

**VERDHANA**

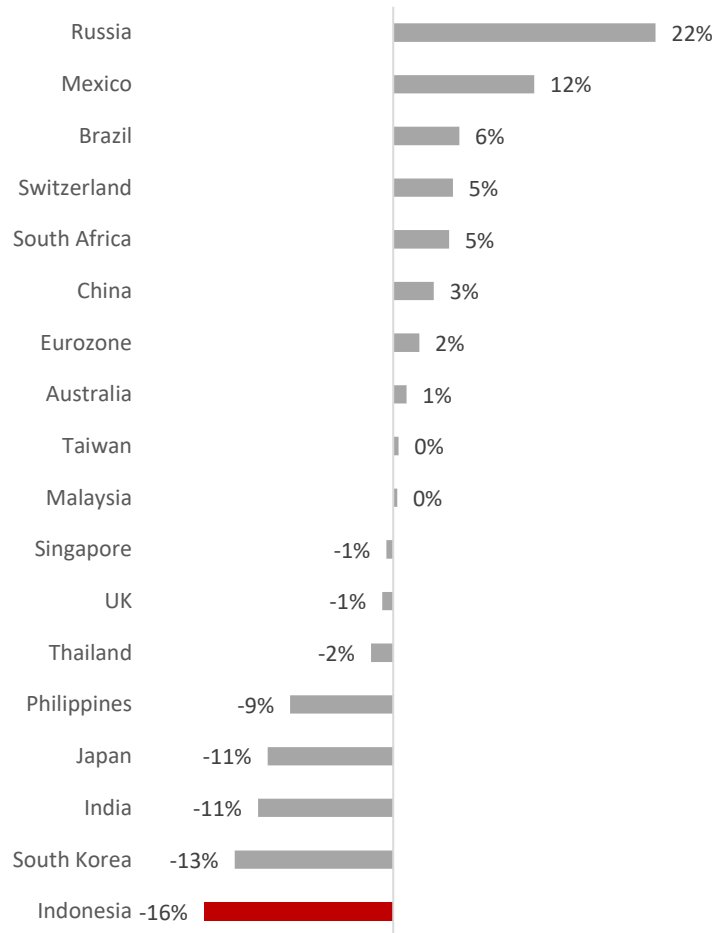
# **Indonesia Investment Opportunity**

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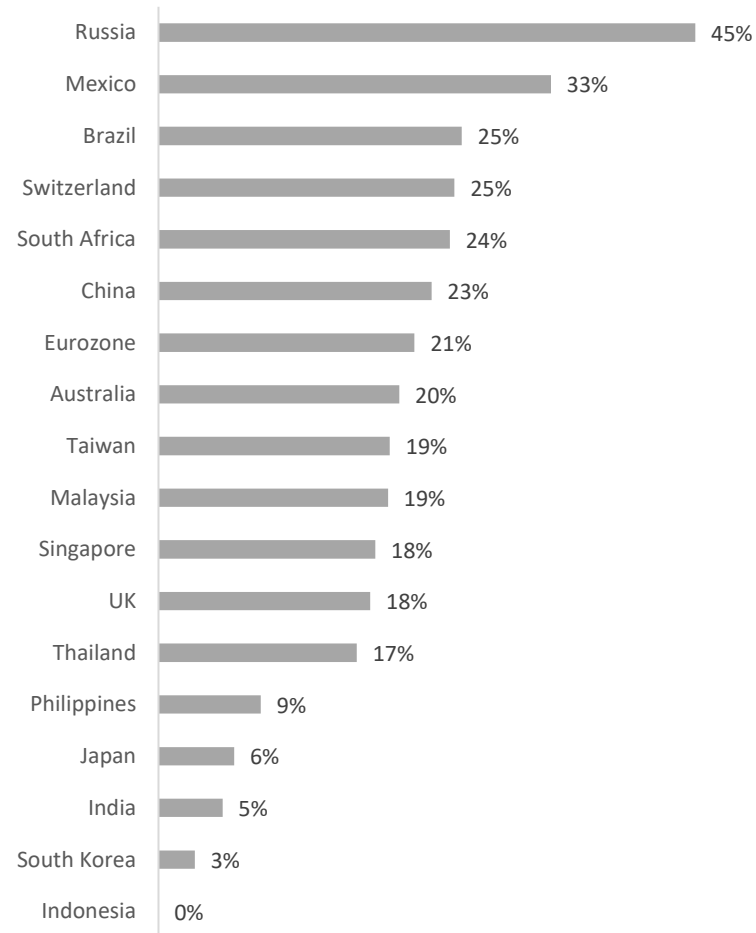
Verdhana

