine,  
University of  
Jenderal Achmad  
Yani, Batam  
University, and  
Andalas University**



# 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

# Most Recognized Clinical Lab Brand in Indonesia



Wow Brand  
Award  
**2015,  
2017-2018**



Top  
Brand  
Award  
**2009 - 2018**



Corporate  
Image Award  
(IMAC)  
**2012 - 2018**



Solo  
Best Brand  
Index  
**2015 - 2018**



Jogja  
Best Brand  
Index  
**2015 - 2018**



Best  
E Mark  
**2016 &  
2018**



Outstanding  
Corporate  
Innovator,  
**2018**



**CAP**  
ACCREDITED  
COLLEGE of AMERICAN PATHOLOGISTS  
**2012 - 2018**



Indonesia  
Best Brand  
Award  
**2013 - 2018**



Satria  
Brand  
Award  
**2011 - 2017**



Digital  
Marketing  
Award  
**2017-2018**



Service  
Quality Award  
**2013,  
2015-2018**



Social  
Media  
Award  
**2016 - 2018**



Frost &  
Sullivan  
Award  
**2015, 2017**



**KAN**  
Komite Akreditasi Nasional



SEA Service  
Excellence  
Award  
**2010-2013**



Most  
Reputable  
Brand  
**2014-2015**



Indonesia  
Most Creative  
Companies  
**2017**



Master  
Service  
Award  
**2012 - 2017**



Indonesia  
Original  
Brand  
**2012 - 2016**



Brand Champion  
Consumer  
Awards  
**2015**



Rekor  
Bisnis  
**2013**

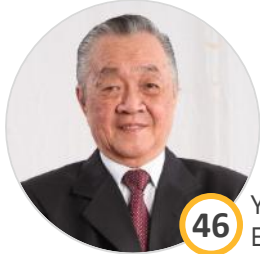


**ICSA 2017**  
INDONESIAN CUSTOMER SATISFACTION AWARD  
**2016 & 2017**

# Senior Leadership and Management Team



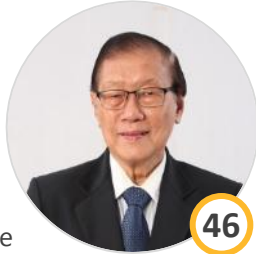
**Experienced, Professional Management Team with a Track Record in Delivering Superior Growth and Innovation**



**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**

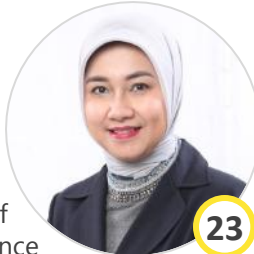
President Director



**23** Years of Experience

**Liana  
Kuswandi**

Finance Director



**23** Years of Experience

**Indriyanti Rafi  
Sukmawati**

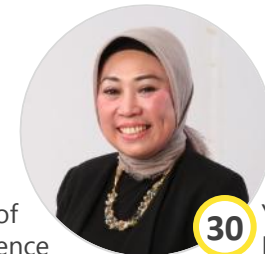
Business &  
Marketing Director



**22** Years of Experience

**Andri  
Hidayat**

Operation & IT  
Director



**30** Years of Experience

**Tetty  
Hendrawati**

Independent  
Director

# Shareholder Composition



PT Prodia Utama

57%

Bio Majesty Pte. Ltd

18%

Public

25%



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*



Untuk Diagnosa Lebih Baik

**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



Untuk Diagnosa Lebih Baik



# 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

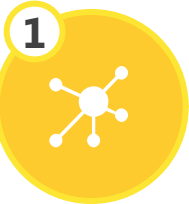


Focus on the development of **next-generation diagnostic technologies** for precision medicine



