



LABORATORIUM KLINIK

Prodia



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PT Prodia Widyahusada Tbk

1H 2017 RESULTS UPDATE

31 July 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



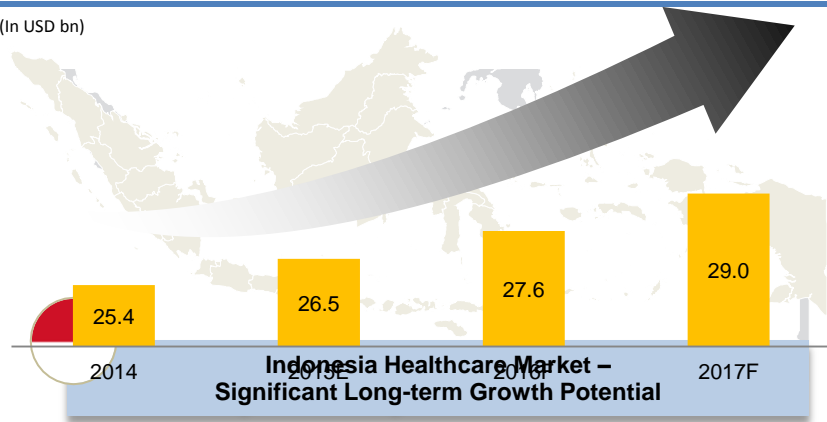
1. PRODIA is at Forefront of Significant Indonesian Healthcare Opportunity

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Total Indonesia Healthcare Expenditure

(In USD bn)



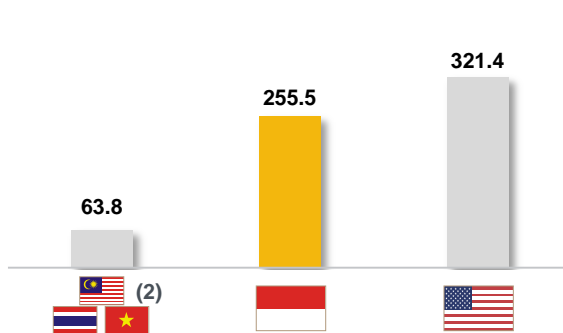
Significant Long-term Growth Potential

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

Significant “Catch Up” Potential

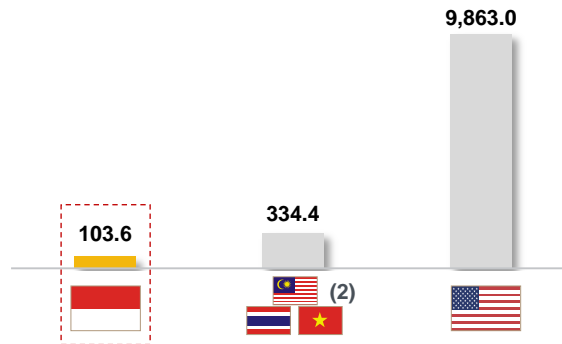
Total Population (2015E)

(In millions)



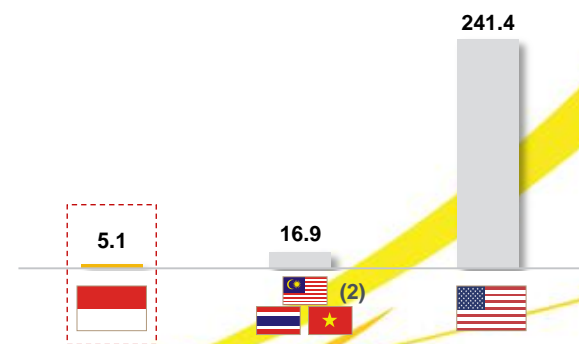
Total Healthcare Expenditure per Capita (2015E)

(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.

