



LABORATORIUM KLINIK

*Prodia*



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# PT Prodia Widyahusada Tbk

## 2017 Q1 RESULTS UPDATE

28 April 2017

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FINANCIAL HIGHLIGHTS

# Key Business Highlights

1

At the Forefront of a Significant Indonesian Healthcare Growth Opportunity

2

Pioneer and Undisputed Market Leader in the Indonesian Independent Clinical Lab Industry

3

Largest Nationwide Labs Network, with the Largest National Reference Lab, and a Wholly-operated and Scalable “Hub-and-Spoke” Model

4

Most-recognized Clinical Lab Brand in the Country Supported by Consistent Focus on Quality

5

Comprehensive Service Offering that Targets Multiple Customer Segments Supported by Strong Relationships with Healthcare Practitioners and Institutions

6

Proven Track Record of Strong Growth And Financial Performance

7

Experienced Senior Leadership and Management Team with Deep Experience in Clinical Lab Services and Healthcare





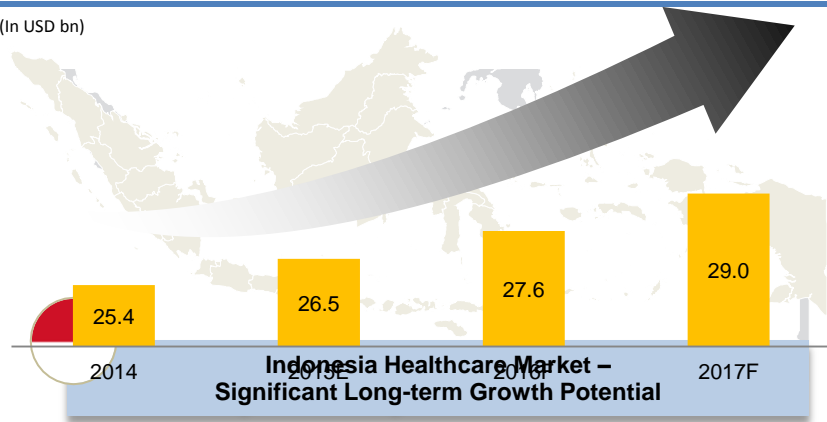
# 1. PRODIA is at Forefront of Significant Indonesian Healthcare Opportunity

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## Total Indonesia Healthcare Expenditure

(In USD bn)



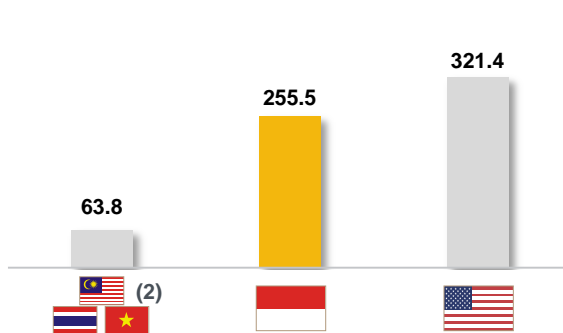
## Significant Long-term Growth Potential

- ✓ A Population of **256** million – 4<sup>th</sup> Largest Worldwide <sup>(3)</sup>
- ✓ Rapidly expanding **middle class**
- ✓ Strong **GDP** growth
- ✓ **Transformational** healthcare sector
- ✓ **Rising affordability and implementation** of JKN<sup>(1)</sup>

## Significant “Catch Up” Potential

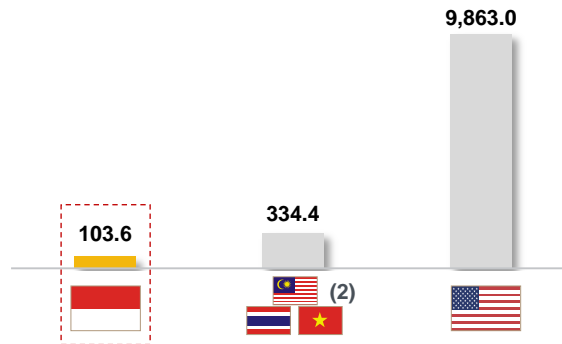
### Total Population (2015E)

(In millions)



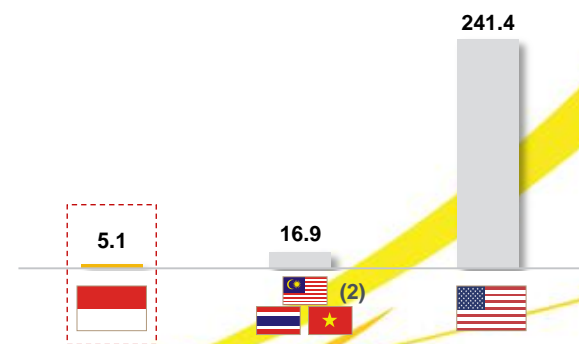
### Total Healthcare Expenditure per Capita (2015E)

(In USD)



### Clinical Lab Test Spending per Capita (2015E)

(In USD)



Source: Frost & Sullivan Analysis (2016), Economist Intelligence Unit.

Note: (1) Jaminan Kesehatan Nasional (JKN) is Indonesia's national healthcare insurance program, which is implemented by the social security agency Badan Penyelenggara Jaminan Sosial Kesehatan (BPJS). (2) Average of select comparable South-East Asian countries (Thailand, Vietnam and Malaysia). (3) As of the end of 2015.

