

PT Medikaloka Hermina Tbk

Q1 2022 Presentation

May 2022

Hermina – Our Team



dr. Hasmoro

**President
Director & CEO**

38
Years of Experience



Yulisar Khiat

**Co-Founder and MD,
Operational and
General Affairs**

38
Years of Experience



**dr. Binsar Parasian
Simorangkir**

**Co-Founder and MD,
Medical and
Compliance**

36
Years of Experience



Aristo Setiawidjaja

**MD, Finance and
Strategic
Development**

19
Years of Experience





1. Company Overview

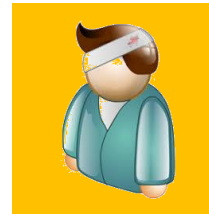
Introduction to Hermina

Hermina is one of the largest hospital groups in Indonesia with more than 37 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**
 - **44 hospitals and 6,063 beds** as of March 31, 2022
 - **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 properties**¹ + **fully committed** founders and credible institutional investors

Key Statistics (FY21)



4.9M+

Annual Out-Patient
Visits

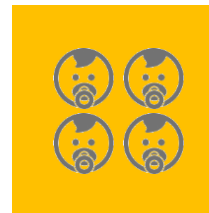
351K+

Annual In-Patient
Admissions



4,000+

Doctors and
Specialists



61,000+

Annual Babies Delivered



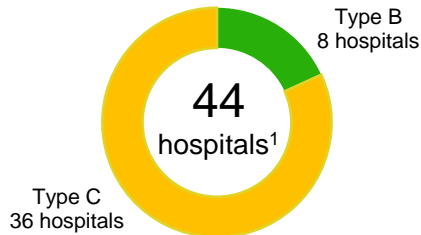
100%

JKN Participation Across Hospitals

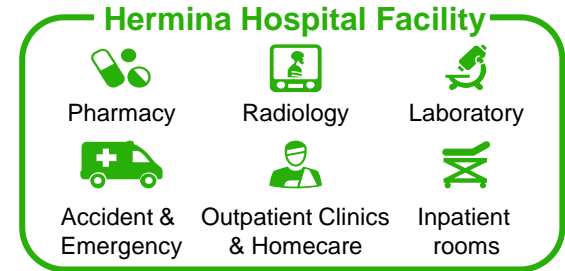
1. Except for RS Hermina Pandanaran whose land is owned by a non-profit organization

Full Service Offering of General Hospital

Hermina hospitals are a network of general hospitals with a significant strength and wide offering in women and children care



- 8 Type B general hospitals with fully advanced center of excellence & sub-specialist care
- 36 Type C full service general hospitals with several sub-specialist care



Service Offerings

No. 1 in Women and Children Care²

Market Leader in Number of Sub-specialty Service Offerings²

Obstetrics & Gynaecology



Specializes in women's health including Oncology and Urogynaecology

Service of Excellence

- Feto-maternal care
- Infertility

Pediatrics



Children's health including tertiary care such as Gastroenterology and Thalassemia

Service of Excellence

- Perinatology
- Neonatal Intensive Care Units (NICU)
- Pediatric Intensive Care Units (PICU)

Medical Rehabilitation



Service of Excellence

Growth and Development Center which includes Children Bobath to treat Cerebral Palsy and care for Neuromuscular diseases, and Adult Bobath to treat Stroke and Brain Injury

Dental Specialists



Service of Excellence

Orthodontics, Conservative Dentistry, Pediatric Dentistry, Prosthodontics, Periodontics and Oral Surgery

Internal Medicine



Haemodialysis, CAPD, Gastrointestinal Endoscopy, Geriatrics Clinic, Oncology - Chemotherapy

Diagnostics / Imaging



General X-ray & Ultrasound, Mammography, BMD, MRI, CT Scan, C-Arm, ENT Endoscopy, Pathology-Clinic

Other Specialties



Ophthalmology
Neurology
Pathology-Anatomic
Anaesthesiology

Acupuncture
Psychiatry
Psychology
Radiology

Surgical Procedures



Orthopaedics and Traumatology, Oncology – Chemotherapy, Neuro surgery, Plastic surgery, Vascular surgery, Digestive (Laparoscopy) and Urology (ESWL & TURP), Phacoemulsification