# Rupiah – Worst Performing Currency in the World

FX vs US\$ - 18mths

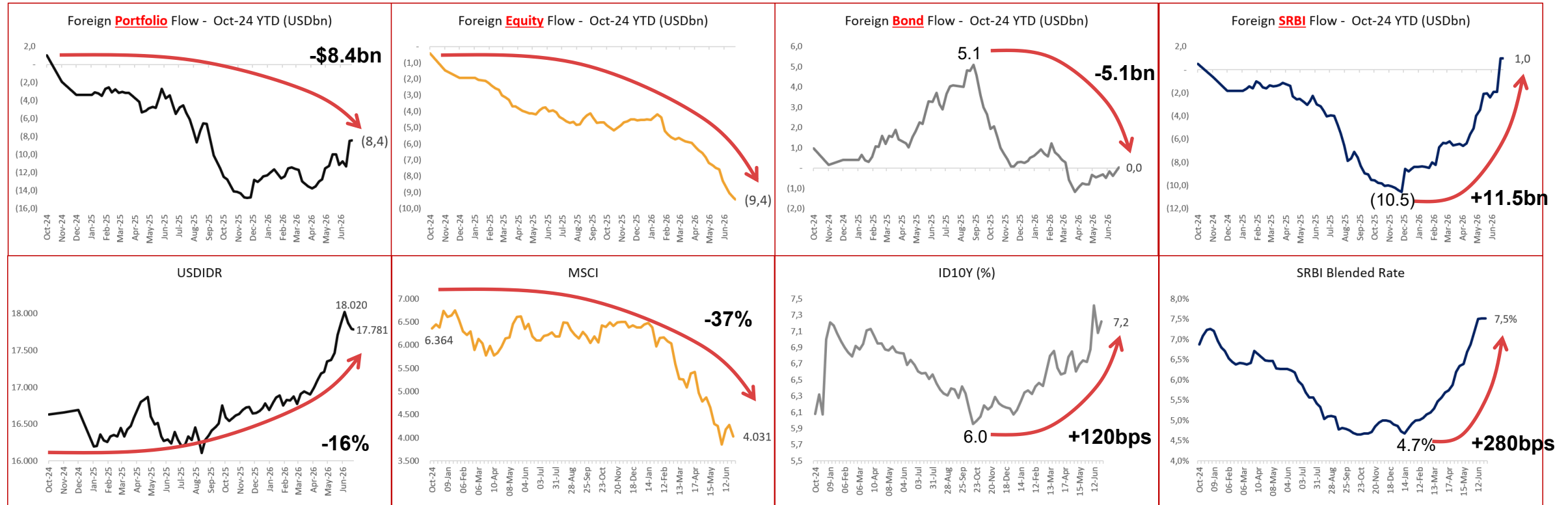


Other FX vs Rupiah - US\$ 18mths



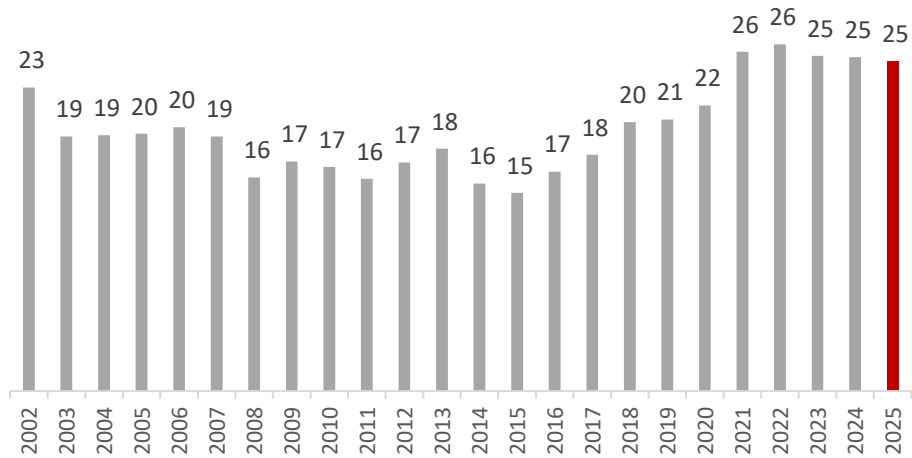
Source: Bloomberg

# Cumulative Flow Past 18 Months – driven by equity outflow

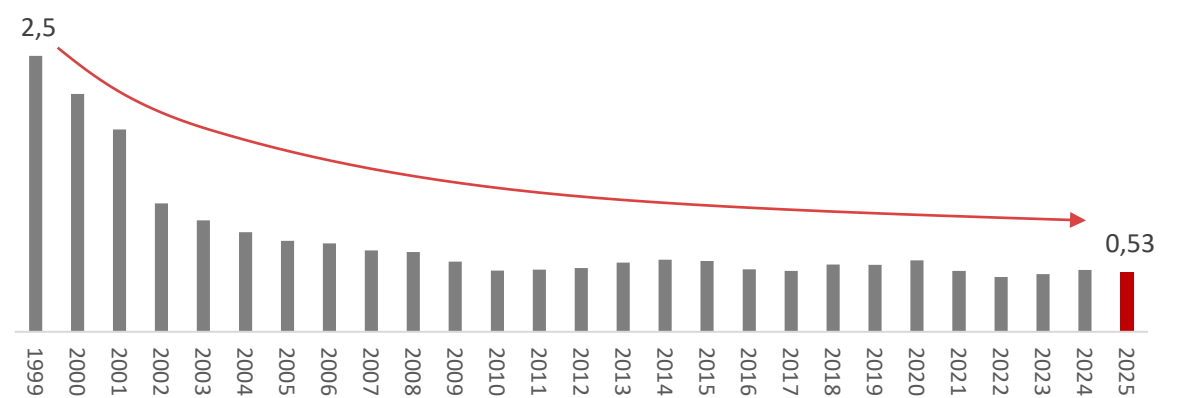


# Healthier banking system and private companies

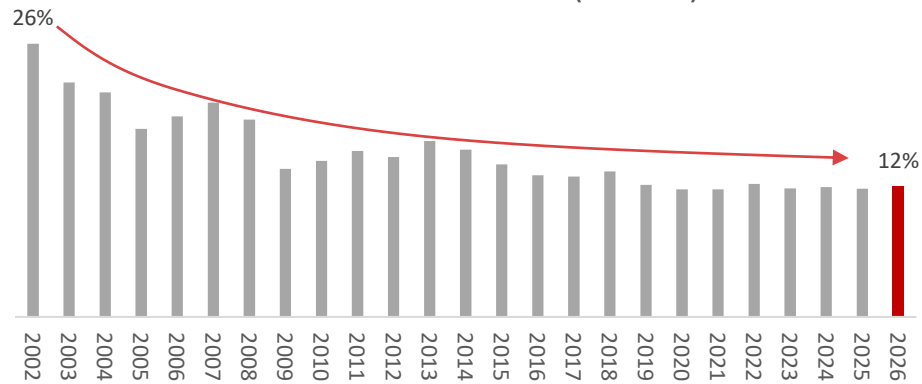
Banks CAR (%)



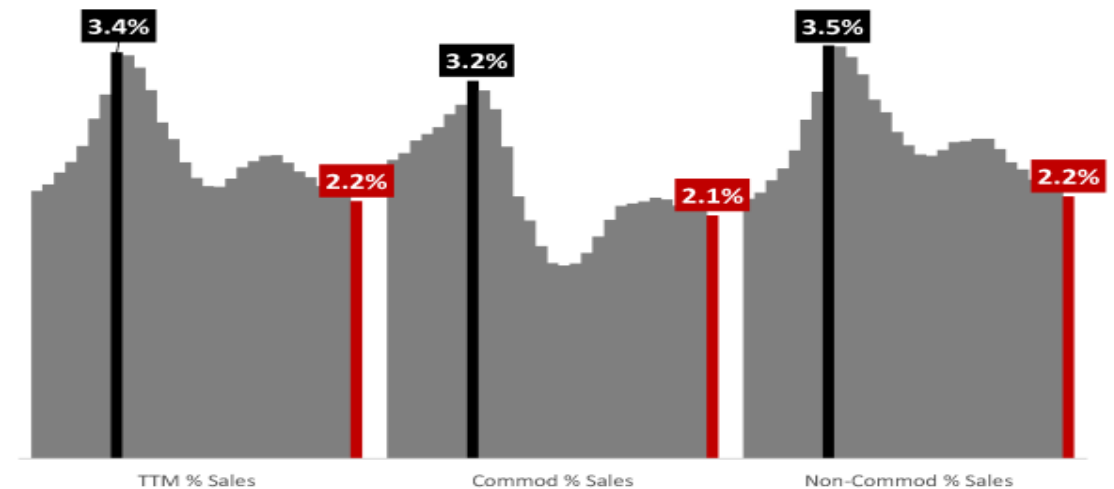
JCI Debt to Equity (x)