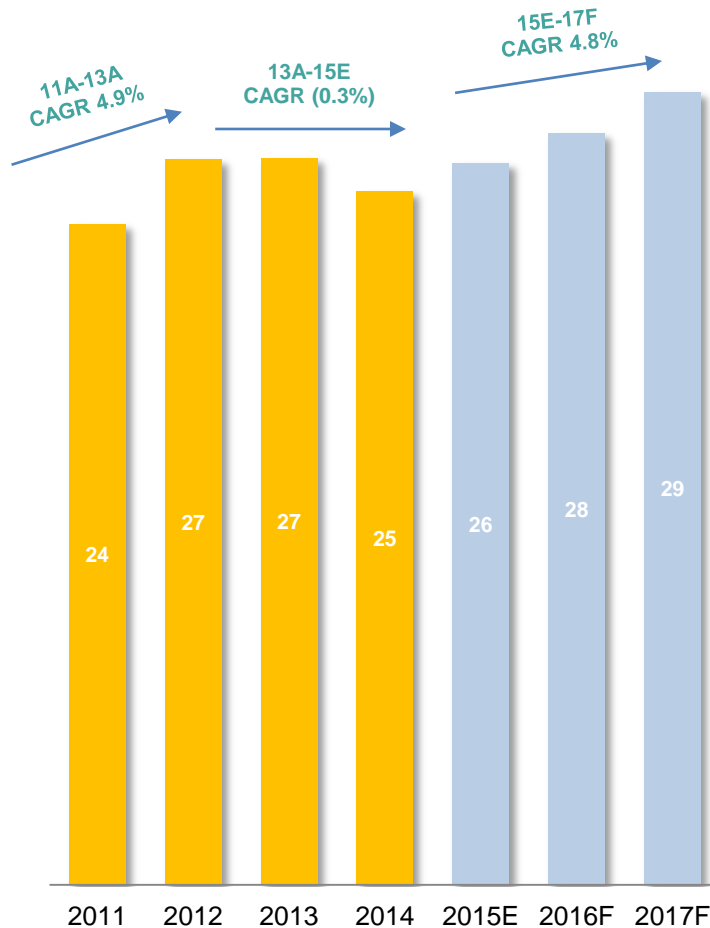
# 1. Significant Growth Potential for Private Laboratories in Indonesia

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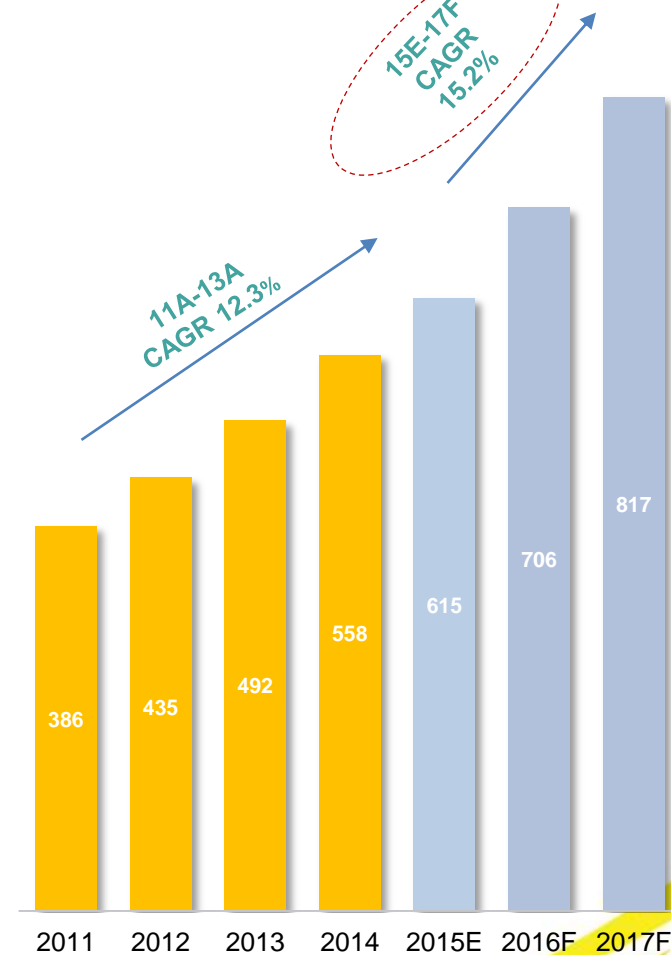
## Indonesian Healthcare Market is Growing

(Market size by revenue; In USD bn)



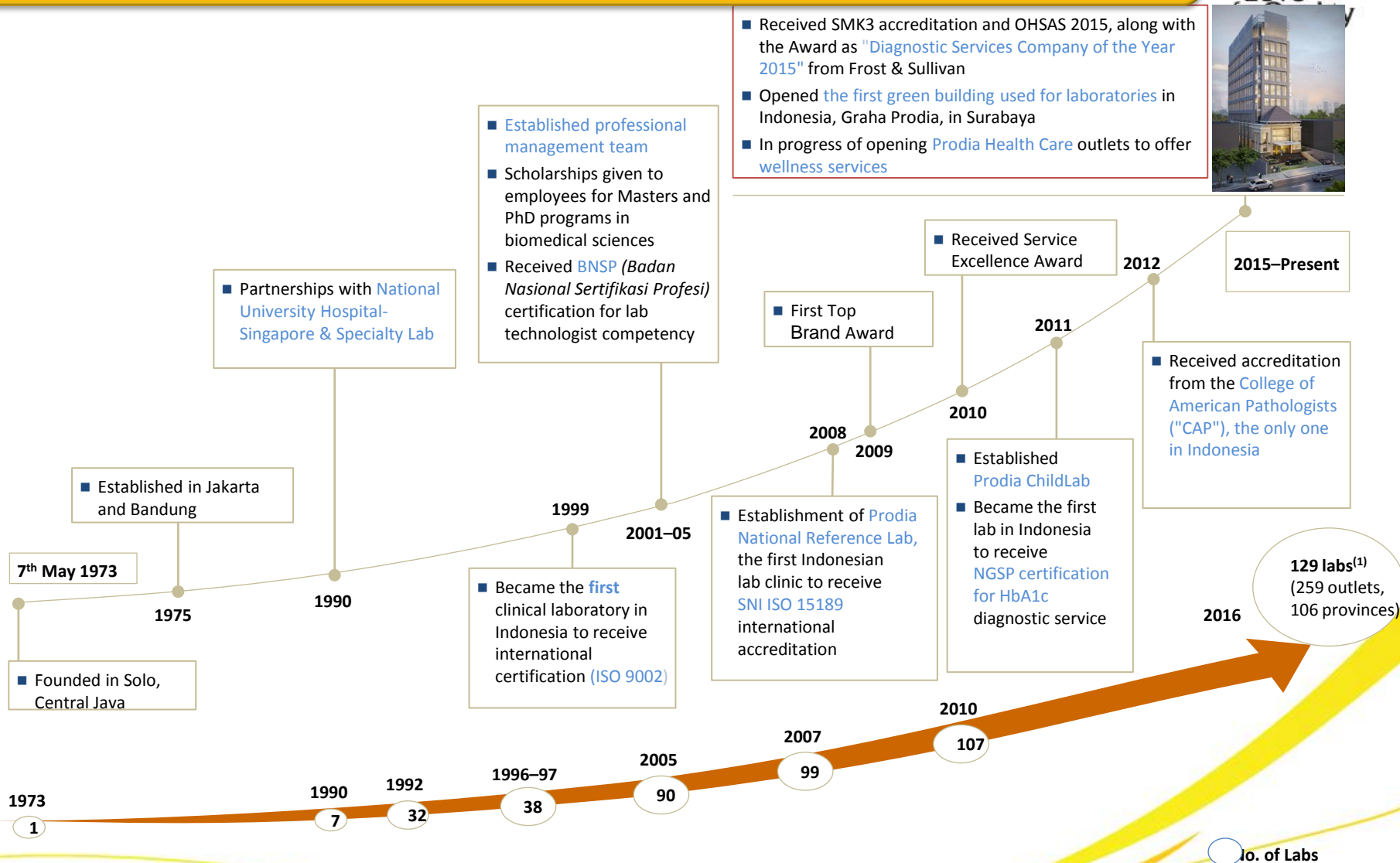
## Private Laboratory Testing Market is Growing Faster