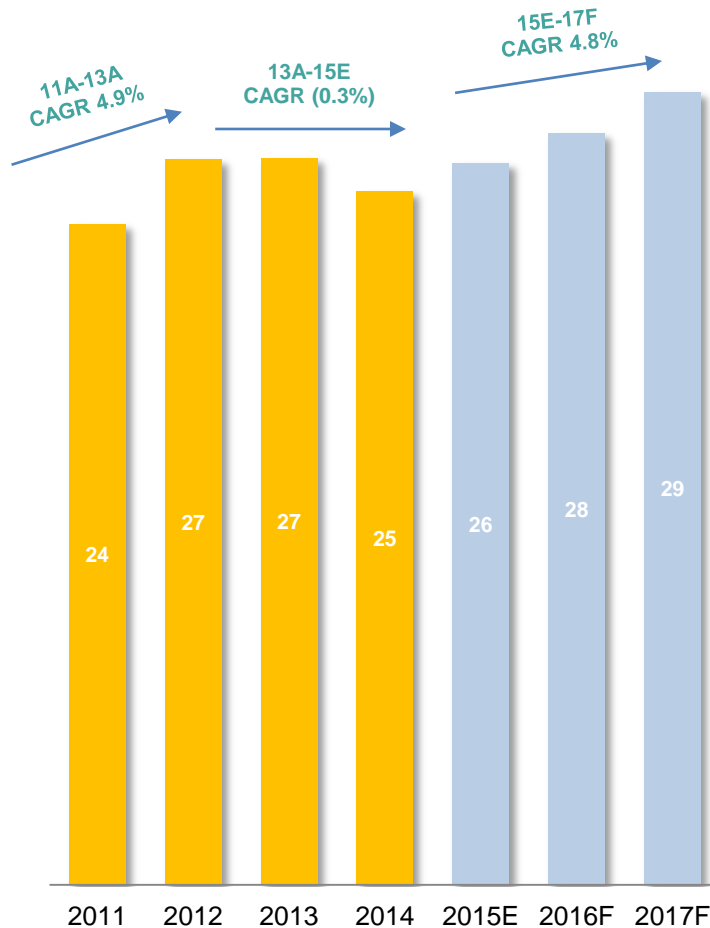
1. Significant Growth Potential for Private Laboratories in Indonesia

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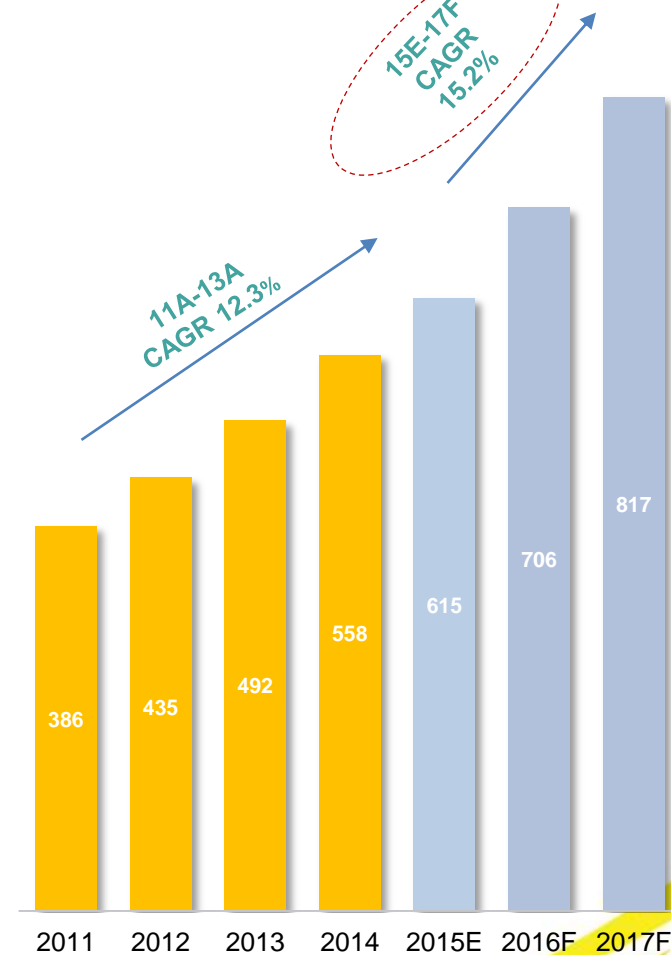
Indonesian Healthcare Market is Growing

(Market size by revenue; In USD bn)