Cardiovascular



A variety of health screening and treatment such as Cath Lab



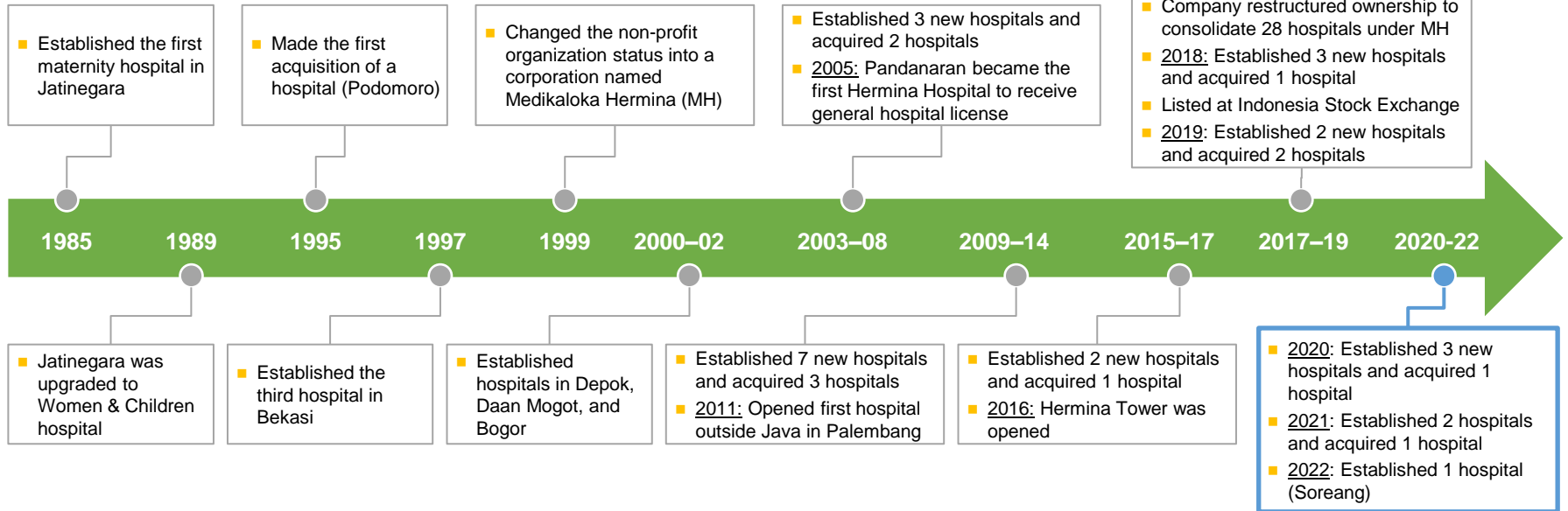
Pulmonology
Dermatology & Venereology
Otorhinolaryngology (ENT)

1. As of March 31, 2022

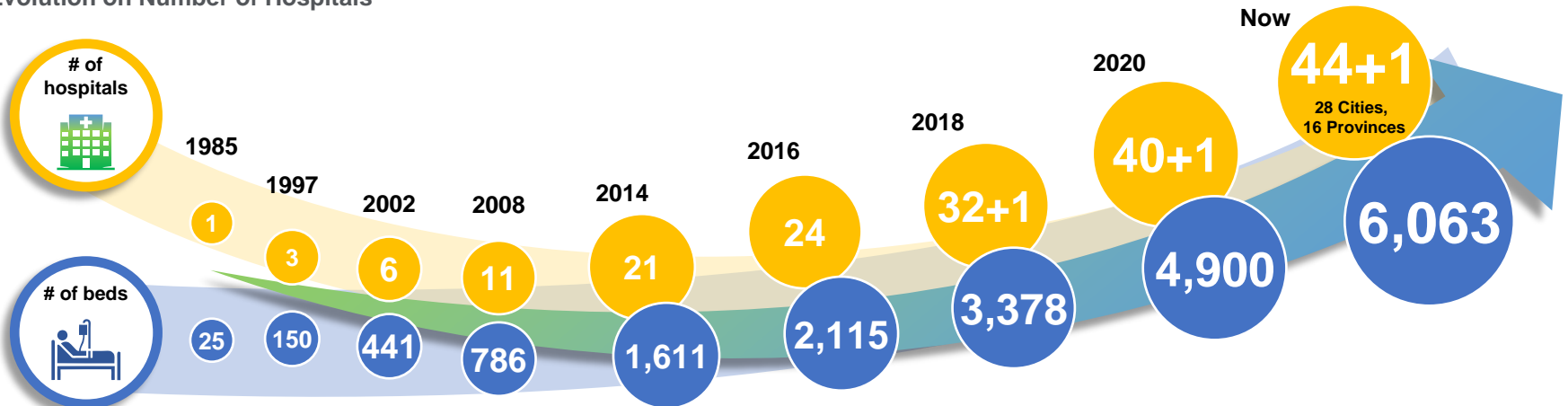
2. Based on Frost & Sullivan's analysis that within the top private multi-specialty hospital chains, Hermina has the broadest offerings in women & children segment