(Market size by revenue; In USD mn)



Source: Frost & Sullivan Analysis (2016).

## 2. Indonesian Pioneer in Clinical Laboratory Testing



Note: (1) Includes PNRL.



# 3. Largest Nationwide Network

129  
and 1

Clinical Labs  
and PHC

118

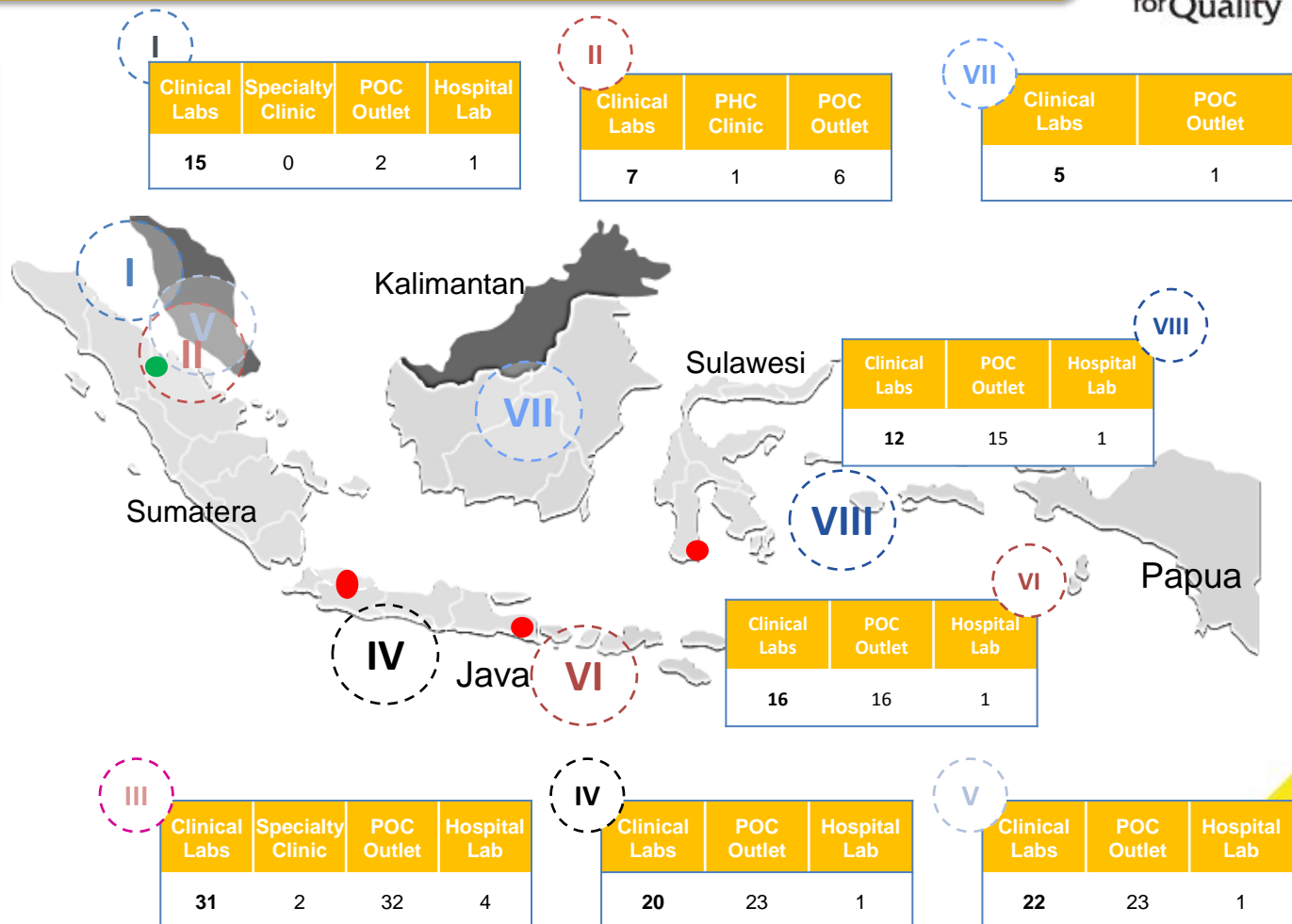
POC Outlets

9

Hospital Labs

2

Specialty Clinic



● = Reference lab in Jakarta-Surabaya and Makassar

Note: Total Outlet as of 31 Des 2016.