# Near Term Growth Plan

## Prodia's Network Expansion Plan 2016 - 2021



### Expand Network of Outlets

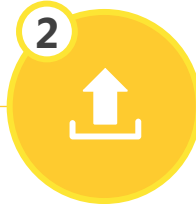
4 regional referral labs

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

**13** new specialty clinics over next five years



### Upgrade Clinical Labs

Upgrade up to **39** clinical labs to PHC Clinics

**24** Clinical Lab Improvements

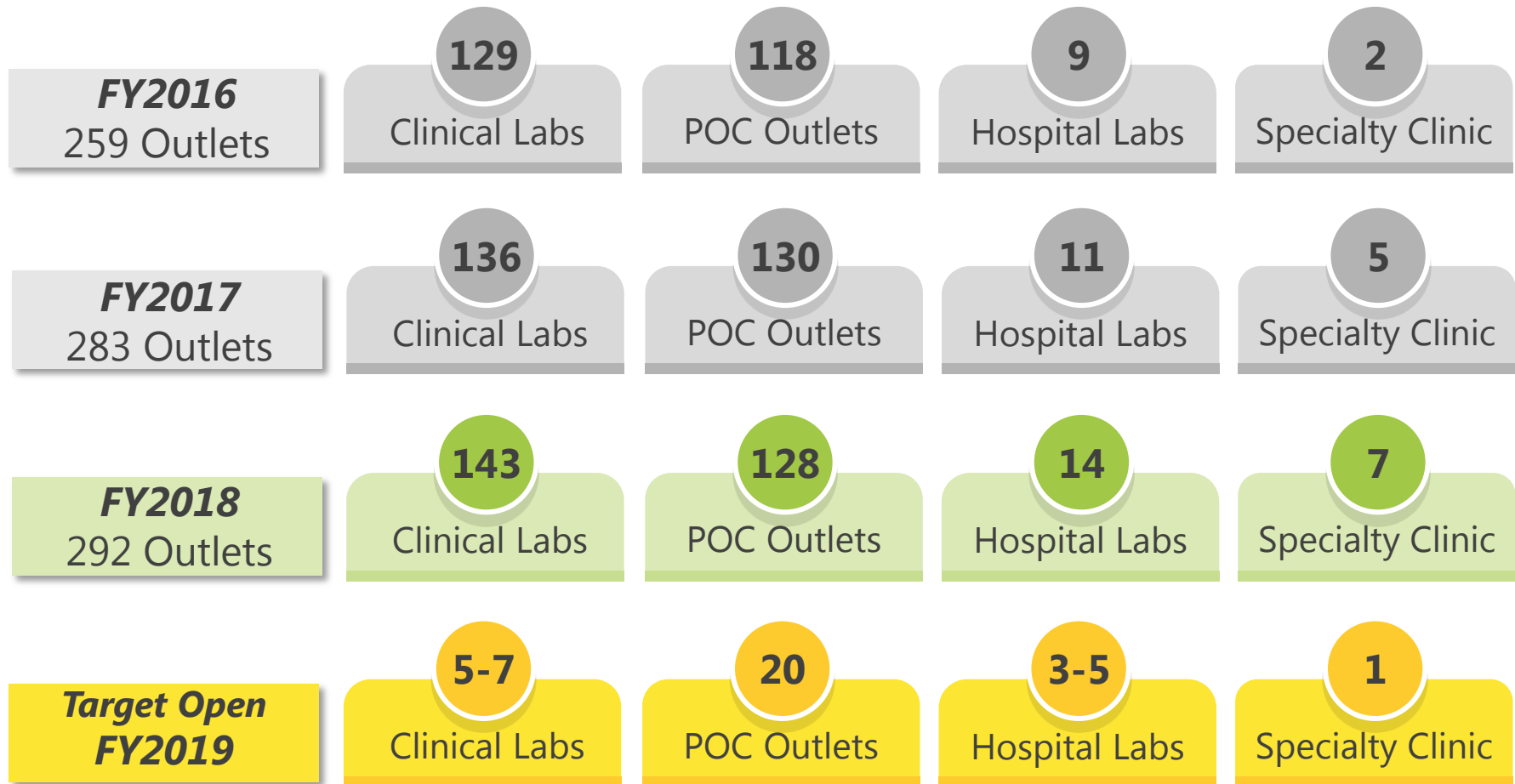


### Enhance Operating Efficiency

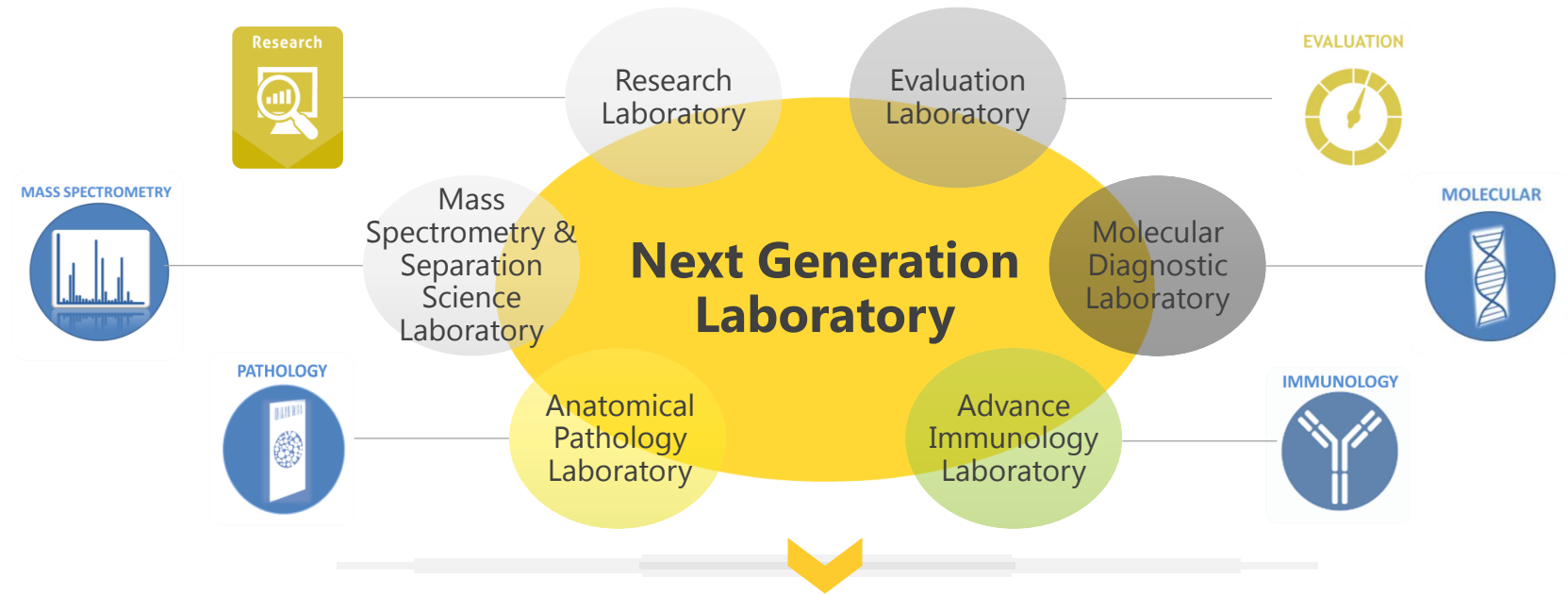


### Focus on Quality

# FY2016-FY2018 Existing Outlets and FY2019 Targets



# 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





# FY2018 Business & Financial Updates



**143  
Clinical  