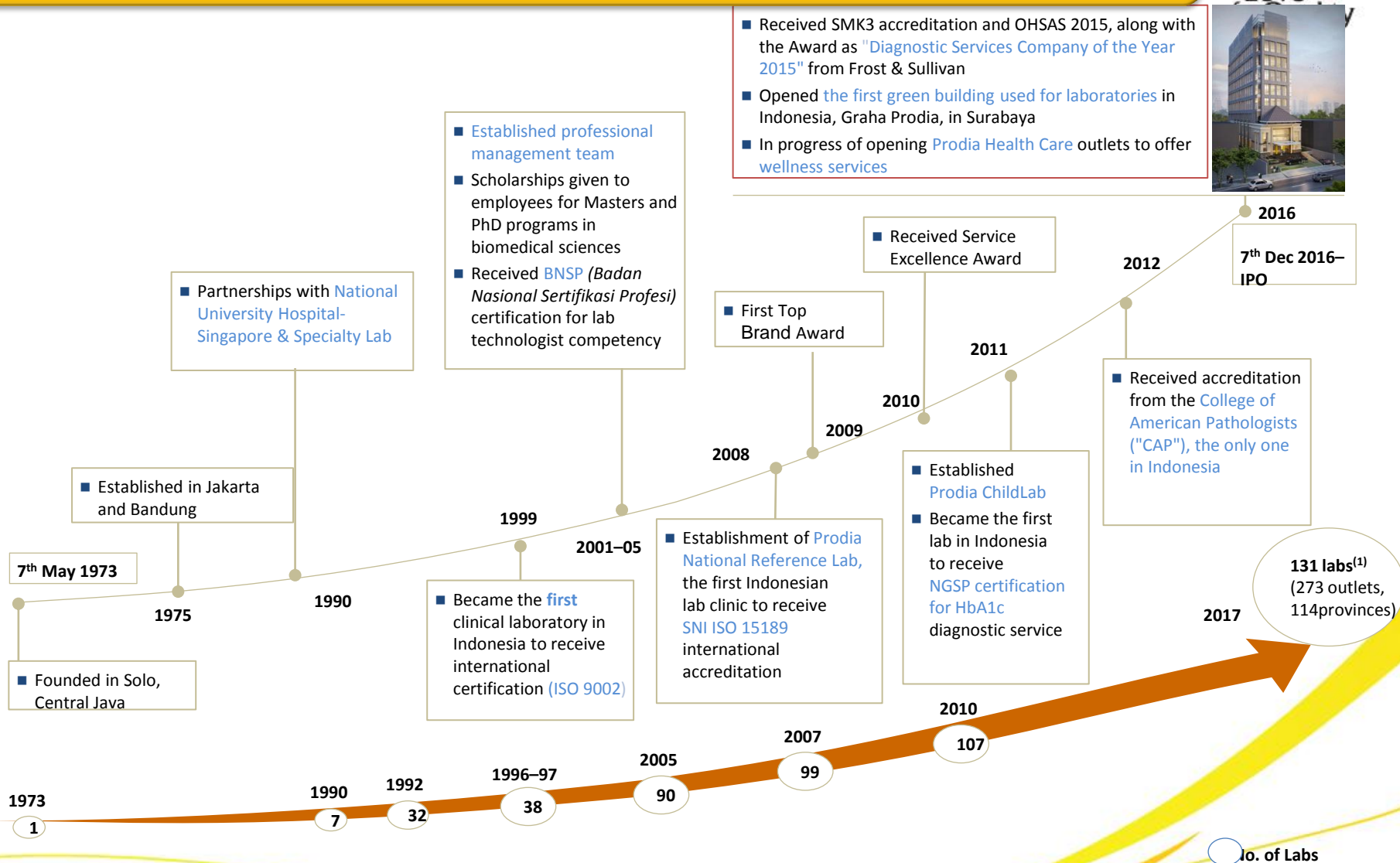
Private Laboratory Testing Market is Growing Faster

(Market size by revenue; In USD mn)



Source: Frost & Sullivan Analysis (2016).

2. Indonesian Pioneer in Clinical Laboratory Testing



Note: (1) Includes PNRL.

131
and 1

126

12

3



VII

Map of Indonesia showing the distribution of COVID-19 cases by region. Regions are numbered I through VIII. Regions I, II, III, IV, V, VI, and VII are circled with dashed lines. Region VIII is circled with a solid line. Red dots indicate the location of each region. A table shows the number of Clinical Labs, POC Outlets, and Hospital Labs for each region.

Region	Clinical Labs	POC Outlet	Hospital Lab
I	12	18	1
II	12	18	1
III	12	18	1
IV	12	18	1
V	12	18	1
VI	12	18	1
VII	12	18	1
VIII	12	18	1

Clinical Labs	Specialty Clinic	POC Outlet	Hospital Lab
15	1	16	2



A Venn diagram with two overlapping circles. The left circle is labeled 'V' and the right circle is labeled 'C'. The intersection of the two circles is shaded in orange.

Clinical Labs	POC Outlet	Hospital Lab
22	23	1


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 Untuk Diagnosa Lebih Baik




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”⁽³⁾)
- ✓ Received **56%** of the votes from a sample of Indonesian consumers in the 2015 Top-Brand Survey
- ✓ **1st** clinical laboratory in Indonesia that received international certification
- ✓ **1st and the only** clinical lab in Indonesia to receive **NGSP**⁽¹⁾ certification for HbA1c⁽²⁾ 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