FX Denominated Loan (% total)

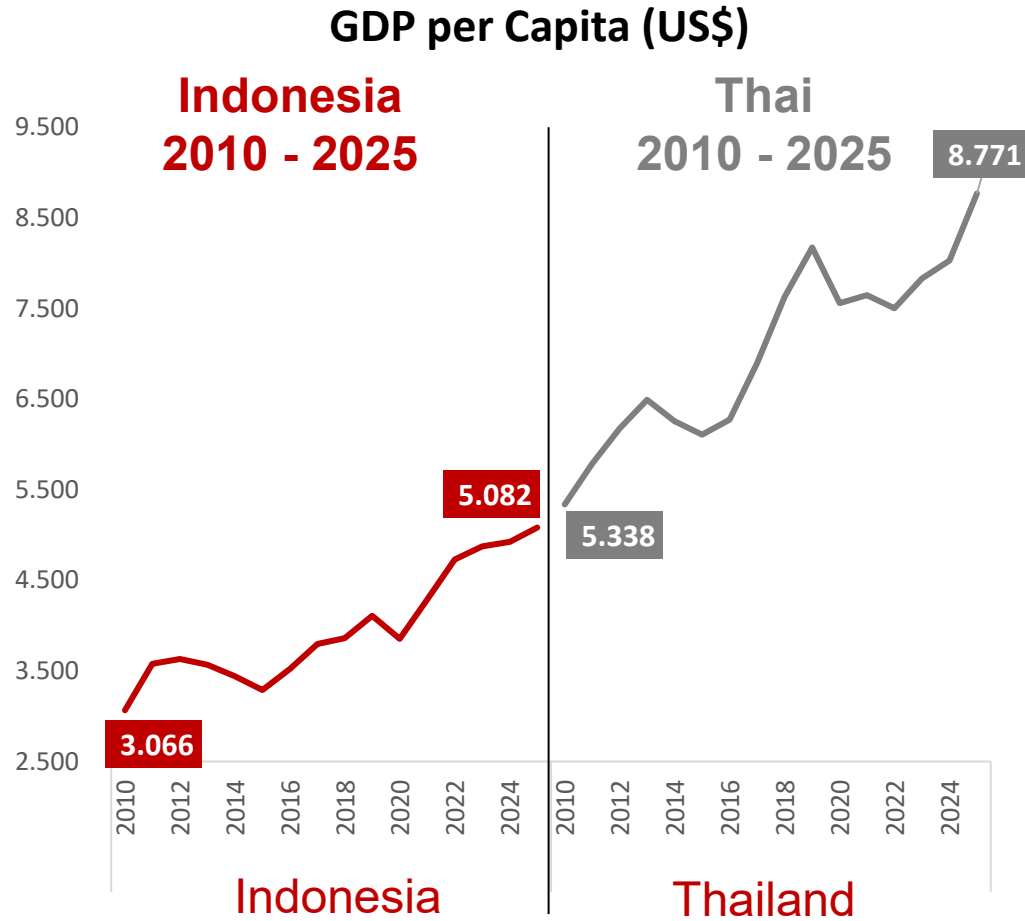


Interest Expense % Sales  
1Q19 - 1Q26

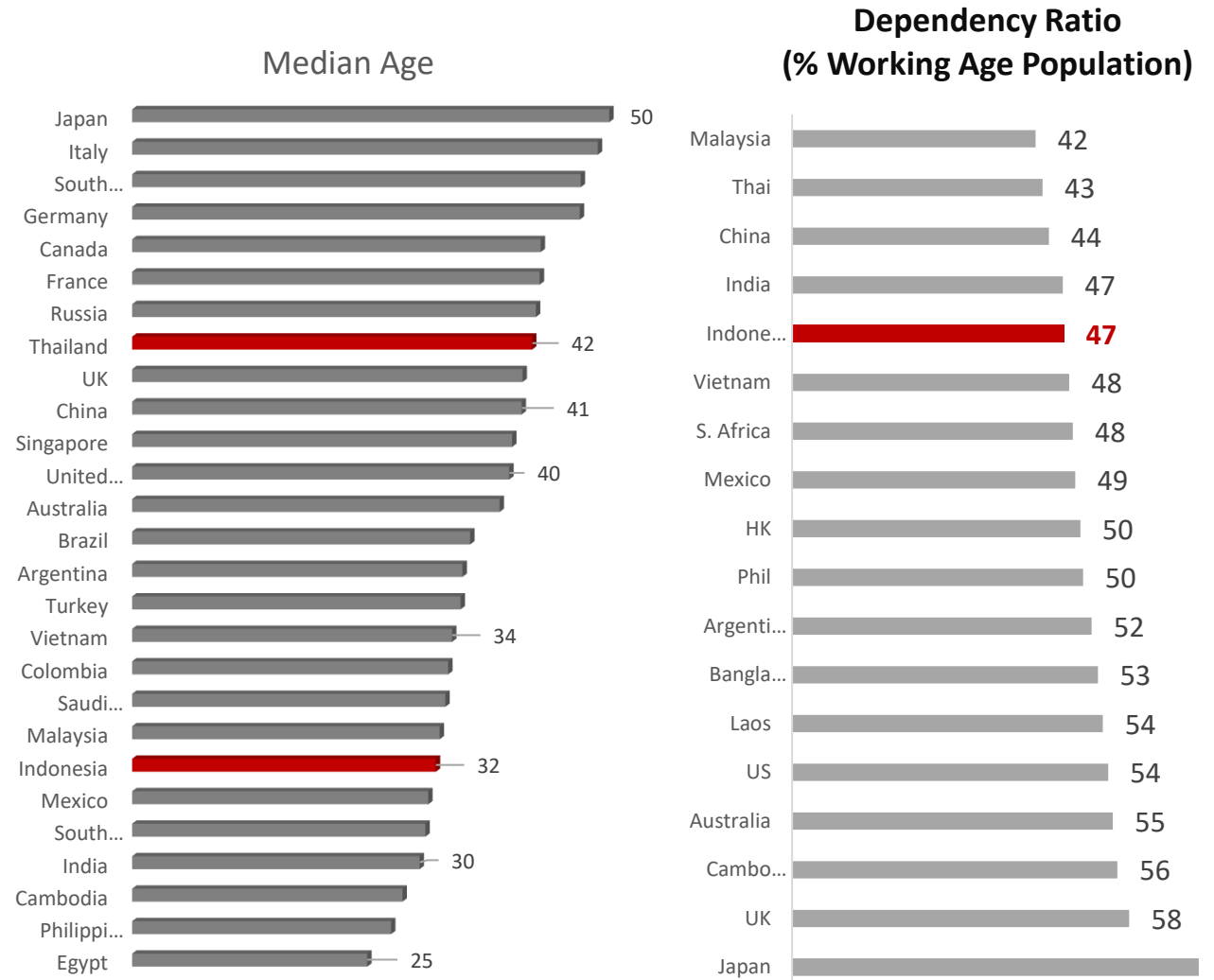


Source: Bloomberg

# Indonesia is Thailand 15 years ago



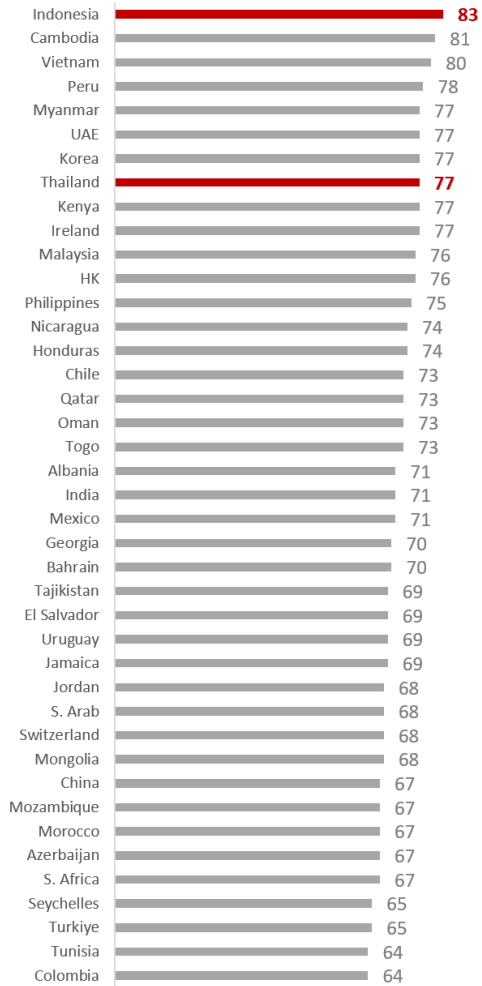
Source: World Bank



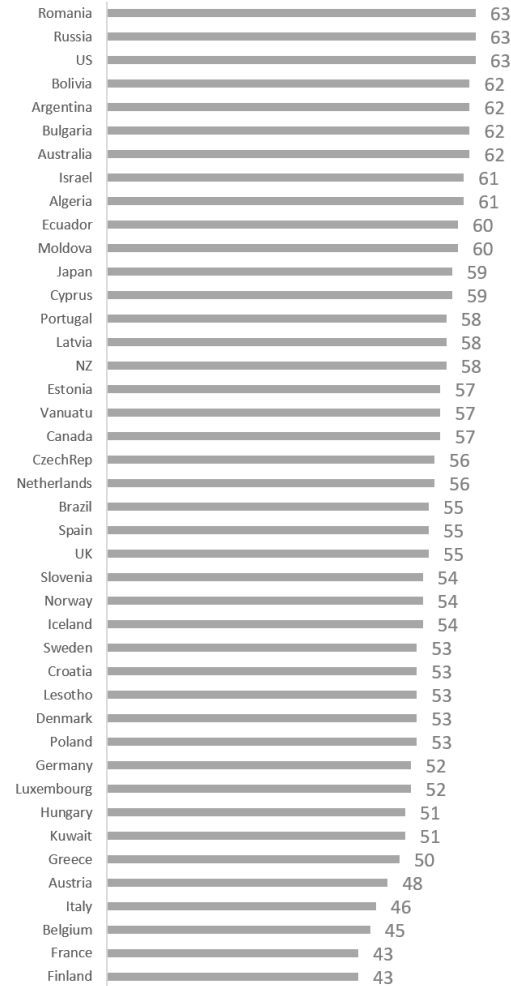
Dependency ratio = non productive / productive workers