# 3. Scalable “Hub and Spoke” Model

- Prodia Clinical Labs, Hospital and Other Clinics refer tests to PNRL



Collection / Testing



Clinical Labs

Prodia National Reference Lab (PNRL)



PNRL Serves Around 2.5 Million Referral Tests Annually. 24/7 Operation to Fully Accommodate Reference Needs from All Prodia Outlets

- Centralized information with integrated IT platform that connects each lab to PNRL

Testing



Clinical Labs



Walk-in Customers



Corporate Clients



Doctor Referrals



External Referrals



POC Center or POC Collection Center



Doctor Referrals

- “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

Significant Economies of Scale Achieved

Prodia’s National Reference Lab as the only private national reference 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.

## 4. Most recognized Clinical Lab Brand in Indonesia

- ✓ **The only clinical lab** in Indonesia accredited by College of American Pathologists (“CAP”<sup>(3)</sup>)
- ✓ Received **56%** of the votes from a sample of Indonesian consumers in the 2015 Top-Brand Survey
- ✓ **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>(1)</sup> certification for HbA1c<sup>(2)</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

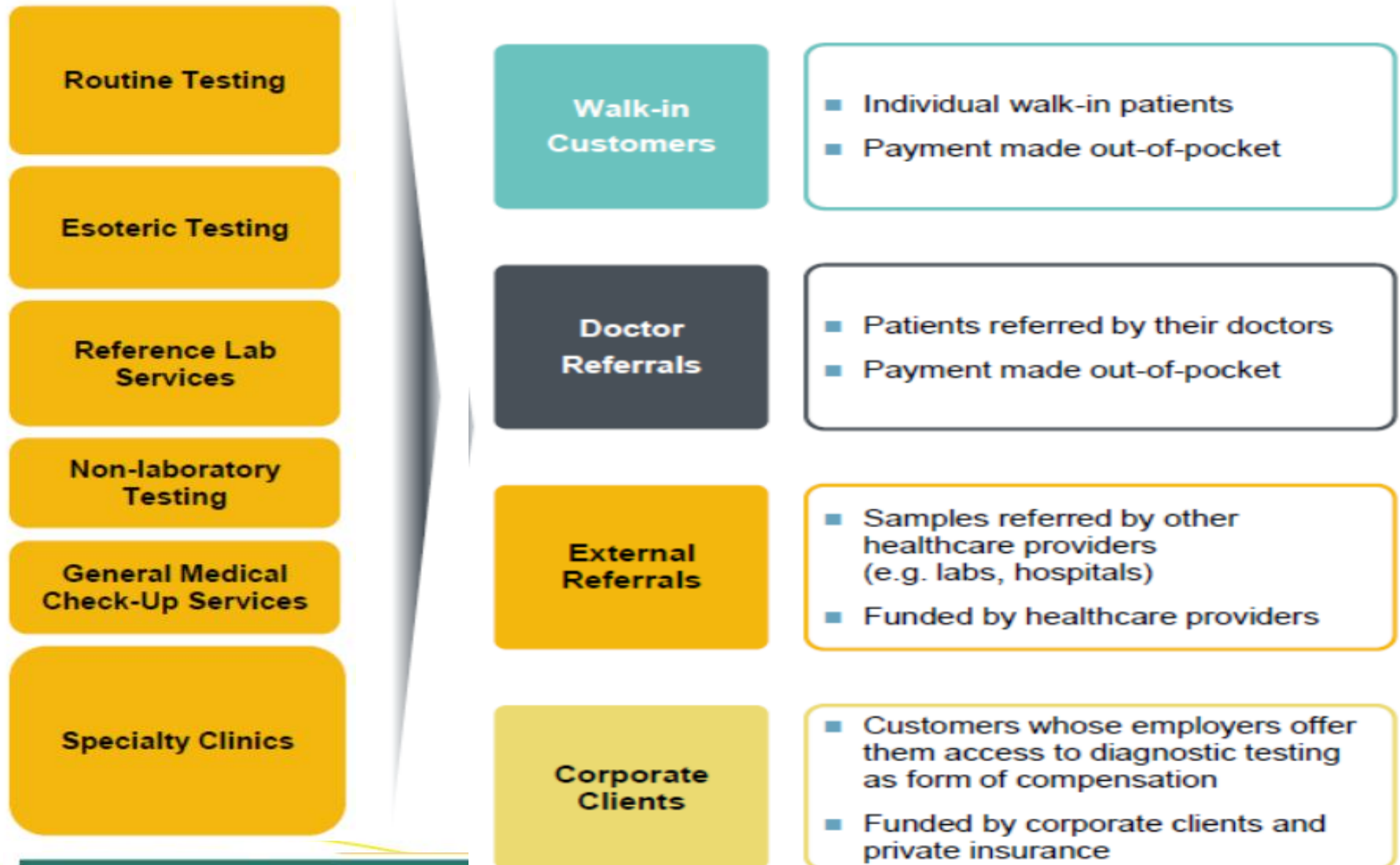
Leading National Reference Laboratory

Awards

Note: (1) NGSP stands for the National Glycohemoglobin Standardization Program. (2) 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. (3) CAP is considered the highest accreditation in the clinical lab industry worldwide.

## 5. Comprehensive Service Offering –Target Multiple Customer Segments

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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.

## 5. PRODIA Most Recognized Clinical Lab brand

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**Top Brand Award**  
2009 - 2016



**Indonesia  
Original Brand  
(IOB ) 2012 -  
2016**



**Indonesia Best  
Brand Award  
(IBBA)  
2013 - 2016**



**Corporate  
Image Award  
(IMAC)  
2012 - 2016**



**Service Quality Award**  
2013, 2015 - 2016



SOLO BEST BRAND INDEX



JOGJA BEST BRAND INDEX

**2015 - 2016**



**Rekor Bisnis**  
2013



**Satria Brand Award**  
2011 - 2016



**SEA Service  
Excellence Award**  
2010-2013



**2012 - 2016**



**Brand Champion  
Consumer  
Awards 2015**





# 7.Senior Leadership and Management Team

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Diagnostic Services  
Company of the Year 2015  
- Frost & Sullivan