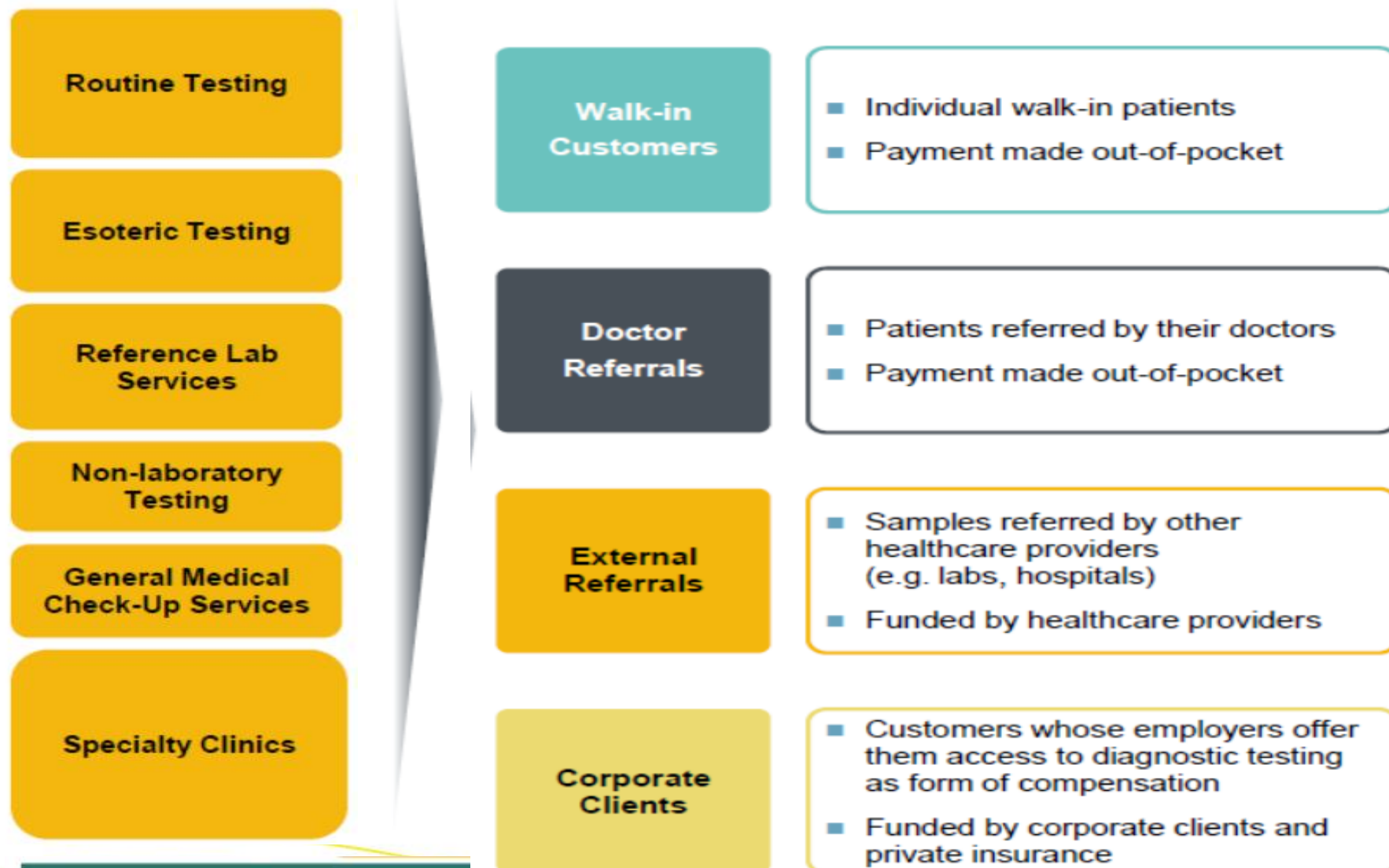
Quality as a Way of Life

Leading 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



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

SHARE HOLDER



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

PT. Prodia Utama

57%

Bio Majesty Pte. Ltd

18%

Public

25.0%

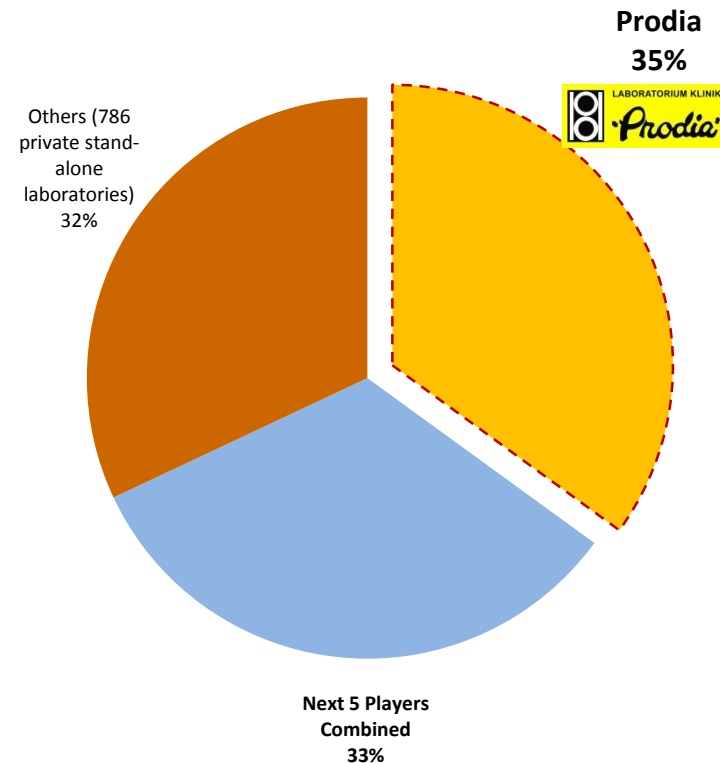
Pioneer and Leader in Indonesian Independent Clinical Lab Industry