# Indonesia is a private driven market

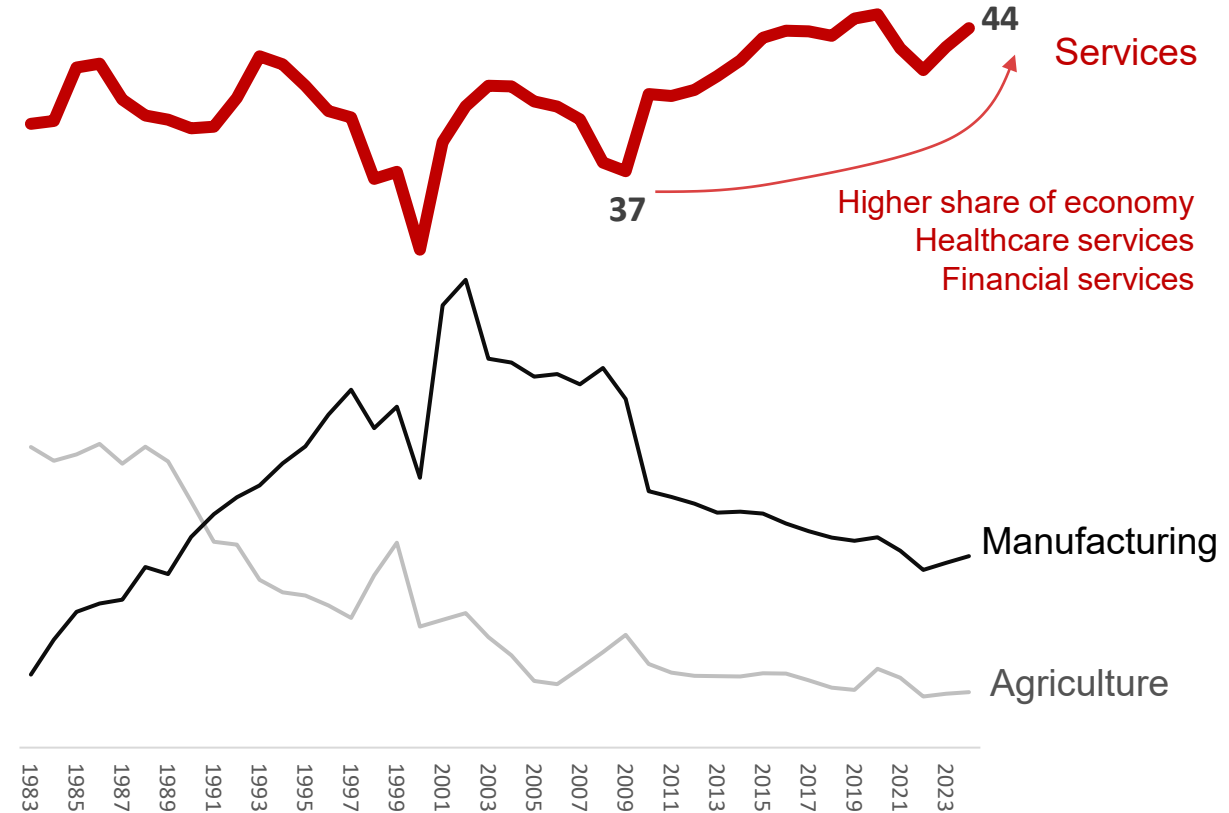
Private Sector Contribution to GDP



Private Sector Contribution to GDP



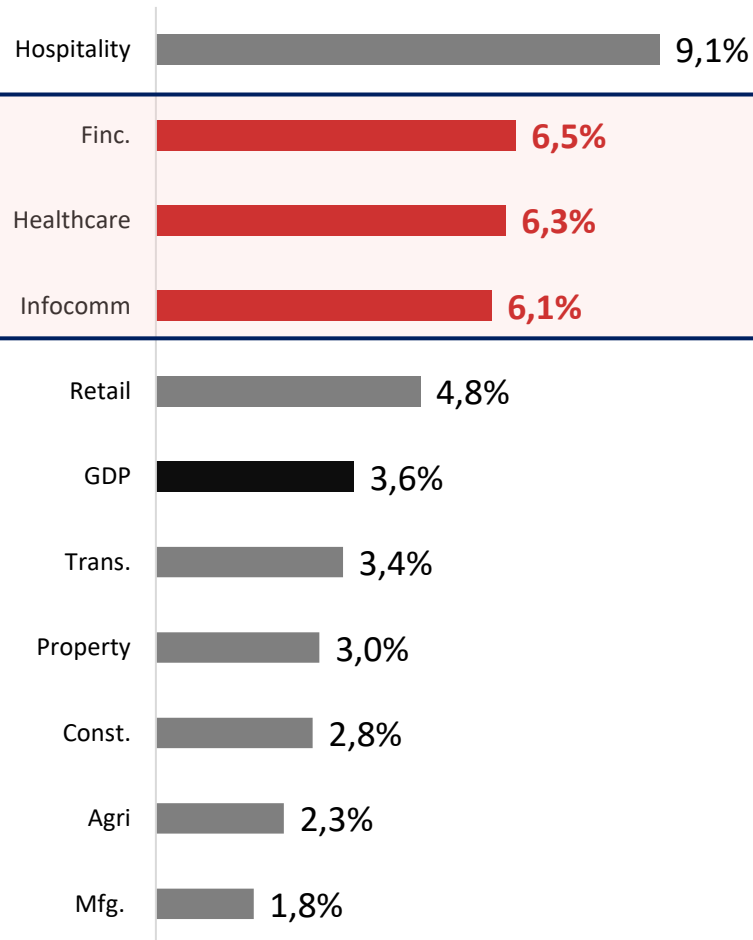
## Indonesia venturing into service-based economy (Value Added, % GDP)



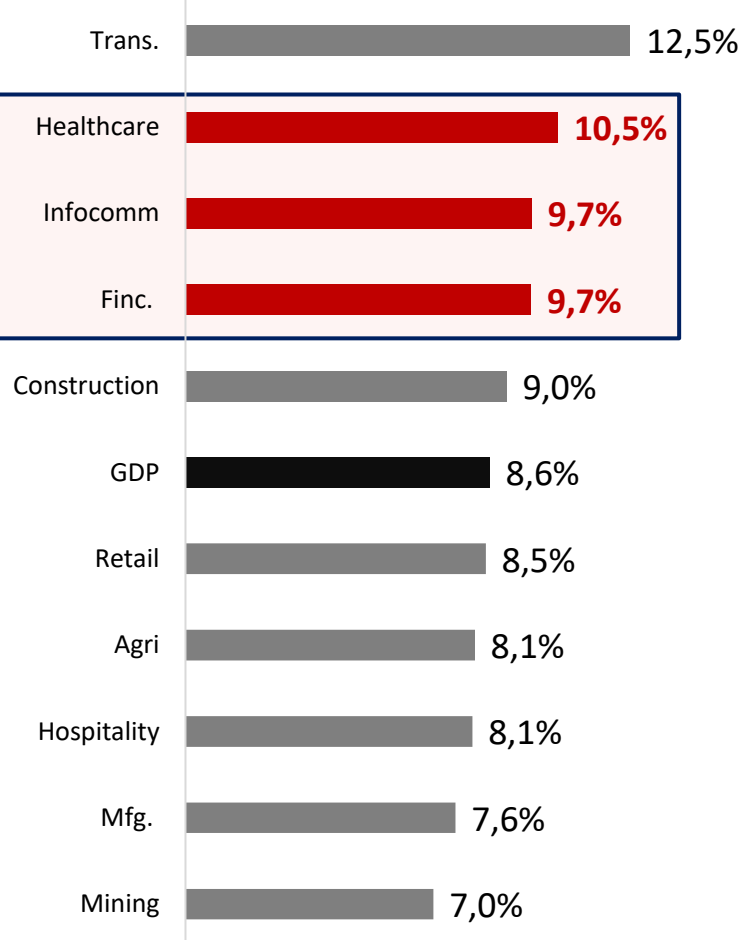
Source: IMF

# Key investment areas for growth

**Thai** Sectoral GDP  
(CAGR 2010 - 2025)



**Indonesia** Sectoral GDP  
(CAGR 2010 - 2025)



Similar growth driver between Indonesia and Thai

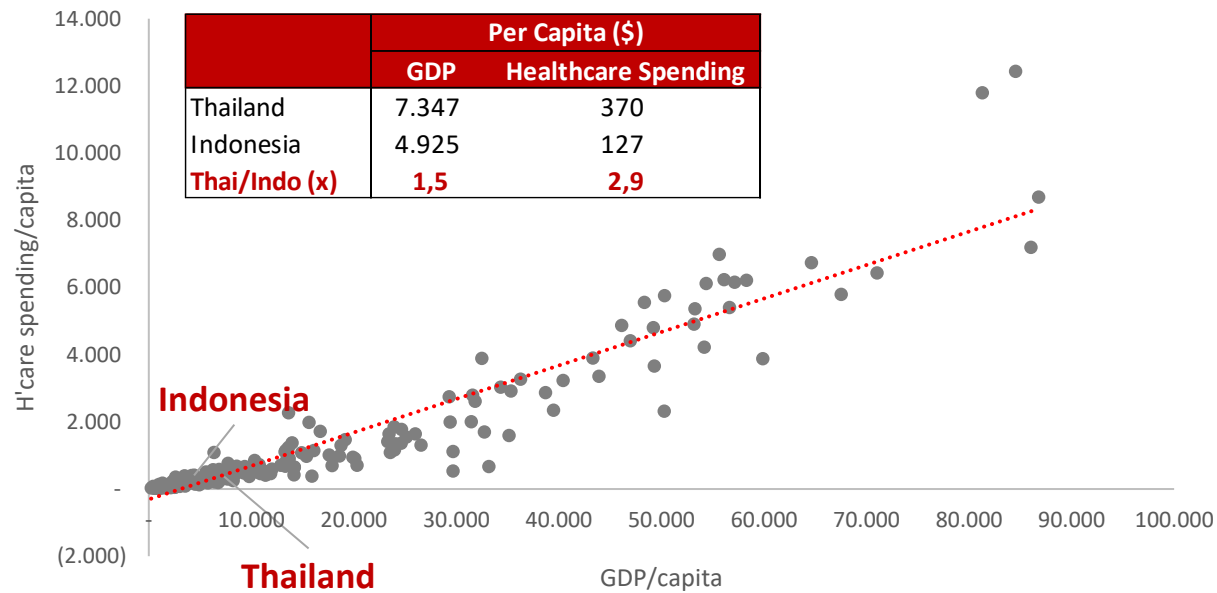
**Healthcare grew the fastest** among other services