Labs**

**292 outlets**  
**34 provinces**  
**123 cities**

**3 Prodia Children Health Centre  
Medan, North Sumatera**

**4 Prodia Women's Health Centre  
Medan, North Sumatera**

**7 Clinical Lab,  
Bengkulu**

**May 2018**

**Dec 2018**

**FY2018**

**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**

**8 Clinical Lab,  
Jepara,  
Central Java**

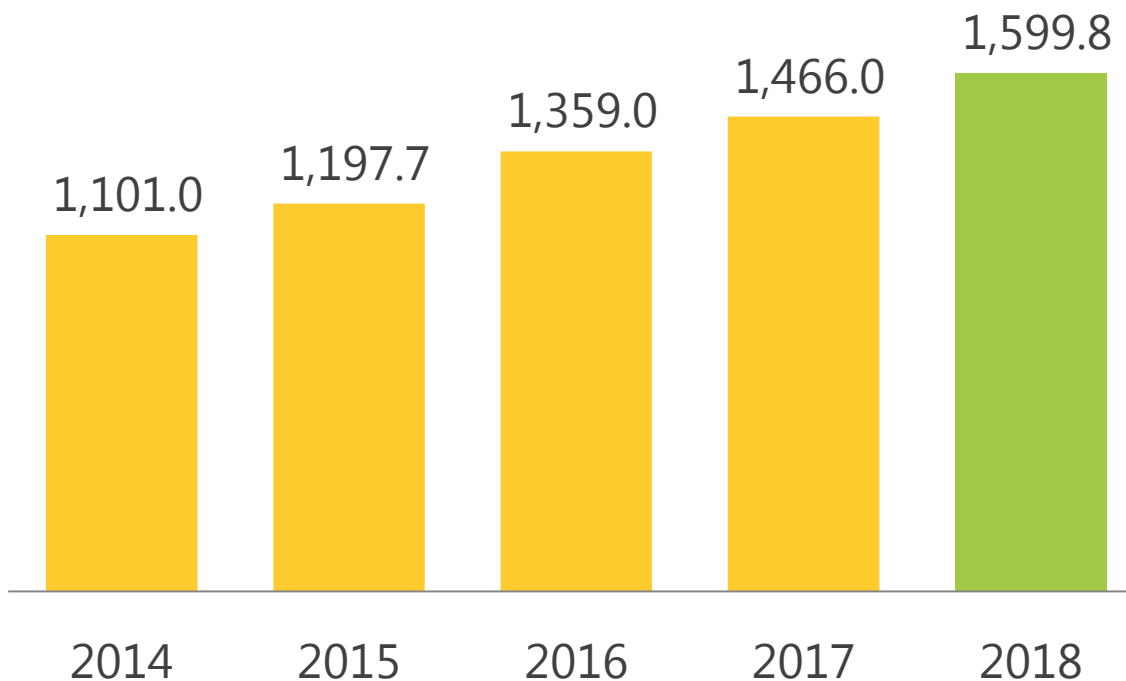


## FY2018 Revenue (Audited)

Revenue (in IDR Billion)

FY14-FY17 CAGR +10.0%

Growth +9.1%

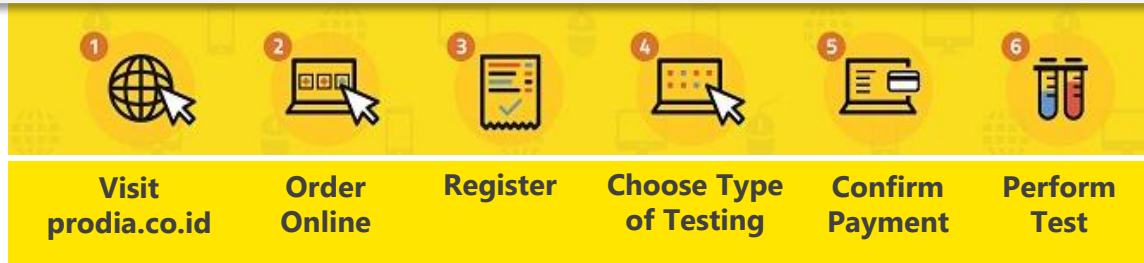


Revenue continues to rise along with improvements in volume, growth in external referrals, as well as increase in revenue & test per visit

# Technology to increase Customer Satisfaction

- Launched **e-Prodia, an Online Order & Result** Platform, further expanding our distribution channel and providing easier registration, payment system, and access to results for our customers.
- Customers can choose type of testing & the outlet to do the tests 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 test results completion, using one centralized phone number
- Launched **ChatBot Tania**, available via LINE, Facebook, Telegram, and Website (@prodia.id)