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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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INVESTMENT HIGHLIGHTS

2

1H 2017 BUSINESS UPDATE

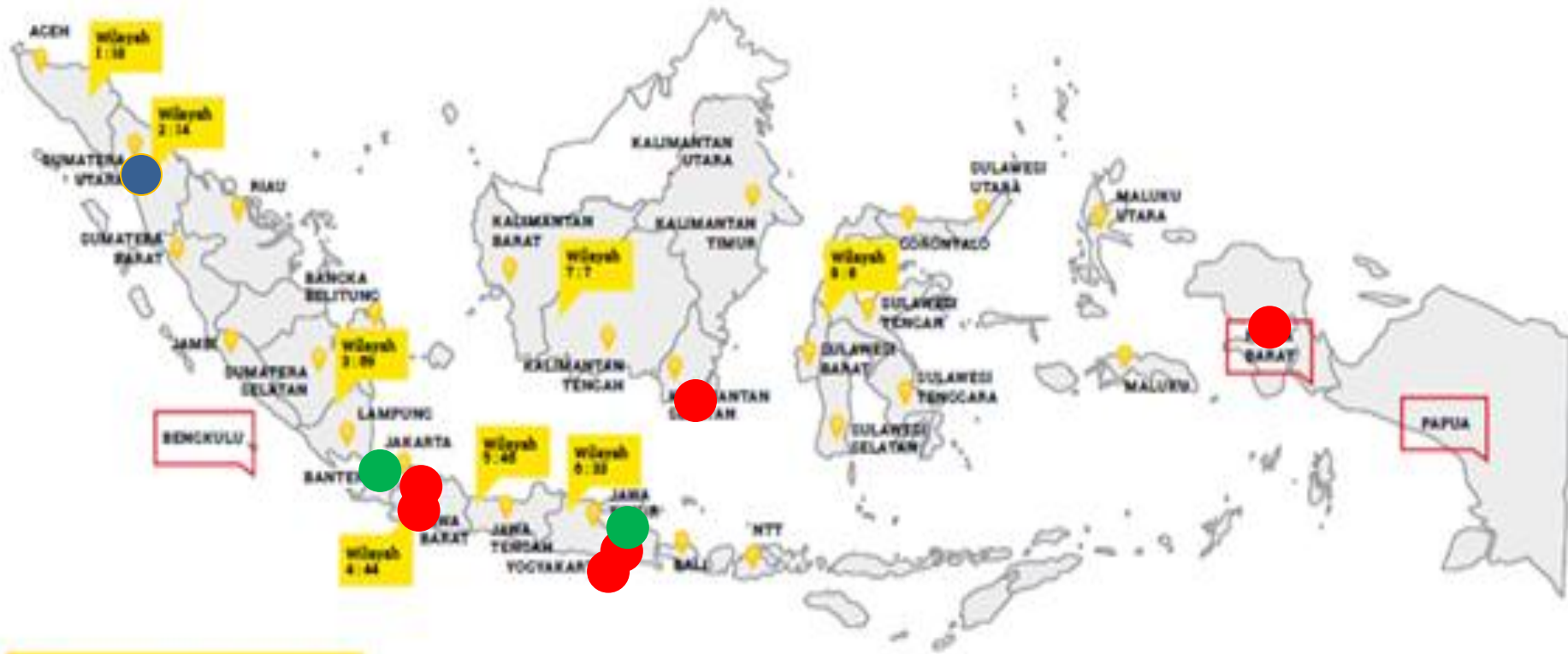
3

GROWTH STRATEGIES

4

FINANCIAL HIGHLIGHTS

2017 Network Developments



- PROVINSI YANG BELUM DILAYANI PRODIA
1. Bengkulu
 2. Papua (Jayapura)
 3. Papua Barat (Sorong)

