Hermina – Our Team

- **Aristo Setiawidjaja**
  - 16 Years of Experience
  - MD, Finance and Strategic Development

- **dr. Binsar Parasian Simorangkir**
  - 33 Years of Experience
  - Co-Founder and MD, Medical and Compliance

- **Yulisar Khiat**
  - 35 Years of Experience
  - Co-Founder and MD, Operational and General Affairs

- **dr. Hasmoro**
  - 35 Years of Experience
  - President Director & CEO

The Asset Country Awards 2018
Best Deals - Southeast Asia
1. Company Overview
**Introduction to Hermina**

Hermina is one of the largest hospital groups in Indonesia with more than 34 years of experience in women and children care and a differentiated business model. Hermina is uniquely positioned to take advantage of low healthcare penetration and universal health coverage roll-out through the Jaminan Kesehatan Nasional ("JKN") scheme in Indonesia.

### Unique Business Model

- **One of the Largest Private Hospital Groups**
  - 32 hospitals and 3,715 beds as of March 31, 2019
  - General hospital providing a wide range service offerings, with a strong heritage in women and children care

- **‘Doctor Partnership’ Model**
  - Top specialist doctors own a minority stake at each hospital
  - (i) Helps to attract and retain quality doctors, and (ii) supports growth plan going forward

- **Patient Segment Positioning – Fast growing middle class** and rising affluence
  - Strength in women and children care provides a good entry point for Indonesians of productive age

- **Early Mover Advantage in JKN** – Visits driven by JKN, as well as private pay, insurance, and corporate patients

- **Proven Track Record** – Successfully developing new hospitals and optimizing capacity while maintaining profitability

- **Alignment of Interest** – Doctor Partners + self-owned properties¹ + fully committed founders and credible institutional investors

### Key Statistics (FY18)

- **5.3M+**
  - Annual Out-Patient Visits

- **310K+**
  - Annual In-Patient Admissions

- **~3,200**
  - Doctors and Specialists

- **~45,000**
  - Annual Babies Delivered

- **100%**
  - JKN Participation Across Hospitals

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¹. Except for RS Hermina Pandanaran whose land is owned by a non-profit organization
1. As of March 31, 2019
2. Based on Frost & Sullivan’s analysis that within the top private multi-specialty hospital chains, Hermina has the broadest offerings in women & children segment
**Corporate History**

**Company Milestones**

- Established the first maternity hospital in Jatinegara
- Made the first acquisition of a hospital (Podomoro)
- Changed the non-profit organization status into a corporation named Medikaloka Hermina (MH)
- Established 3 new hospitals and acquired 2 hospitals
- 2005: Pandanaran became the first Hermina Hospital to receive general hospital license
- 2017: Established 4 new hospitals
- Company restructured ownership to consolidate 28 hospitals under MH
- 2018: Established 3 new hospitals (Samarinda, OPI Jakabaring, & Padang) and acquired 1 hospital (Lampung)

**Evolution on Number of Hospitals**

- 1985: 1 hospital
- 1989: 3 hospitals
- 1995: 6 hospitals
- 1997: 11 hospitals
- 2002: 21 hospitals
- 2008: 1,611 hospitals
- 2014: 24 hospitals
- 2016: 2,115 hospitals
- 2017: 28 hospitals
- 2018: 3,715 hospitals

- Now: 32+1 hospitals

- 20 Cities, 13 Provinces
### Our Nationwide Hospital Network

#### Type B Hospitals
- Jatinegara
- Kemayoran
- Bekasi
- Depok
- Daan Mogot
- Bogor
- Grand Wisata

#### Type C Hospitals
- Pasteur
- Pandanaran
- Tangkubanprahu
- Sukabumi
- Tangerang
- Arcamanik
- Galaxy
- Palembang
- Ciputat
- Mekarsari
- Serpong
- Banyumanik
- Solo
- Ciruas
- Yogya
- Bitung
- Makassar
- Balikpapan
- Medan
- Podomoro
- Purwokerto
- Samarinda
- OPI
- Jakabaring
- Padang
- Lampung

### Total Hospitals

32 Hospitals\(^1\) across 20 Cities in

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1. Excluding Provita Hospital in Jayapura which is owned by a local Papua organization but managed and operated by Hermina
2. Financial Update
Continuous Growth in Revenue and Increasing Margin Profile

**Total Revenue**
(IDR billions)

![Bar chart showing total revenue growth from Q1 2018 to Q1 2019.](chart)

**EBITDA & EBITDA Margin**
(IDR billions, %)

![Bar chart showing EBITDA and EBITDA margin from Q1 2018 to Q1 2019.](chart)

**Gross Profit & Gross Margin**
(IDR billions, %)

![Bar chart showing gross profit and gross margin from Q1 2018 to Q1 2019.](chart)

**PAT & PATMI**
(IDR billions)

![Bar chart showing PAT and PATMI from Q1 2018 to Q1 2019.](chart)