### Collaboration with Halodoc

- Collaborate with **Halodoc** to increase online accessibility for customers

### Online Customer Service

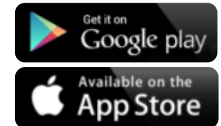
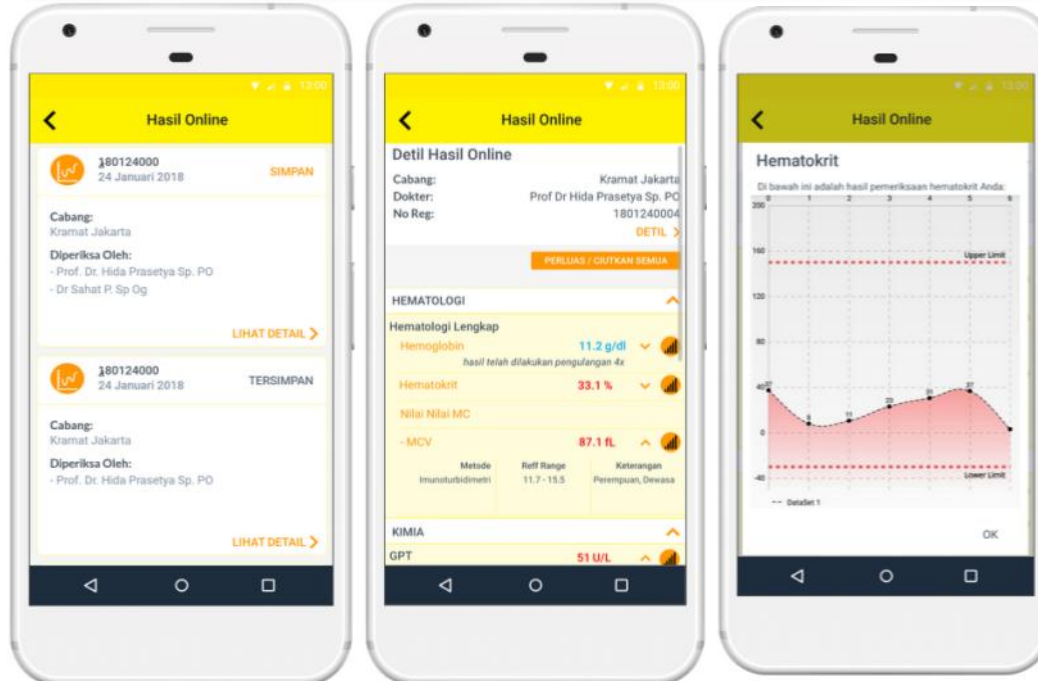
-  [www.prodia.co.id](http://www.prodia.co.id)
-  Laboratorium Klinik Prodia
-  @Prodia\_Lab
-  Laboratorium Klinik Prodia
-  @Prodia\_Lab
-  [info@prodia.co.id](mailto:info@prodia.co.id)



## Online Order via Prodia Mobile



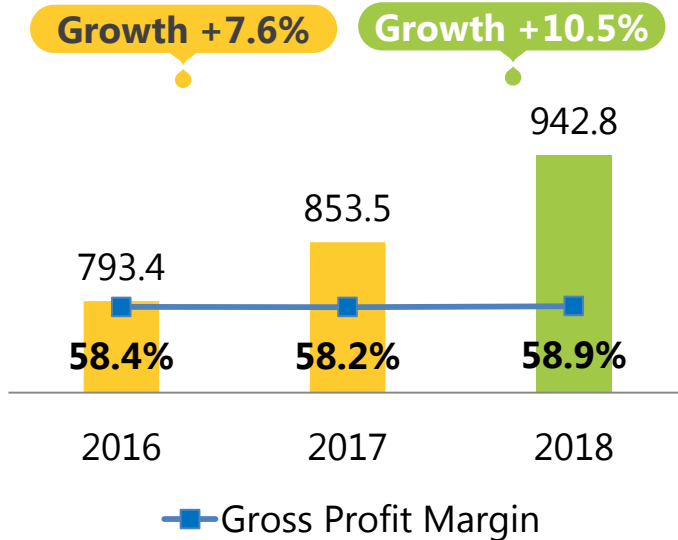
## Online Results via Prodia Mobile



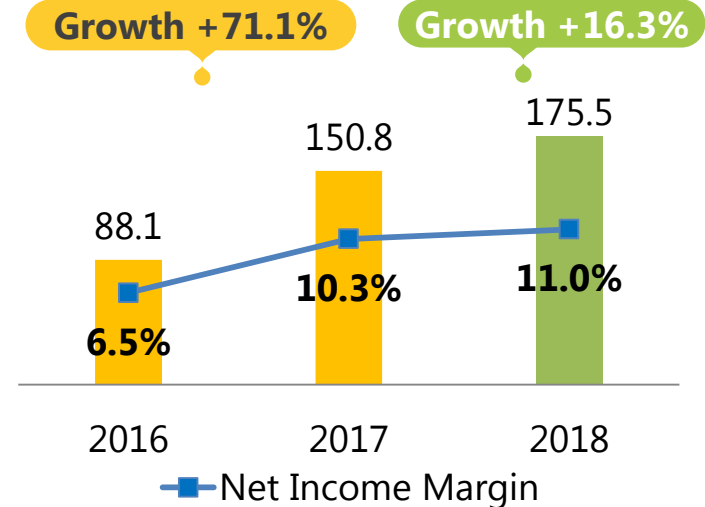


# FY2018 Gross Profit & Net Income

## Gross Profit (in IDR Billion)



## Net Income (in IDR Billion)



Gross profit grows as our volume increase resulted improved economics of scale



Net income also grew double digit as cost accelerated at a slower rate than revenue