Clinical Lab
5-7

**Upgrade
Clinical Lab to
PHC**
8-10

**Reference Lab
& Next Gen
Lab (Jakarta)**
1

Specialty Clinic
2

POC Outlets
20

**Hospital
Laboratories**
3-5

Expanding Service Network,
Developing Personalized Medicine



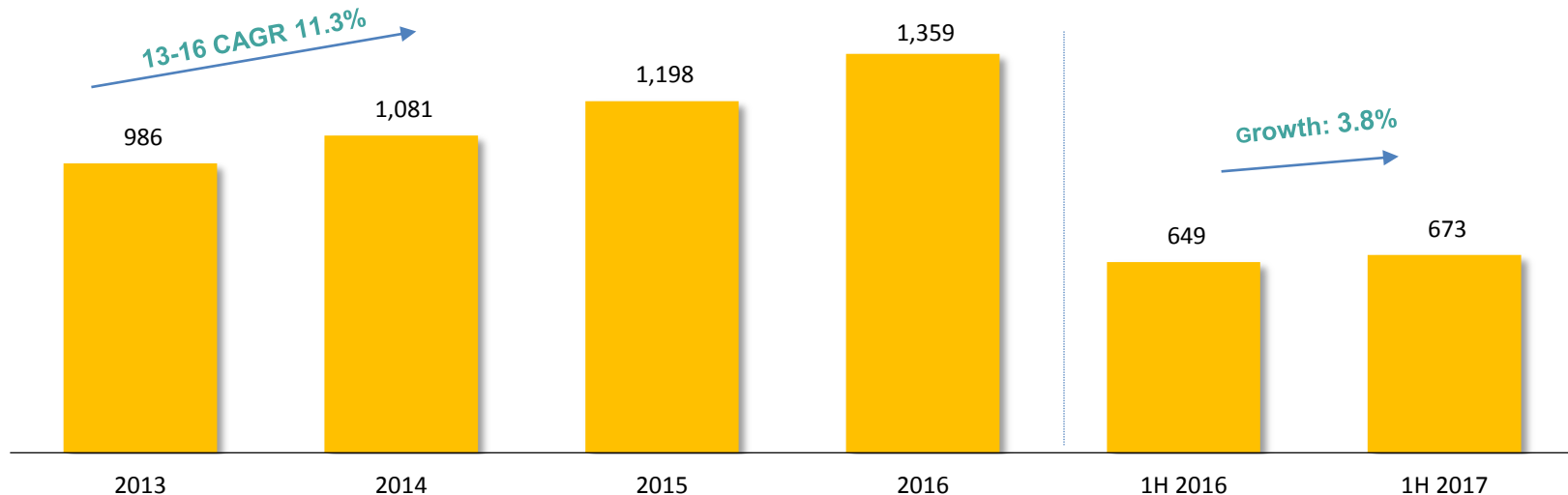
Untuk Diagnosa Lebih Baik

1H Revenue 2017



Revenue Growth

(In IDR bn)



- Revenue increased by 3.8% drive by external referral and corporate clients
- Walk in customer and Doctors Referral are two segments that impacted by Ramadhan season, Iedul Fitri festive holiday.

Note: The above are derived from Prodia's standalone (Parent-only) financials, which exclude the contributions of non-core subsidiaries which were spun-off in 2015, reflecting the operations of Prodia's core business. Prodia does not have any other subsidiaries. (1) EBITDA refers to income before depreciation, provision of future employee benefits, allowance for impairment in value, corporate income taxes and other expenses and/or income (consisting primarily of gain/loss of fixed assets sale, income from insurance claim and interest on bank loans). (2) Standalone figures includes North Sumatera, Central Sumatera, West Java, Kalimantan and specialty clinics.

1H 2017 New TESTING TYPES



Molecular

- CT/NG RT PCR
- Warfarin Indiv Test (CYP2C & VCORC1 genotype)
- MTB/MOTT-DNA
- Telomere
- Mutation of JAK2 V617

Immunology

- Aldosteron

Others

- Fragmentation of DNA Sperm

Screening Package

- Wellness Basic/Medium/Premium Package

1H 2017 PRODIA Recognition Award

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**Top Brand Award
2009 - 2017**