Corporate History

Company Milestones



Evolution on Number of Hospitals



Our Nationwide Hospital Network

Our Nationwide Hospital Network

Type B Hospitals



Jatinegara



Kemayoran



Bekasi



Depok



Daan Mogot



Bogor



Grand Wisata



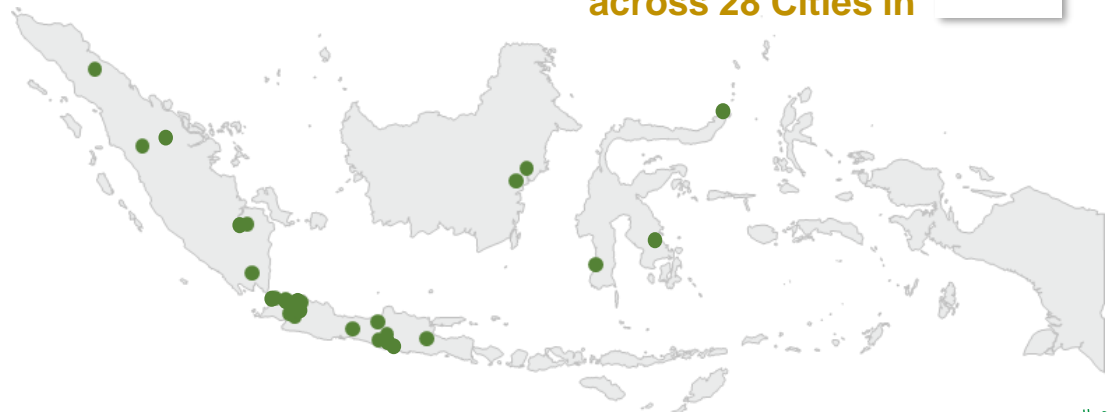
Pasteur

Type C Hospitals

- Pandanaran
- Tangkubanprahu
- Sukabumi
- Tangerang
- Arcamanik
- Galaxy
- Palembang
- Ciputat
- Mekarsari
- Serpong
- Banyumanik
- Solo
- Ciruas
- Yogya
- Bitung
- Makassar
- Balikpapan
- Medan
- Podomoro
- Purwokerto
- Samarinda
- Jakabaring
- Padang
- Lampung
- Pekalongan
- Pekanbaru
- Kendari
- Wonogiri
- Karawang
- Manado
- Periuk
- Tangerang
- Salatiga
- Ciledug
- Cibitung
- Cilegon
- Soreang

Total Hospitals

44 Hospitals¹
across 28 Cities in



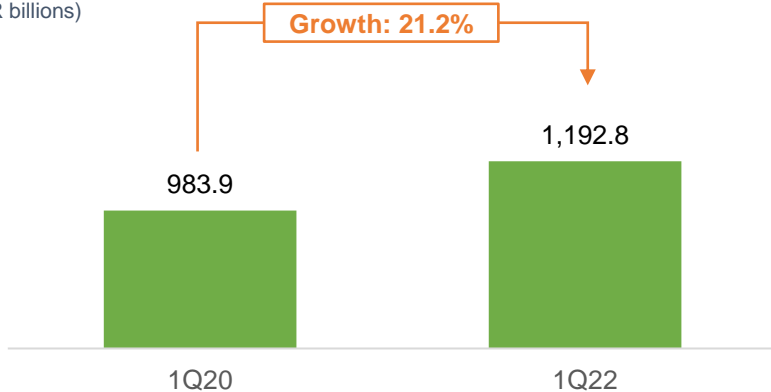
1. Excluding Provita Hospital in Jayapura which is owned by a local Papua organization but managed and operated by Hermina



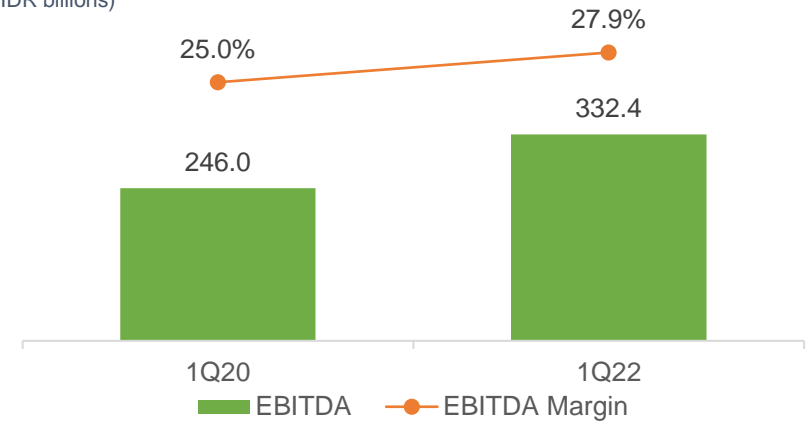
2. Financial Update

Business Has Performed Well Surpassing Pre-Covid Era

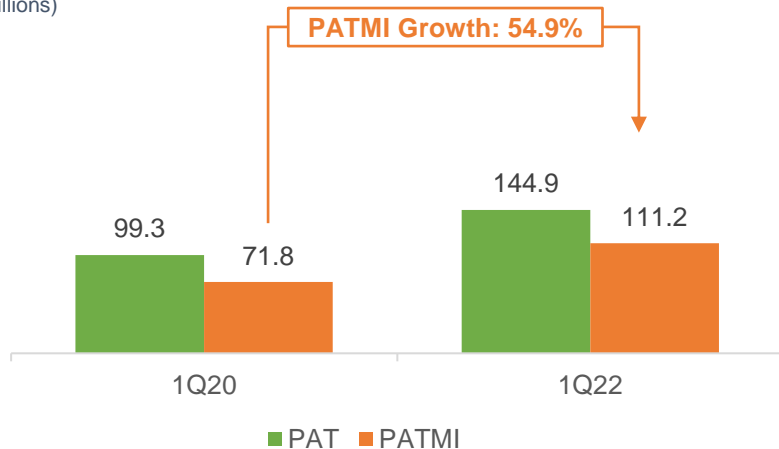
Total Revenue
(IDR billions)