Source: CEIC, NEC

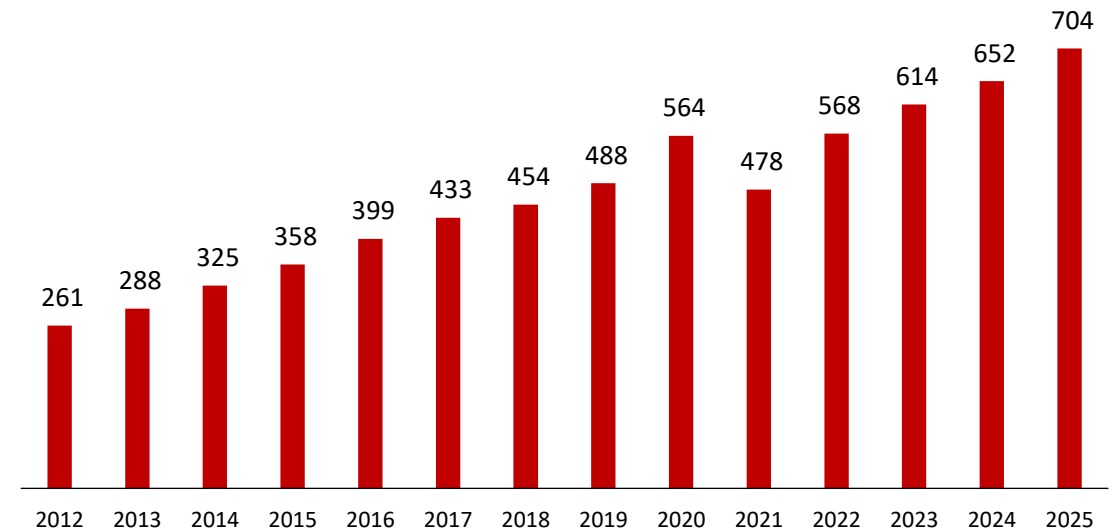
# Healthcare: fastest-growing yet underpenetrated