Best Brand Gold  
2015  
- IBBA Awards

FROST & SULLIVAN



**Dr. Andi  
Wijaya, MBA**

*Co-Founder and  
Chairman* **44**  
Years of Experience



**Drs. Gunawan  
Prawiro Soeharto**

*Co-Founder and  
Commissioner* **44**  
Years of Experience



**Dr. Endang  
Hoyaranda**

*Commissioner* **34**  
Years of Experience



**Scott Andrew  
Merrillees**

*Independent  
Commissioner* **28**  
Years of Experience



**Joseph  
F. P. Luhukay**

*Independent  
Commissioner* **32**  
Years of Experience



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

*President  
Director* **30**  
Years of Experience



**Liana  
Kuswandi, M.Fin**

*Finance  
Director* **21**  
Years of Experience



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

*Marketing  
Director* **21**  
Years of Experience



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

*Operation  
Director* **20**  
Years of Experience



**Tetty  
Hendrawati M.Si**

*Independent  
Director* **28**  
Years of Experience

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



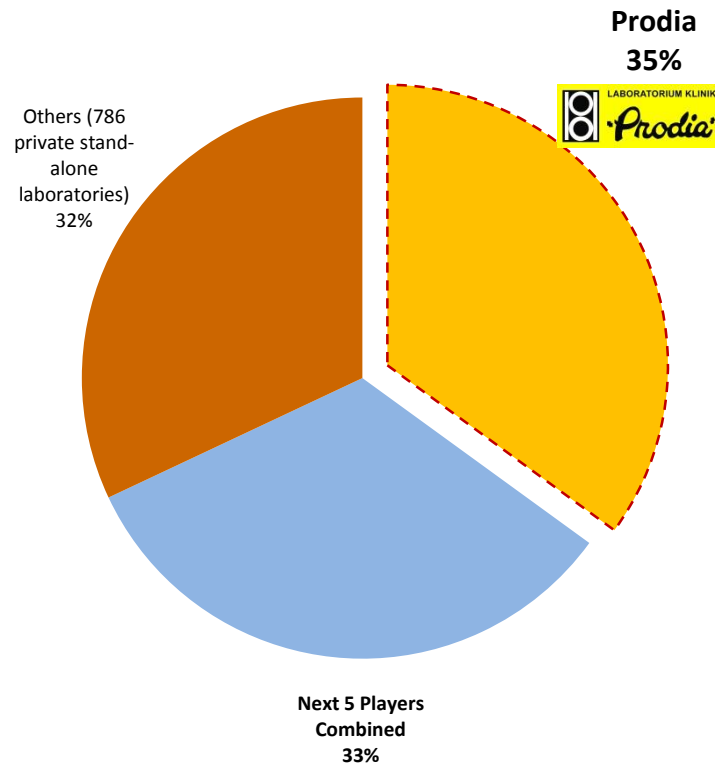
# Pioneer and Leader in Indonesian Independent Clinical Lab Industry

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## No.1 Independent Clinical Lab Chain

Market Share by Revenue of Key Players (2015)



## Largest and Most Diversified Laboratory Network

Number of Labs of 6 Key Players in Indonesia (2015)

Key Private Independent Labs Players		No. of Clinical Laboratories		
		Java	Outside Java	Total
Prodia		70	58	128
Kimia Farma		29	14	43
Pramita		18	5	23
Cito		19	2	21
Parahita		14	1	15
Biomedika		13	1	14

**Total of 116 Clinical Laboratories for Next 5 Players**

Source: Frost & Sullivan analysis (2016).



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FINANCIAL HIGHLIGHTS

# Q1 2017 Outlets Development

	Clinical Labs & PHCs	Specialty Clinics	Point-of-Care (POC) Outlets	Hospital Labs
Description	•Equipped to conduct and process certain routine tests	•Specialized facilities focusing on particular fields of medicine or specific patient types	•Consists of both POC Centers and POC Collection Centers	•Operate hospital labs for private hospitals that lack the resources, know-how or scale to operate onsite clinical laboratories efficiently
	•Some labs offer non-lab test (X-ray, Imaging, etc.)	•Equipped with trained physicians and specialists in pediatric testing	•Can take specimen at doctor's clinics and no need to go to clinical labs	
Location	111 cities across Indonesia	Prodia Children's Health Centre and Prodia Women's Health Centre in Jakarta	Within doctor's clinics across Indonesia	Located in private hospitals
2016 Number of outlets	129 + 1 PHC*	2	118	9
Developments Q1 2017	4 PHC**	0	9-2 =7	2
Total Outlets	129+ 1*	2	125	11

**Total Outlets in Q1 2017: 268 vs 259 in 2016**

\* Stand alone PHC

\*\* 4 PHC added in Clinical Labs

# PWHC-First Indonesian Personalized Medicine for Women



Prodia Women Health Centre specifically for women, is based on the concept of *Women's-Wellness* and is the first in Indonesia that utilizes the latest diagnostic technology based on individual personalized treatment (*Personalized Medicine*).