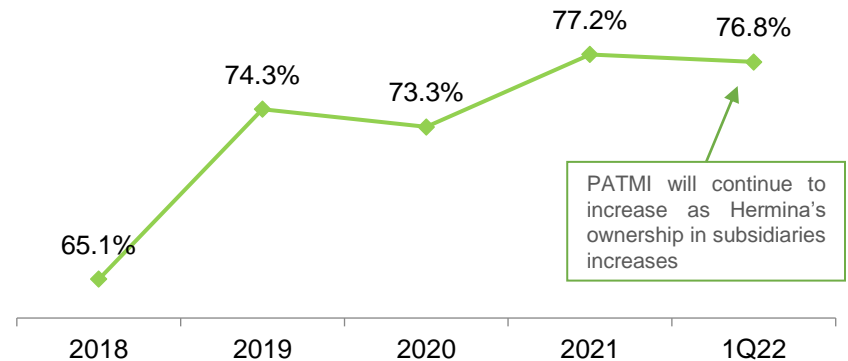
EBITDA
(IDR billions)



PAT & PATMI
(IDR billions)



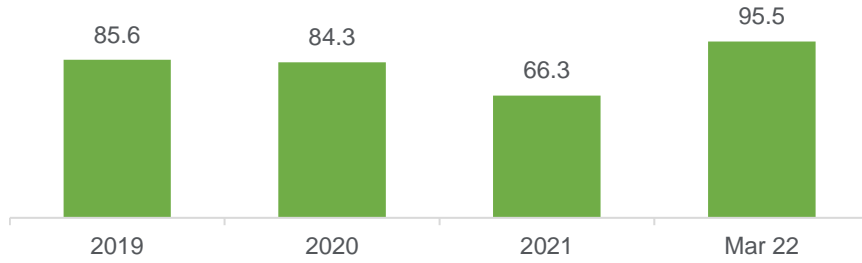
Increasing PATMI as % of PAT



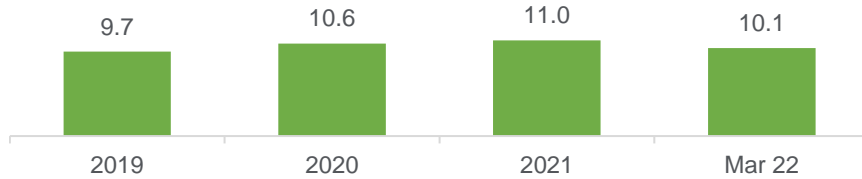
1. EBITDA is calculated by operating income + depreciation and amortization + adjustment for non-operating items (loss on disposal of fixed asset, gain on sale of fixed asset, and other income (expense)) and adjustment for non-cash items (allowance for impairment losses and post-employment benefit expense).

Prudent Working Capital Management Despite Serving BPJS

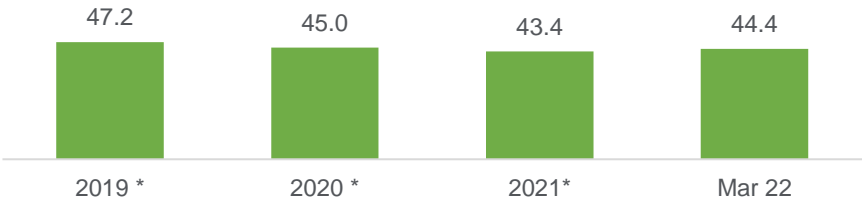
Trade Receivable Days¹
(Days)



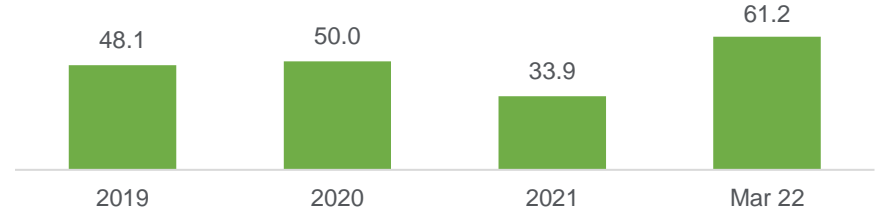
Inventory Days²
(Days)



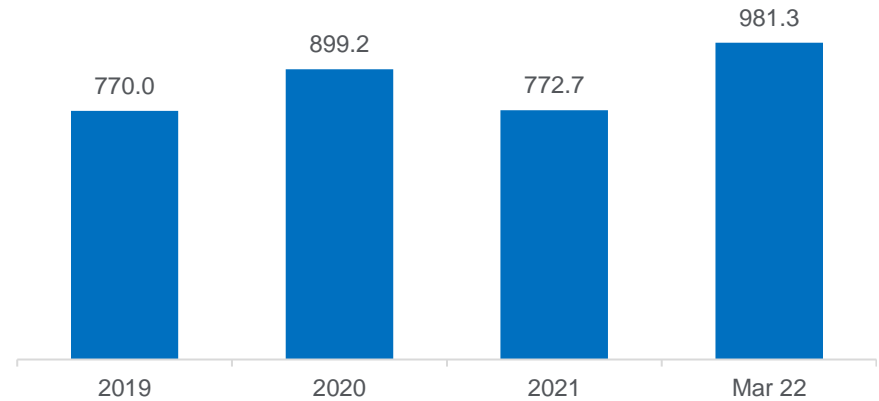
Trade Payable Days²
(Days)