GDP/capita and h'care spending per capita  
Global countries

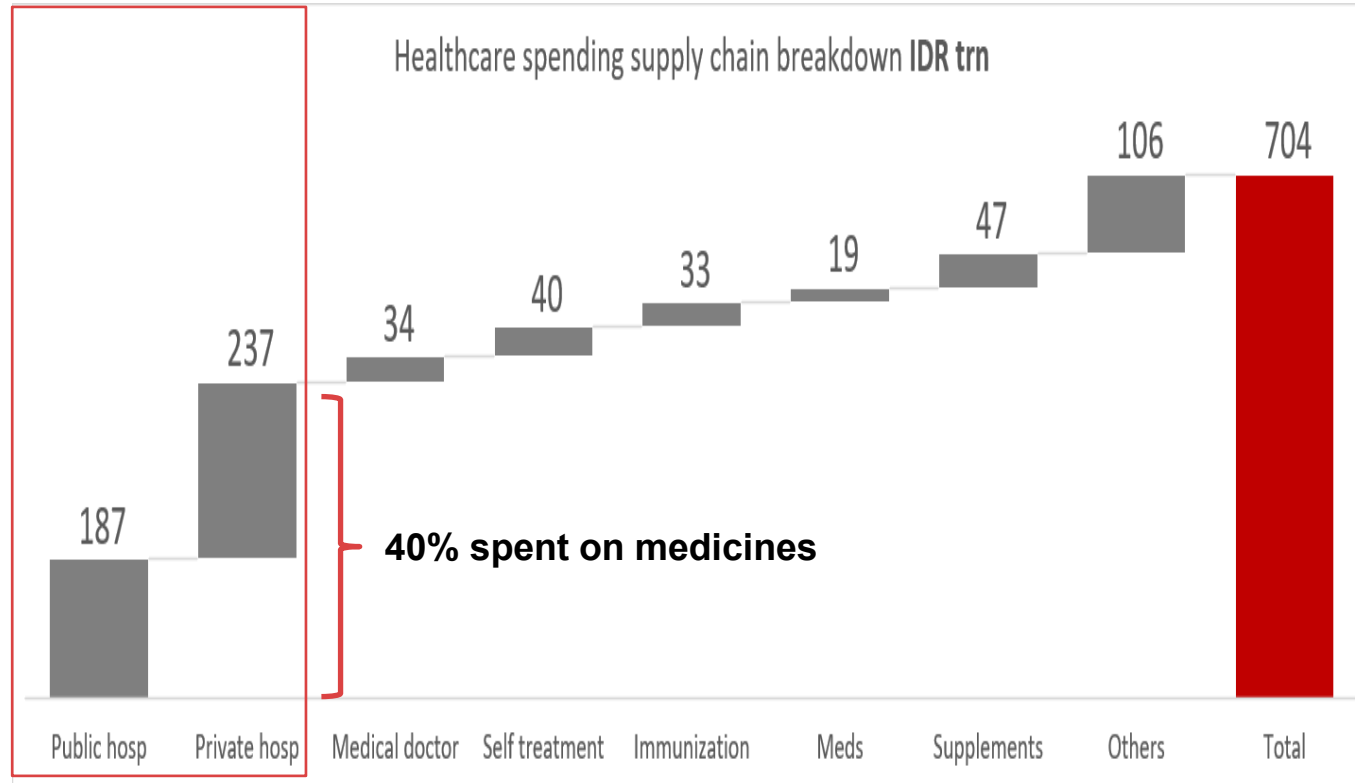
$R^2 = 0,8899$



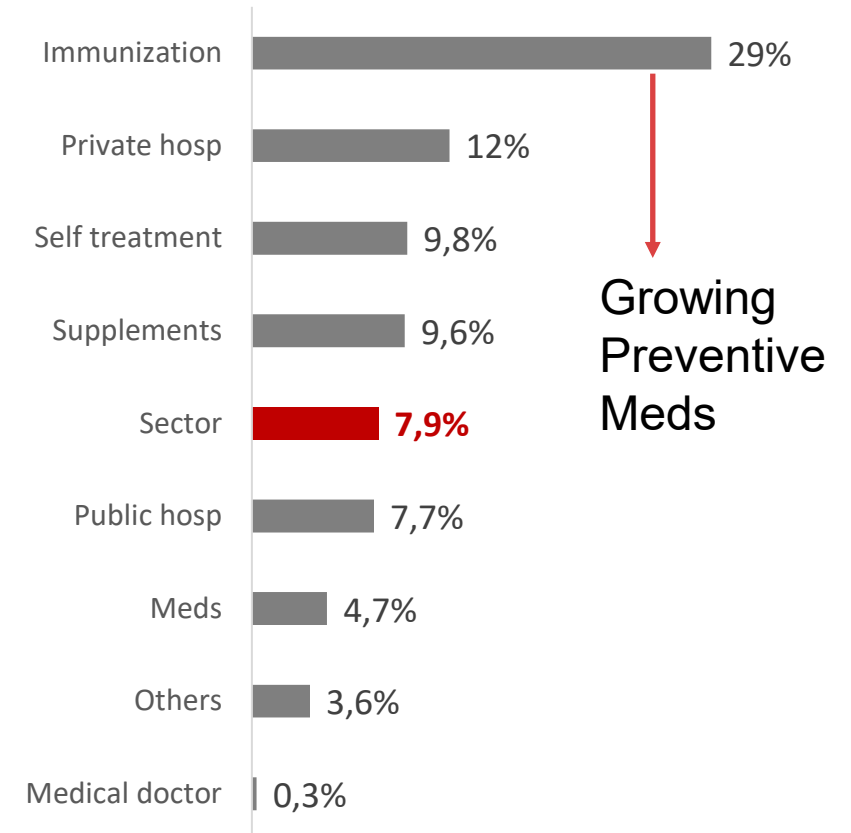
Indonesia healthcare market size (IDRtrn)  
**8% CAGR** 2012-2025