# Q1 2017 New TESTING TYPES



## Molecular

- CT/NG RT PCR
- Aldosteron

## Immunology

- Mutation of JAK2 V617

## Urinalysis

- Fragmentation of DNA Sperm

# Q1 2017 Recognition Award



**Master Service Award**  
2012 - 2017

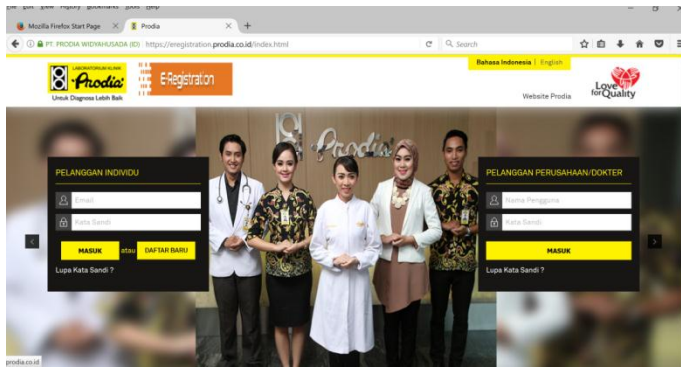


**Wow Brand Award**  
2015 & 2017

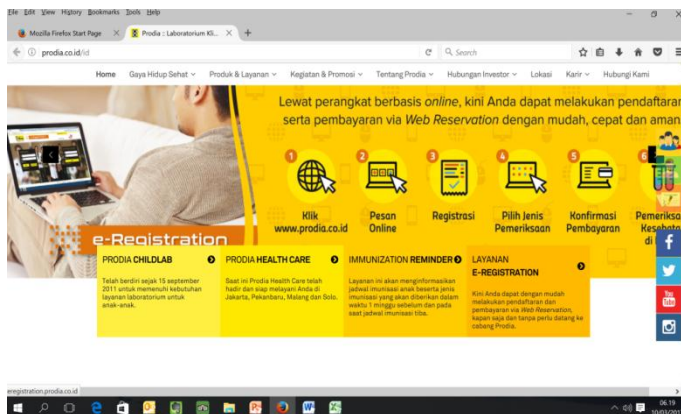




# Technology to increase customer satisfaction



Launched e-Pay and e-Reg to increase distribution channel and provide easier way to register and payment system



Payment can be made through ATM Transfer and Credit Card



Customers can access their laboratory results through PRODIA apps and email



# Q1 2017 Results



Financial	<u>Q1 2016</u>	<u>Q1 2017</u>		
Revenue (IDR Bn)	311.38	331.57	▲	6.5%
EBITDA (IDR Bn)	50.04	52.15	▲	4.2%
EBITDA Margin	16.1%	15.7%	▼	40 bps
Net Income (IDR Bn)	24.16	32.31	▲	33.73%



Upgrade Clinical Lab to PHC	4
POCs	9 -2 =7
Hospital Labs	2
New Test Type	4

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FINANCIAL HIGHLIGHT

# Growth Strategy

A

## Near-term

- 1 **Expand** our presence and grow our **network of outlets** in both existing and new markets in Indonesia
- 2 **Upgrade** existing clinical laboratories to provide wider range of tests and services and increase volume
- 3 Enhance internal **operating efficiency**
- 4 Focus on providing **quality diagnostic** and related healthcare tests and services

B

## Long-term

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

# NEAR Term Growth Plan

## Prodia's Network Expansion Plan in Five Years

1

### Expand Network of Outlets

4 regional reference 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>

2

### Upgrade Clinical Labs

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

24 Clinical Lab Improvements

3

### Enhance Operating Efficiency

4

### Focus on Quality

Note: (1) Two regional reference labs already opened in 2016  
(2) Two specialty clinics already opened in 2016 and 2017  
(3) Four PHC Clinics already added at clinical labs in 2017

# Leader in Next Generation Technology

(Long-term Strategy)

Molecular Diagnostics

Immunology  
(Flow Cytometry) Lab

Laboratory Platforms  
Innovation

Diversified Clinical Diagnostics Platform  
+  
Scientific Talent

Chromatography-Mass  
Spectrometry

Advanced Pathology Lab

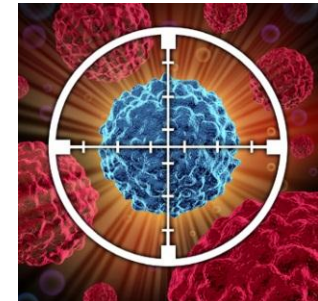
The Concept of Precision Medicine

*Personalized  
Treatment and  
Prevention*



- ✓ 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

*Targeted Therapy*



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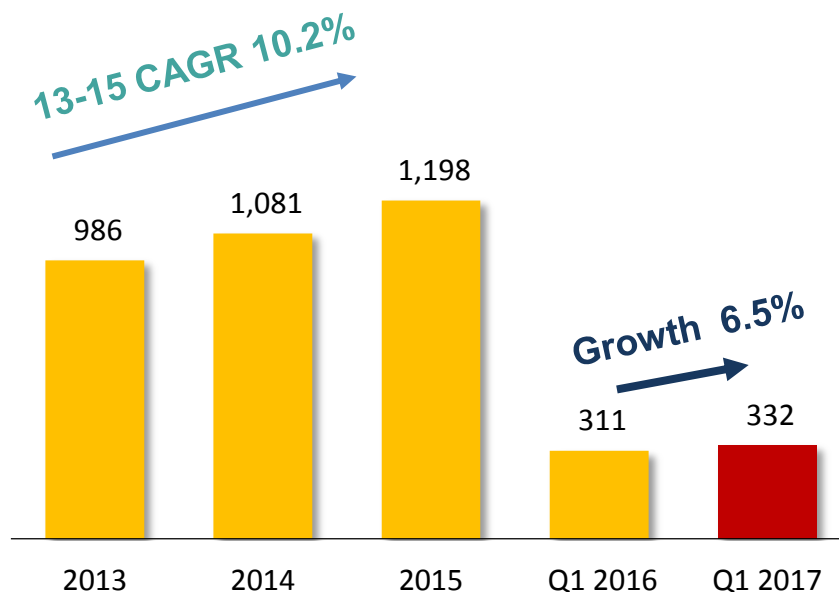
FINANCIAL HIGHLIGHTS