Cash Conversion Cycle Days
(Days)



Net Working Capital
(IDR billions)



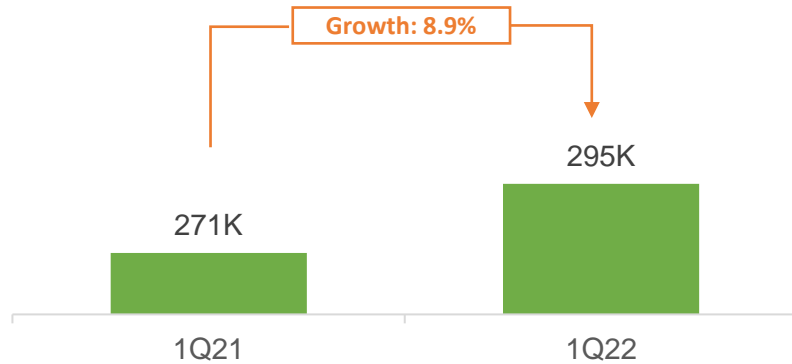
1. Trade receivable days are calculated based on the average of beginning and ending balance of trade receivables over the period of last 12 months (LTM) divided by LTM Sales.

2. Calculated based on the average of beginning and ending balance of LTM period divided by LTM COGS.

*) The other account payable to related parties is included

Patient Volume Has Exceeded Pre-Covid Era

Inpatient Days

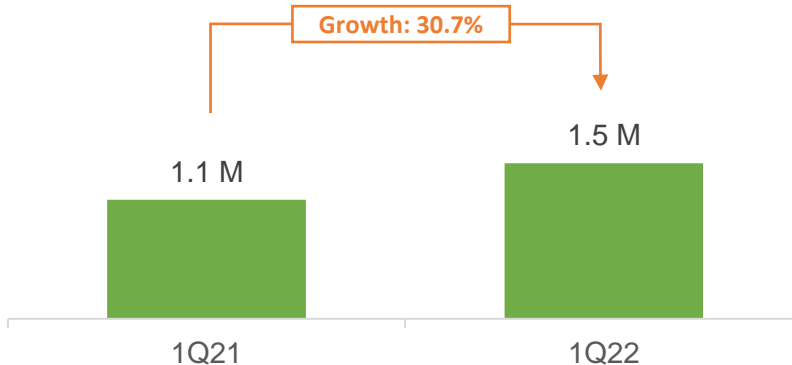


- Bed Occupancy Ratio (BOR) was 57% in 1Q21 and 54% in 1Q22
- Average Length of Stay (ALOS) was 3.5 days in 1Q21 and 2.8 days in 1Q22

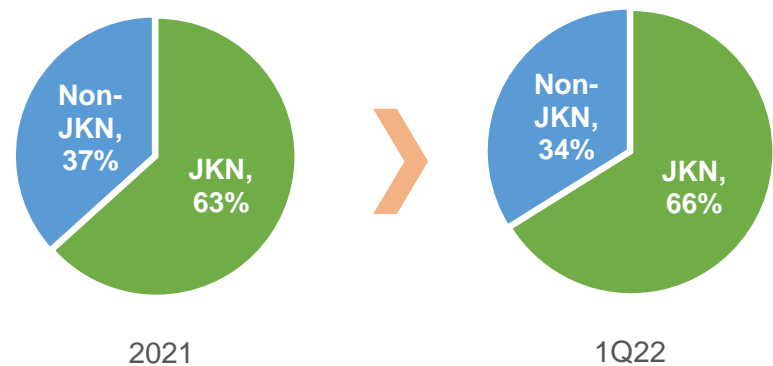
Inpatient Days by Payor Type



Outpatient Visit



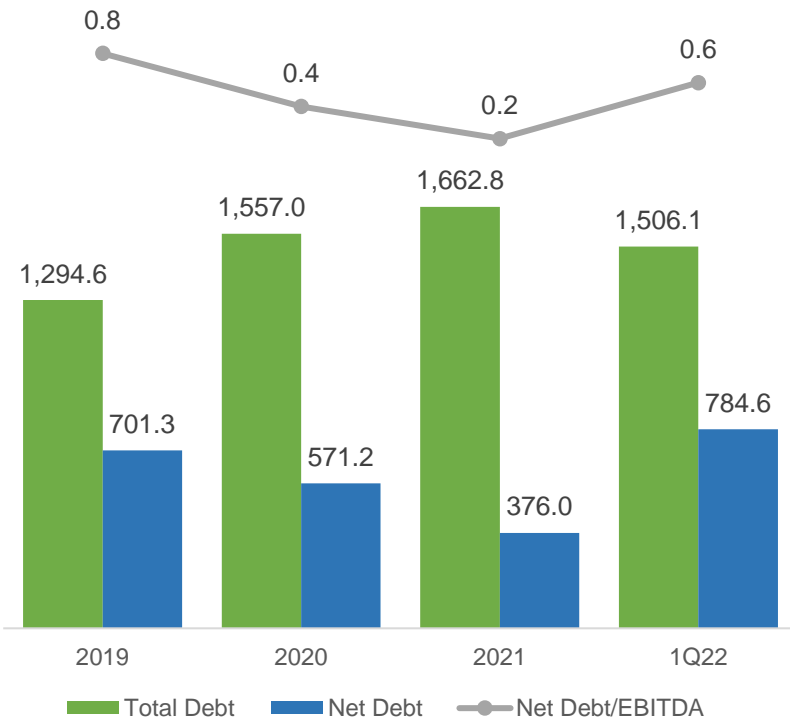
Outpatient Visits by Payor Type



Prudent Balance Sheet Management Promotes Growth and Enhances Shareholders' Return