Return on  
Equity

**2016**  
**8.3%**

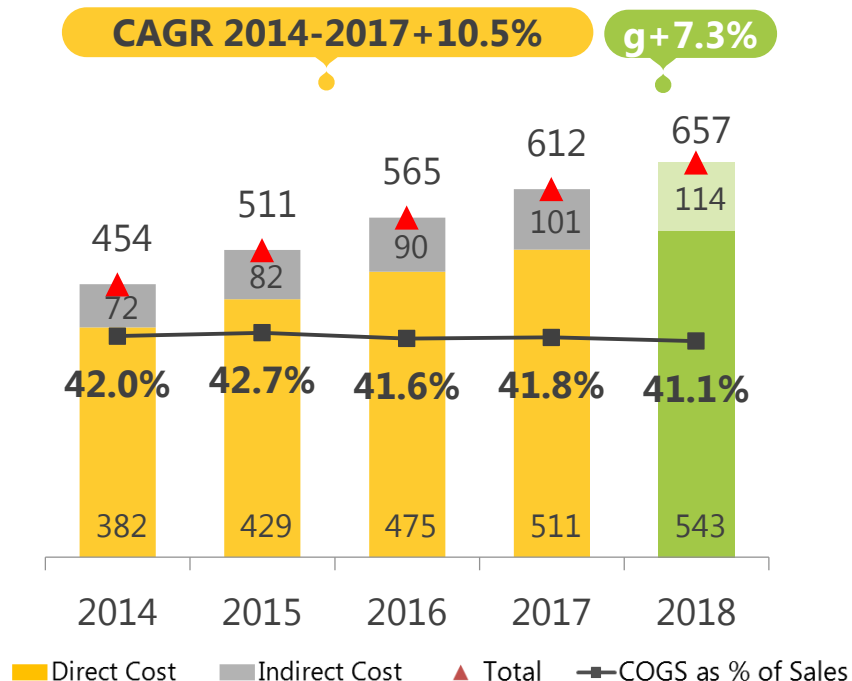


**2017**  
**11.4%**



**2018**  
**11.7%**

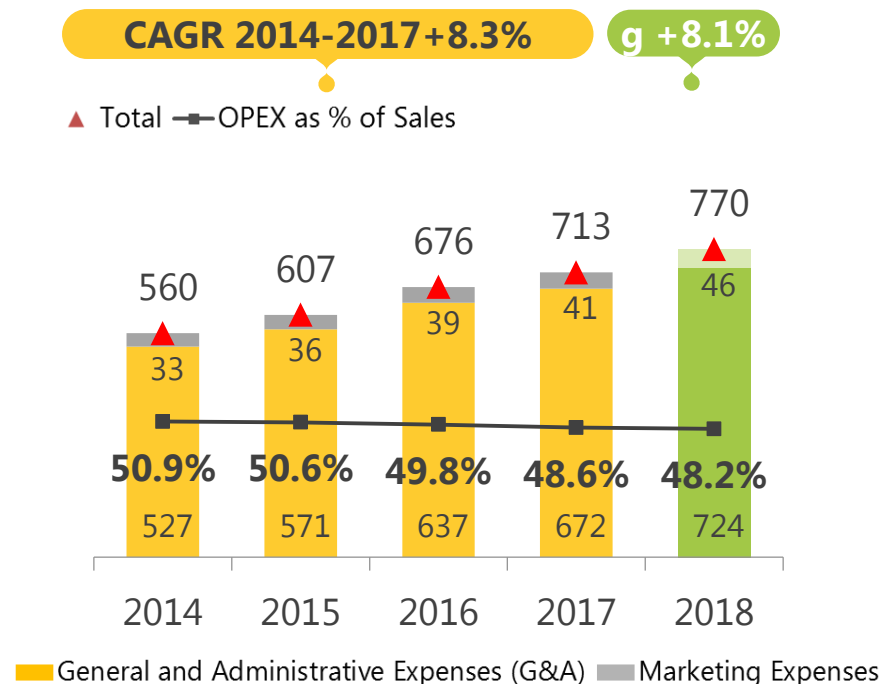
## COGS (in IDR Billion)



COGS as % of sales decreased by 71 BPS as raw material usage becomes more scalable along with volume growth



## OPEX (in IDR Billion)



OPEX as % of sales decreased by 46 bps as we maintain efficient on labor amid our expansion activities

# Thank You

For more information :

**PT Prodia Widyahusada Tbk**

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