# Q1 2017 Revenue & EBITDA (unaudited Report)

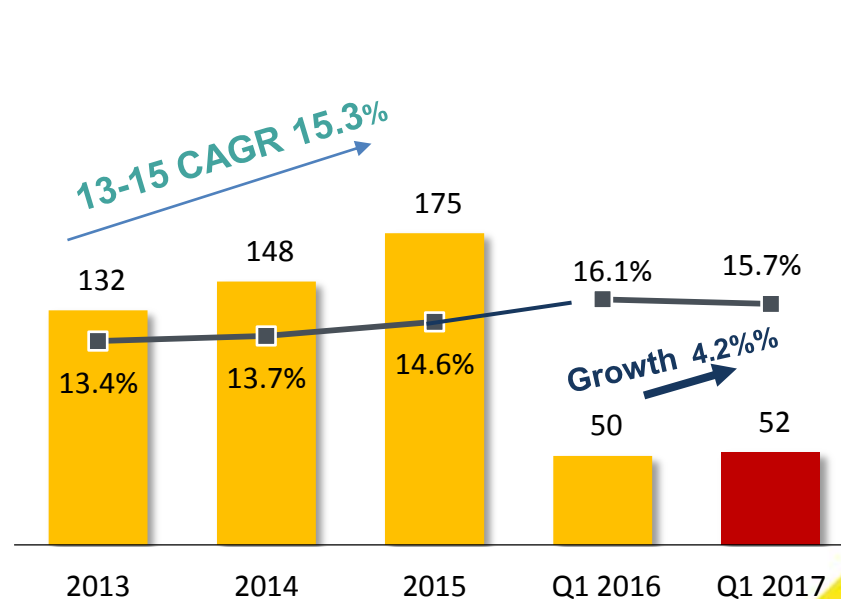
## Revenue

In IDR bn



## EBITDA

In IDR bn

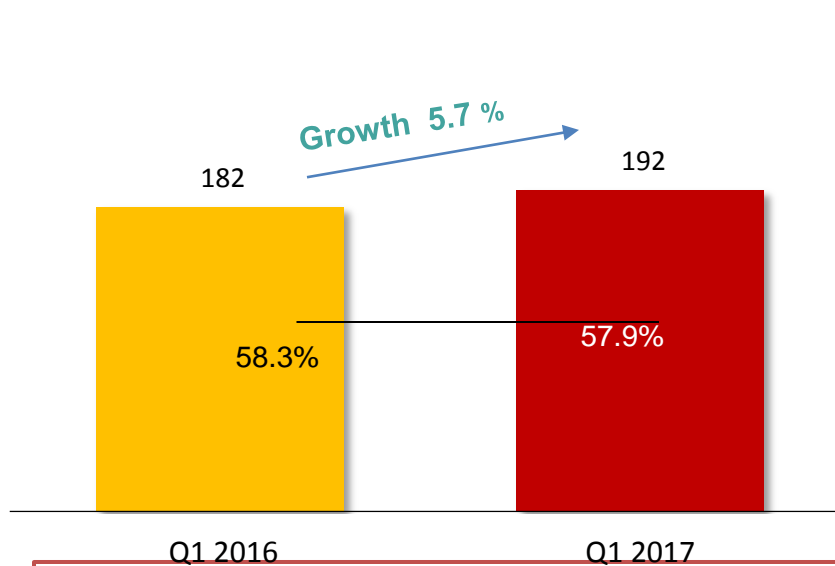


- Revenue growth of 6.5% driven by revenue/visit increased by 10.4%
- EBITDA percentage declined by 40 bps

# Q1 2017 Gross Profit and Net Income (unaudited Report)

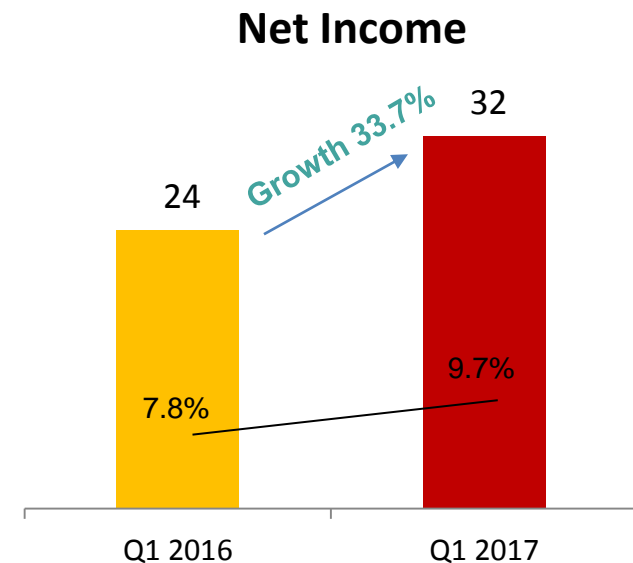
## Gross Profit

In IDR bn



## Net Income

In IDR bn



- Improvement of 40 bps in Gross Profit driven by decreasing of direct cost and indirect cost percentage of total revenue.
- Net income improve by 230 bps from 7.8% to 9.7%

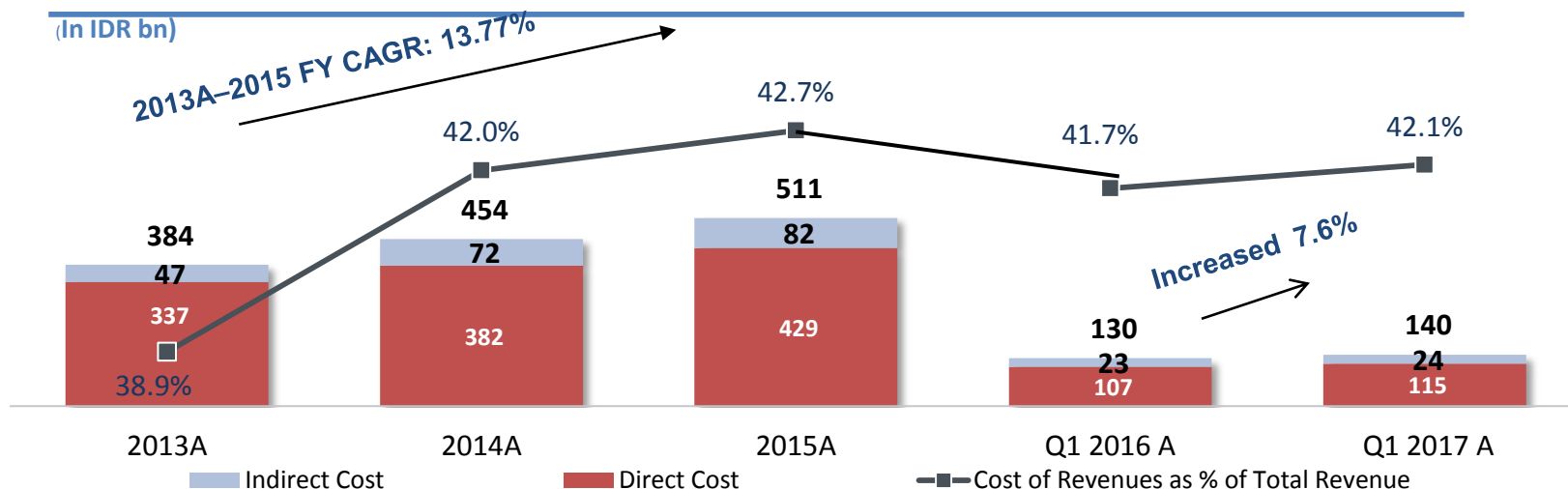
# Q1 2017 Cost Structure (unaudited Report)