Total Debt / Net Debt / Leverage Ratio

(IDR billions, x)



Robust Credit Profile

Credit Rating Upgraded to AA from AA-

- In May 2022, **PEFINDO** has upgraded HEAL's rating to **AA** from previously AA- for the Company and its public bond with stable outlook.
- The rating is supported by HEAL's very strong market position in the hospital industry with proven track record, very strong financial profile, and stable profit margin.



No.RC-590/PEF-DIR/V/2022

Jakarta, 30 Mei 2022

Kepada Yth.
Bapak Aristo Setiawidjaja
Direktur
PT Medikaloka Hermina Tbk
Hermina Tower, 23rd Floor
Jl. Selangit B-10 Kavling 4
Kemayoran
JAKARTA PUSAT 13320

Perihal: **Sertifikat Pemantauan Peningkatan atas Obligasi Berkelanjutan I Tahap I Seri A dan Seri B Tahun 2020 PT Medikaloka Hermina Tbk Periode 30 Mei 2022 sampai dengan 1 Mei 2023**

Dengan hormat,

Sesuai dengan hasil rapat yang diadakan pada hari **Senin, 30 Mei 2022**, Panitia Peningkat PT PEFINDO memutuskan peringkat:

AA
(Double A)

terhadap **Obligasi Berkelanjutan I Tahap I Seri A dan Seri B Tahun 2020 PT Medikaloka Hermina Tbk** senilai **Rp446.500.000.000,00 (empat ratus empat puluh enam miliar lima ratus juta rupiah)** untuk periode **30 Mei 2022** sampai dengan **1 Mei 2023**. Peringkat tersebut diberikan berdasarkan data dan informasi dari Perusahaan serta Laporan Keuangan Audit per **31 Desember 2021**. Peringkat tersebut mengalami perubahan dari peringkat sebelumnya yaitu **AA-**.

Loans from Top Reputable Banks

- Key lenders include **Bank Mandiri** and **BCA**.

All Debt are Denominated in Local Currency

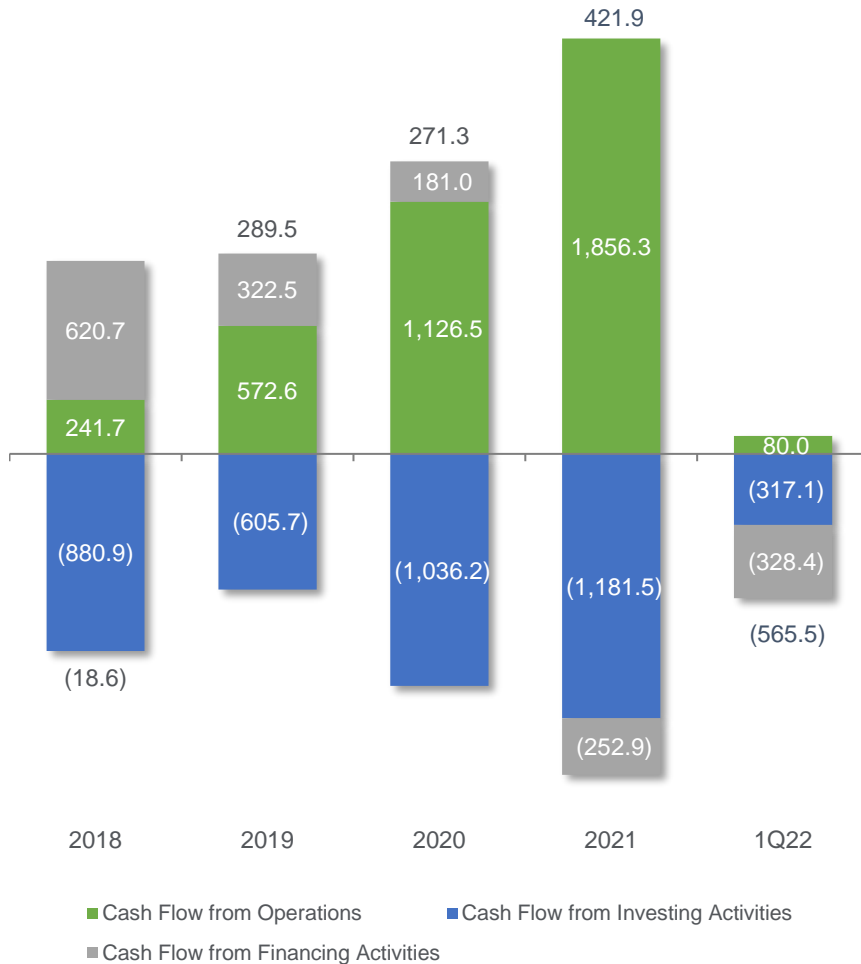
Note:

Total 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 + bonds + mandatory convertible notes + finance lease payables & consumer finance

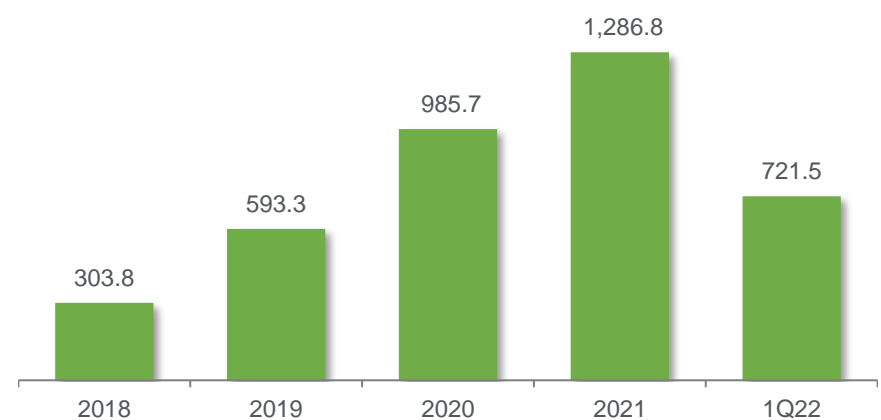
Net debt is calculated by total debt – cash – investment of financial assets

Capital Expenditure is Expected to Normalize to IDR1 Tn in 2022-2023

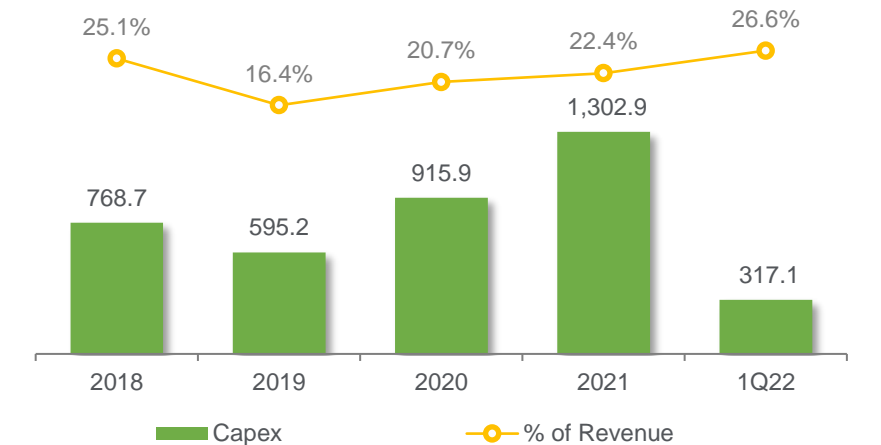
Cash Flow
(IDR billions)



Cash and Cash Equivalents¹
(IDR billions)



Capital Expenditure²
(IDR billions, %)