**Corporate
Image Award
(IMAC)
2012 - 2017**



**Wow Brand Award
2015 & 2017**



**Indonesia Most
Creative Companies
2017**



**Satria Brand Award
2011 - 2017**



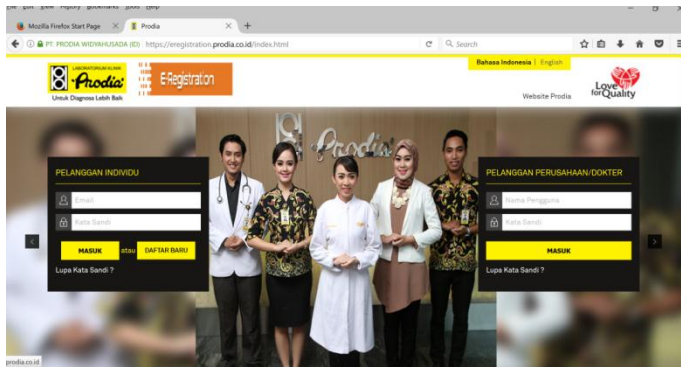
SOLO BEST BRAND INDEX JOGJA BEST BRAND INDEX

2015 - 2017



**Master Service Award
2012 - 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

H1 2017 Results



Financial	1H <u>2016</u>	1H <u>2017</u>		
Revenue (IDR Bn)	648.63	672.61	▲	3.70%
EBITDA (IDR Bn)	100.43	92.21	▼	8.19%
EBITDA Margin	15.5%	13.7%	▼	180 bps
Net Income (IDR Bn)	39.09	58.75	▲	50.28%



Upgrade Clinical Lab to PHC	10
POCs	10-2*
Hospital Labs	3
New Test Type	8+3 **

*2 POC are closed down

**3 wellness packages

1

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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⁽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⁾

2

Upgrade Clinical Labs

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

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

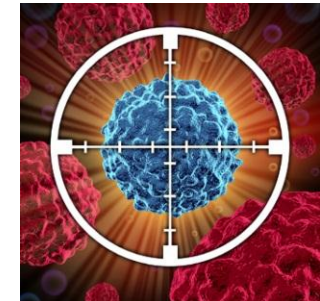
The Concept of Precision Medicine

*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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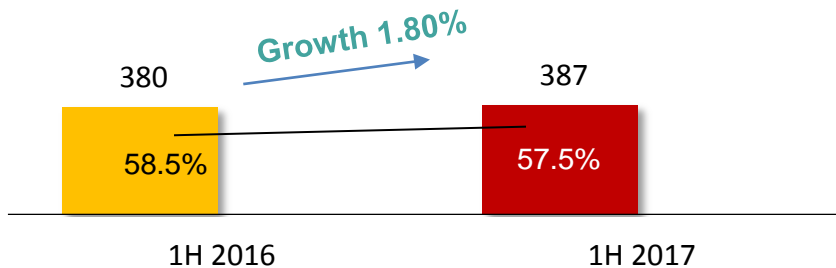
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FINANCIAL HIGHLIGHTS

1H 2017 Gross Profit and Net Income (unaudited Report)

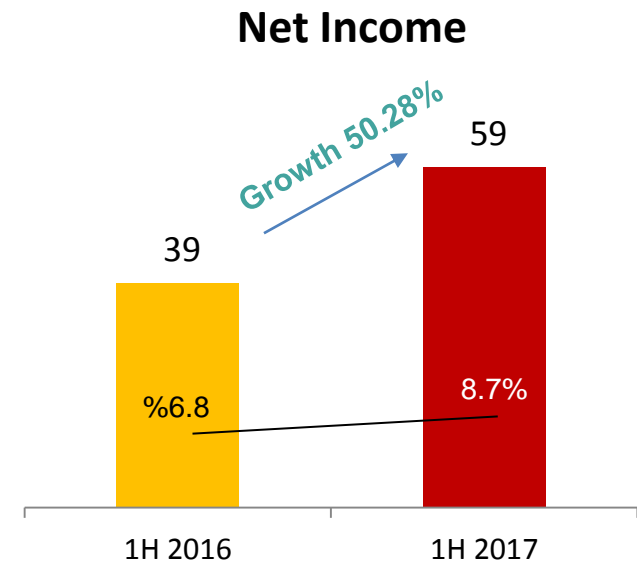
Gross Profit

In IDR bn



Net Income

In IDR bn



- Gross Profit slow down by 1% as volume testing drop by 4%.
- Net income increased by 50.28% as reduced of finance cost and increased of financial income.