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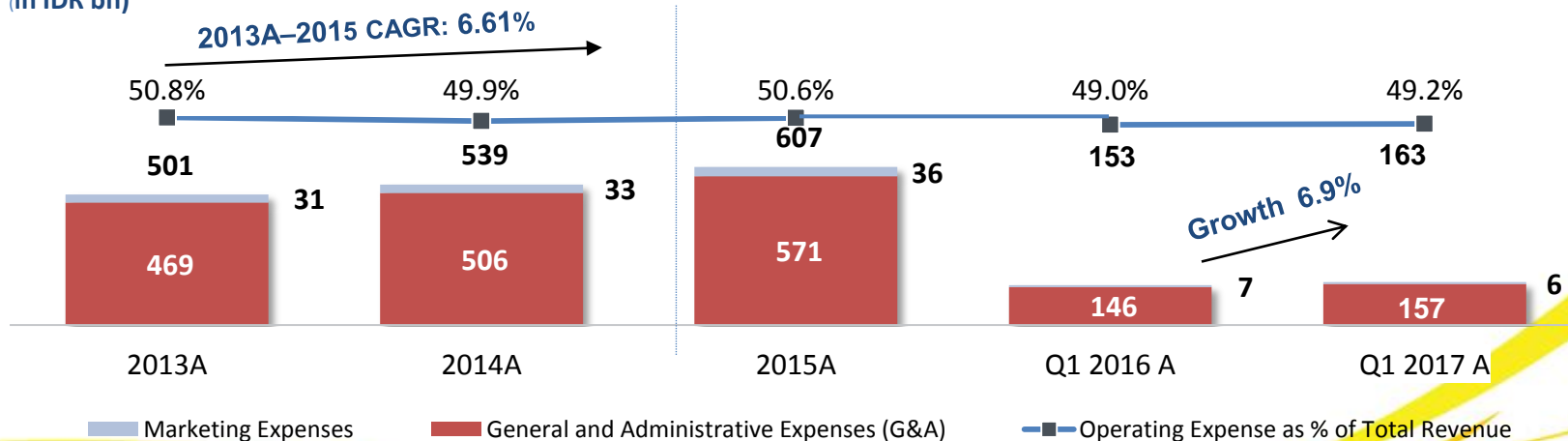
## Cost of Revenues

(In IDR bn)



## Operating Expenses

(In IDR bn)





## Liabilities & Equity (Unaudited Report)

	Q12016	Q12017	% ▲
<b><u>Liabilities (IDR bn)</u></b>			
<b>Current Liabilities</b>	<b>137.06</b>	<b>166.78</b>	<b>21.7%</b>
<b>Total Liabilities</b>	<b>228.43</b>	<b>541.58</b>	<b>137.1%</b>
<b><u>Total Equity</u></b>	<b>522.32</b>	<b>1,295.85</b>	<b>148.1%</b>
<b>Total Liabilities and Equity</b>	<b>750.76</b>	<b>1,837.43</b>	<b>144.7%</b>

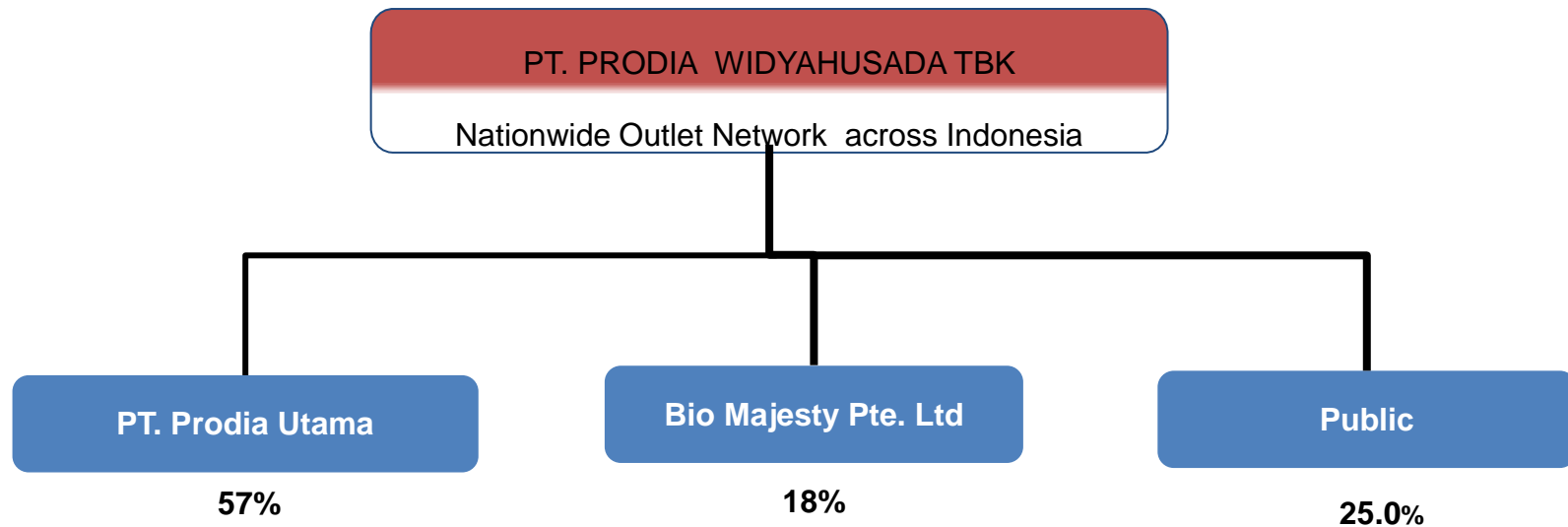
# Share Holder

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Untuk Diagnosa Lebih Baik

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



# THANKYOU