1. EBITDA is calculated by operating income + depreciation and amortization + adjustment for non-operating items (loss on disposal of fixed asset, gain on sale of fixed asset, and other income (expense)) and adjustment for non-cash items (allowance for impairment losses and post-employment benefit expense) + professional expenses related to IPO (IDR 1.9bn), which is recognized as part of general administrative expense.
Key Balance Sheet Items – Working Capital Turnover Days

**Trade Receivable Days**¹
(Days)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>Mar 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days</td>
<td>36.8</td>
<td>53.6</td>
<td>75.8</td>
<td>82.6</td>
</tr>
</tbody>
</table>

**Inventory Days**²
(Days)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>Mar 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days</td>
<td>13.0</td>
<td>11.0</td>
<td>10.8</td>
<td>10.1</td>
</tr>
</tbody>
</table>

**Trade Payable Days**²
(Days)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>Mar 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days</td>
<td>38.8</td>
<td>42.9</td>
<td>40.8</td>
<td>47.4</td>
</tr>
</tbody>
</table>

**Net Working Capital**
(IDR billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>Mar 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>205.4</td>
<td>361.6</td>
<td>629.1</td>
<td>709.5</td>
</tr>
</tbody>
</table>

**Cash Conversion Cycle Days**
(Days)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>Mar 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days</td>
<td>11.1</td>
<td>21.7</td>
<td>45.8</td>
<td>45.2</td>
</tr>
</tbody>
</table>

¹ Trade receivable days are calculated based on the average of beginning and ending balance of trade receivables over the period of last 12 months (LTM) divided by LTM Sales.
² Calculated based on the average of beginning and ending balance of LTM period divided by LTM COGS.
Strong Growth in Both Private and JKN Patients

Inpatient Days

- 1Q18: 182K days
- 1Q19: 247K days
  - Growth: 35.7%

Outpatient Visit

- 1Q18: 1.3M visits
- 1Q19: 1.6M visits
  - Growth: 18.4%

Inpatient Days by Payor Type

- 1Q18: JKN, 66%; Non-JKN, 34%
- 1Q19: JKN, 64%; Non-JKN, 36%

Outpatient Visits by Payor Type

- 1Q18: JKN, 48%; Non-JKN, 52%
- 1Q19: JKN, 50%; Non-JKN, 50%
## EBITDA Calculation Methodology

<table>
<thead>
<tr>
<th>(IDR billions)</th>
<th>1Q18</th>
<th>1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>746.1</td>
<td>901.5</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>106.4</td>
<td>138.8</td>
</tr>
<tr>
<td>% Margin</td>
<td>14.3%</td>
<td>15.4%</td>
</tr>
<tr>
<td><strong>Depreciation and Amortization (D&amp;A)</strong></td>
<td>40.2</td>
<td>50.8</td>
</tr>
<tr>
<td><strong>Adjustment for back non-cash items</strong>&lt;sup&gt;1&lt;/sup&gt;</td>
<td>7.3</td>
<td>31.2</td>
</tr>
<tr>
<td>- Post-employment benefits</td>
<td>6.6</td>
<td>9.4</td>
</tr>
<tr>
<td>- Allowance for impairment losses</td>
<td>0.7</td>
<td>21.8</td>
</tr>
<tr>
<td><strong>Adjustment for non-operational income / (expense)</strong></td>
<td>2.6</td>
<td>(0.0)</td>
</tr>
<tr>
<td>- Loss on disposal of fixed asset</td>
<td>0.8</td>
<td>0.2</td>
</tr>
<tr>
<td>- Gain on sale fixed asset</td>
<td>-</td>
<td>(0.2)</td>
</tr>
<tr>
<td>- Other income (expense)&lt;sup&gt;2&lt;/sup&gt;</td>
<td>(0.2)</td>
<td>(0.0)</td>
</tr>
<tr>
<td>- IPO related expenses</td>
<td>1.9</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA (EBIT + D&amp;A + Adjustments)</strong></td>
<td>156.5</td>
<td>220.7</td>
</tr>
<tr>
<td>% Margin</td>
<td>21.0%</td>
<td>24.5%</td>
</tr>
</tbody>
</table>

1. Methodology is consistent with the EBITDA calculation methodology of the peer group of Siloam and Mitra Keluarga
2. Other income and expenses include items that are non-operational in nature such as sponsorship income, seminar income, patient overpayment, CSR and charitable donation expenses, and other miscellaneous income and expenses
Sufficient Room For Additional Debt to Support the Growth

Total Debt / Net Debt / Leverage Ratio (IDR billions, x)

Maturity Profile (1Q19)

Note:
Debt is calculated by short-term bank loans + current portion of long-term liabilities + medium term notes + long-term liabilities net of current portion: bank loans + mandatory convertible notes + finance lease payables and consumer finance

All debt are denominated in local currency
Consistent Positive Cash Flow From Operations to Partly Fund Capex

1. Includes acquisition of fixed assets + acquisition of other assets + advance purchase of fixed assets
3. Hospital Development
Hospitals Under Development

Hermina Kendari

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