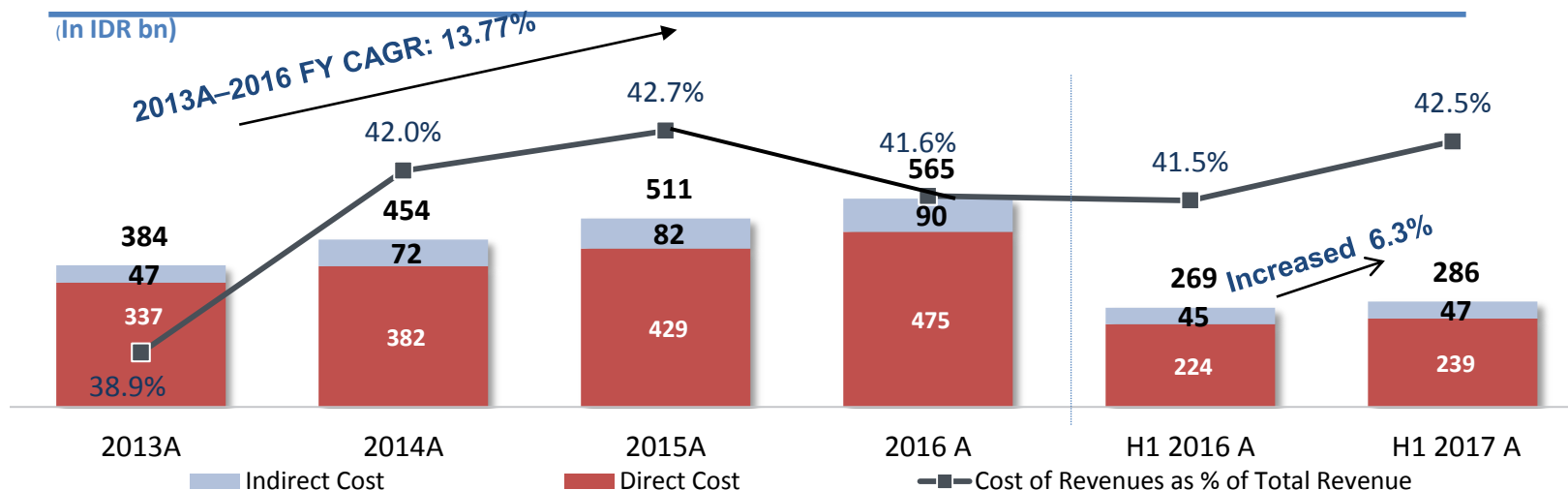
1H 2017 Cost Structure (unaudited Report)

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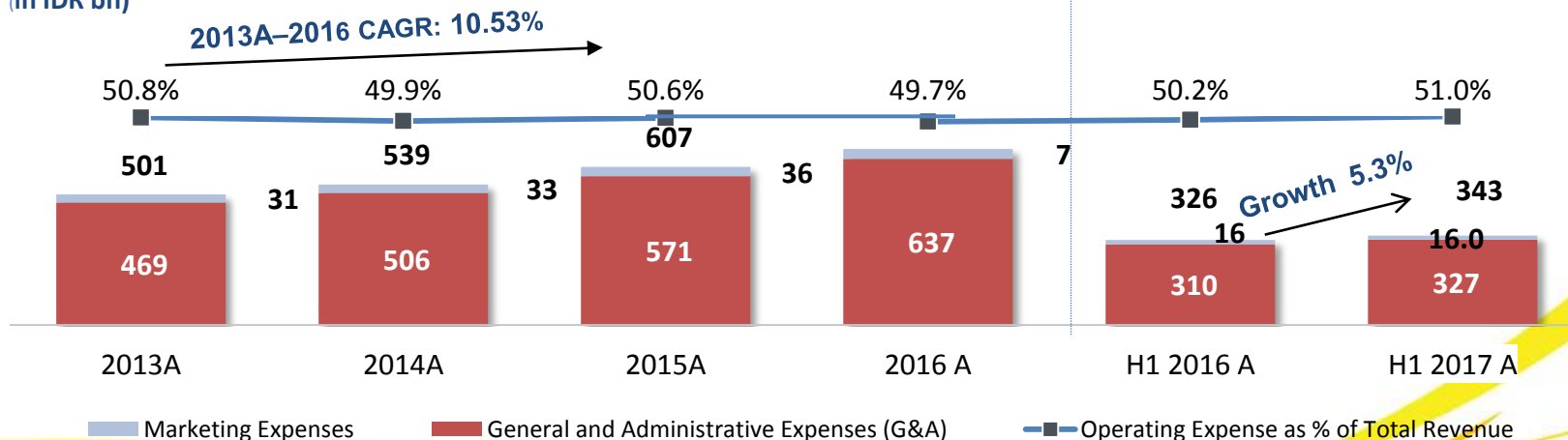
Cost of Revenues

(In IDR bn)



Operating Expenses

(In IDR bn)



THANK YOU