# Room for more preventive investments

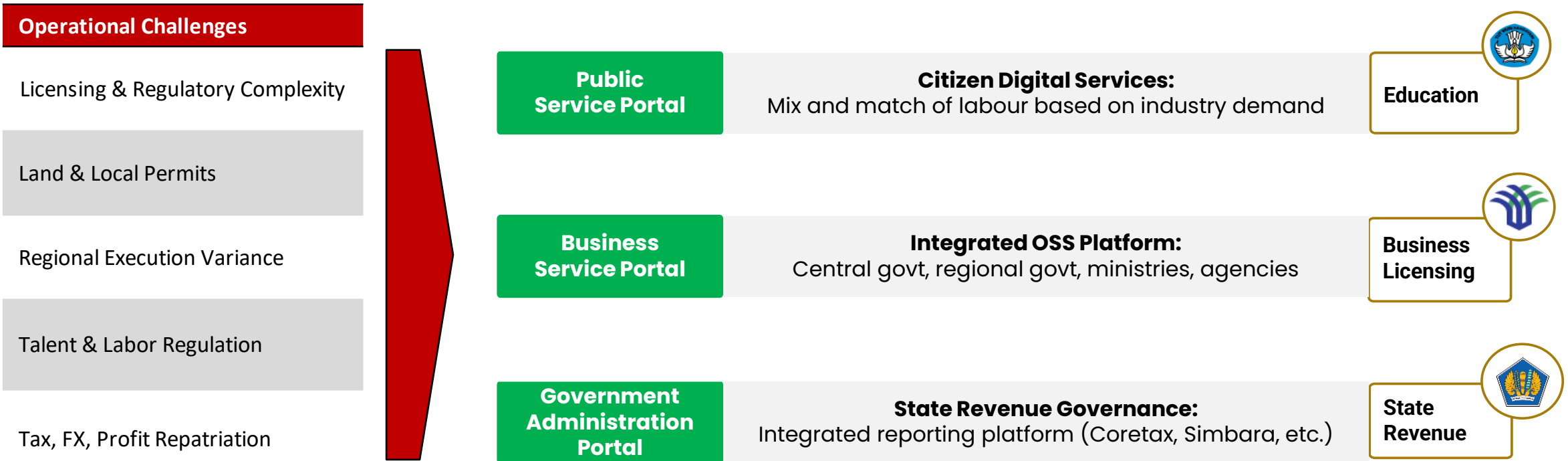


Healthcare sub-sector growth  
CAGR 2012 - 2025

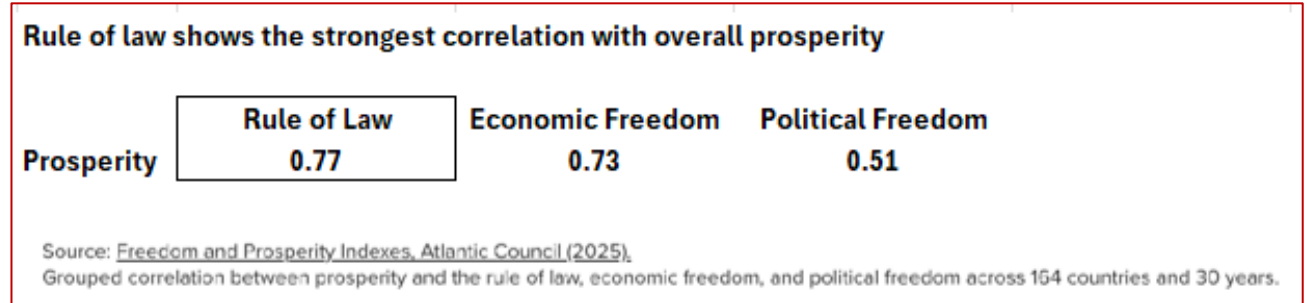
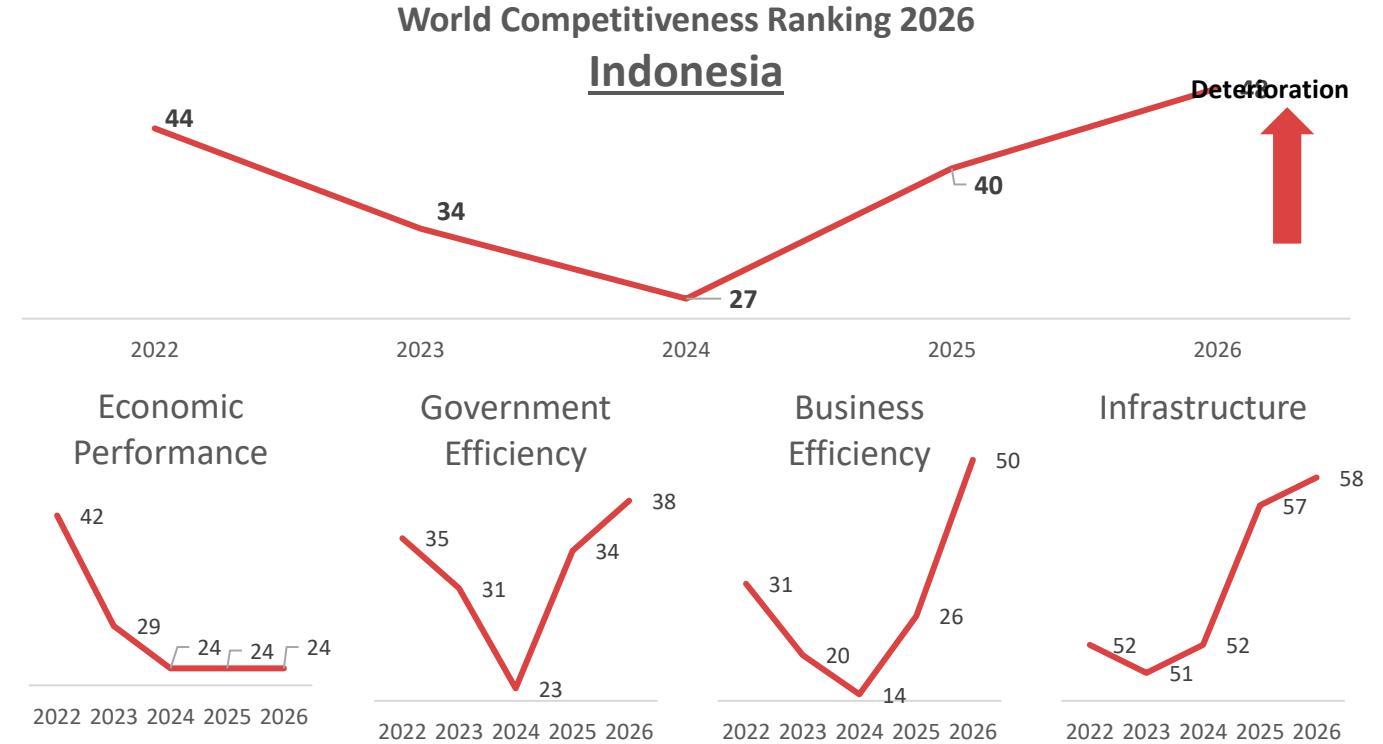
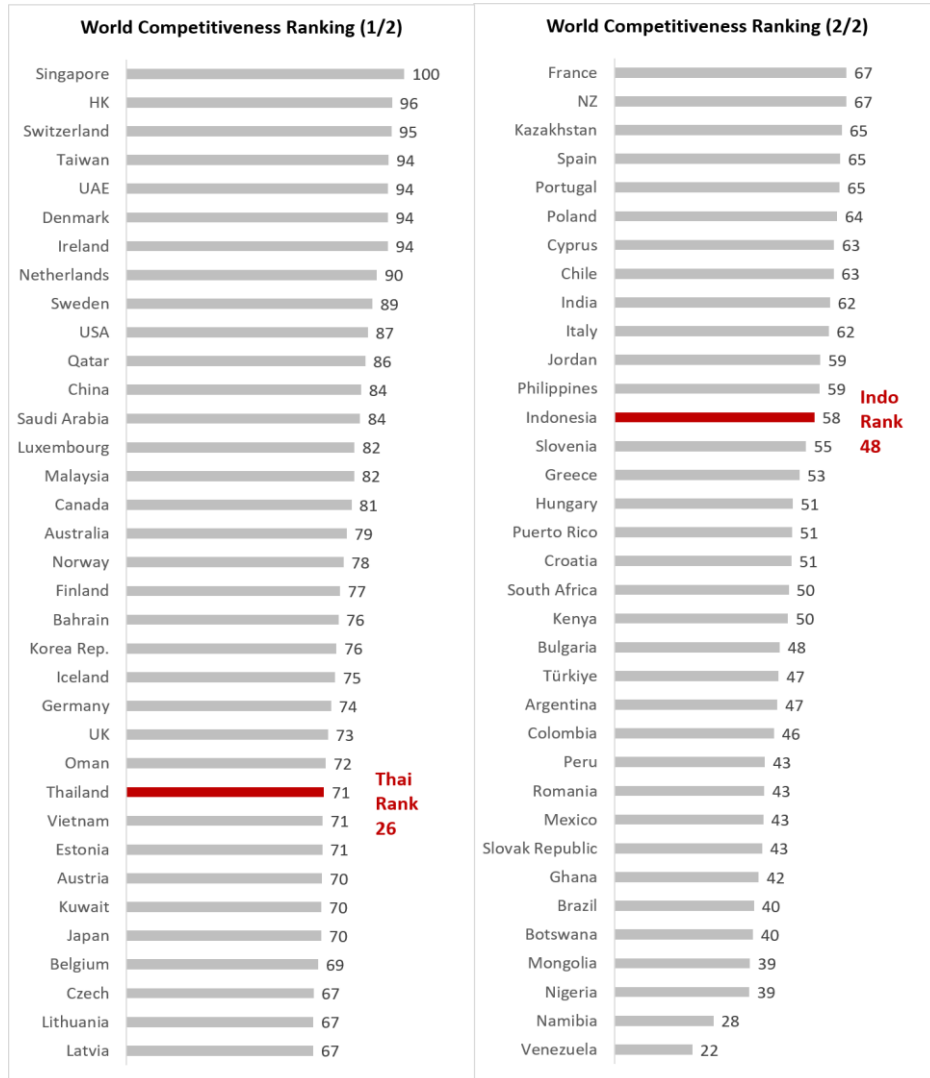


# Navigating operational challenges

## National Digitalization Program: Digital Public Infrastructure



# World Competitiveness Ranking



# Entry Strategy – Historical Lesson

We observed the last 30 non-commodity foreign investments in Indonesia



### FDI works if:

- 1) Global/specialized products
- 2) No local competition

Common in: *Auto, Data Centre, Electronics*



### M&A and JV works if:

- 1) Quality asset + expert local partner
- 2) More regulated/foreign ownership-capped sector

Common in: *Banks, Tech, FMCGs, Pharmas*



### Lesson learnt – why entries fail?

- 1) No genuine demand for products/service
- 2) Capital without control or local execution
- 3) Wrong M&A/local partner target

## Disclaimer

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