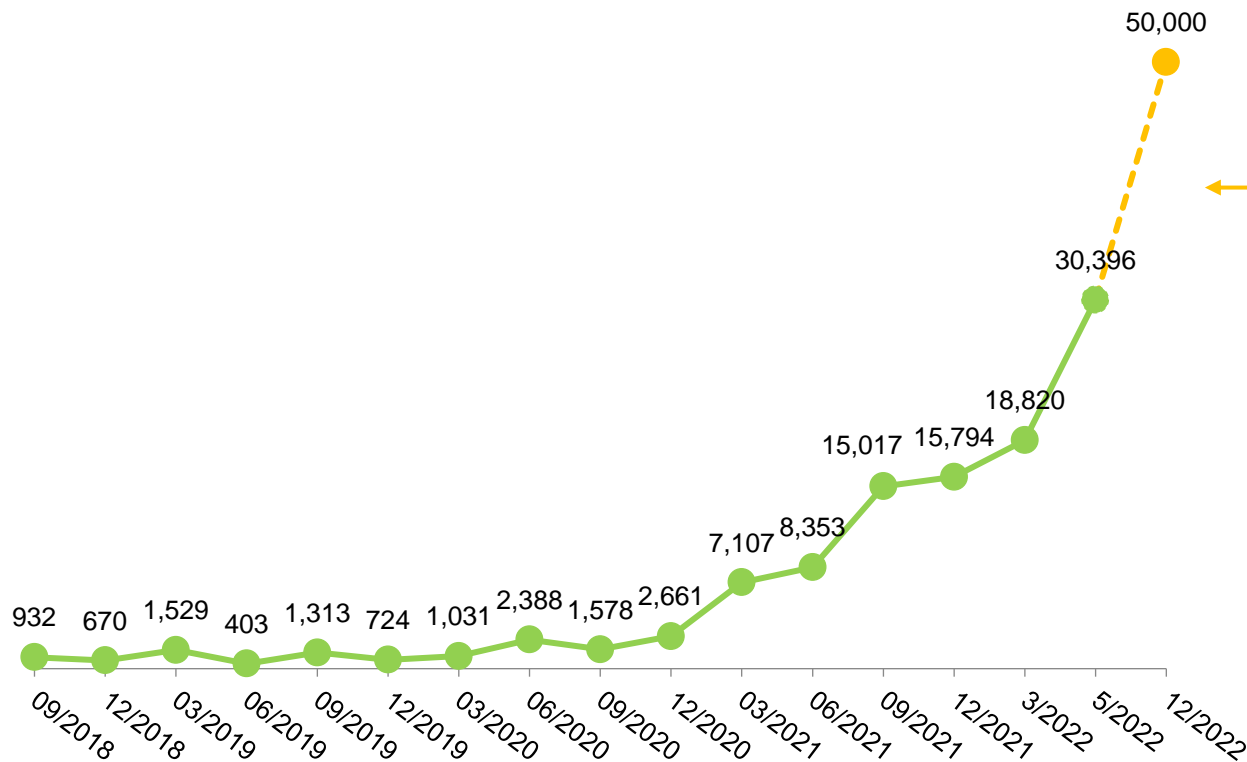


1. Includes cash + investment in financial assets

2. Includes acquisition of fixed assets + acquisition of other assets + advance purchase of fixed assets

Increasing Liquidity Allows HEAL To Be Included in MSCI Small Cap Index per 31 May 2022

Trailing 3-Month Average Daily Trading Volume
(IDR millions)



- Bigger participation from retail investors occurred since pandemic. The **stock split of 5-to-1** on 30 Jul 2021 was well received by retail investors
- Higher volume has attracted participation from retail investors & ETF funds and further increased the trading volume
- It is expected that the average daily trading volume to reach to about IDR 50 billion (\$3.5 million) by Dec 2022
- Analysts expect that the rerating of the stock due to higher trading volume will drive up the stock further
- HEAL is included in well-known stock indices such as MSCI, IDXQ30, IDX80, JII70, PEFINDO25, KOMPAS100, MNC36, PEFINDO Investment Grade (IGRADE), and others

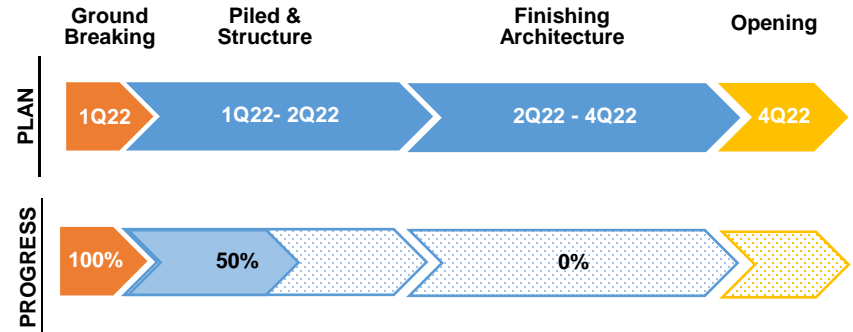


3. Other Development

Hospitals Under Development

■ Hospital Development

Hermina Tasikmalaya



■ ESG Initiatives

- The FY2021 sustainability report has been published. This is the second annual sustainability report produced by HEAL.
- Hermina is conducting a green initiative by embarking solar panel projects in Hermina Depok and Hermina Bogor.
- Hermina is finalizing and implementing frameworks regarding the Environment, Social, and Governance (ESG) and Life and Fire Safety (LFS) with the help of 2 institutional investors such as ADB and Quadria Capital.



Investor Relations Contact and Coverage

Investor Relations Contact: ir@herminahospitals.com

Analyst Coverage

Brokerage Company	Analyst	Share Price Target (IDR) ¹	Rating
BCA Sekuritas	Mohammad Fakhrol Arifin	1,400	Buy
BNI Sekuritas	Aurellia Setiabudi	1,400	Buy
Credit Suisse	Steven Ho	1,830	Outperform
DBS	Cheria Christi Widjaja	1,270	Buy
Henan Putihrai Sekuritas	Jono Syafei	1,350	Buy
Korea Investment	David Arie Hartono	1,500	Overweight
Macquarie	Ari Jahja	1,415	Outperform
Mandiri Sekuritas	Inggrid Gondoprastowo	1,520	Buy
Mirae Asset Sekuritas	Joshua Michael	1,450	Buy
MNC Sekuritas	Muhammad Rudy Setiawan	1,400	Buy
Phillip Sekuritas	Helen	1,300	Buy
RHB	Vanessa Karmajaya	1,400	Buy
Sucor Sekuritas	Jennifer Widjaja	1,585	Buy
Samuel Sekuritas	Olivia Laura Anggita	1,140	Buy
Trimegah Sekuritas	Heribertus Ariando	1,440	Buy
Valbury Sekuritas	Alfiansyah, Devi Harjoto	1,225	Buy
Citi	TBC	TBC	TBC
CGS CIMB	Ryan Winipta	TBC	TBC
Nomura (Verdhana)	Heng Siong Kong	TBC	TBC
Maybank Kim Eng	Adi Wicaksono	TBC	TBC
Indo Premier Sekuritas	Laura Oei	TBC	TBC

1. Adjusted with the stock split (1:5) which was effective on 30 July 2021



PT Medikaloka Hermina Tbk
www.herminahospitals.com