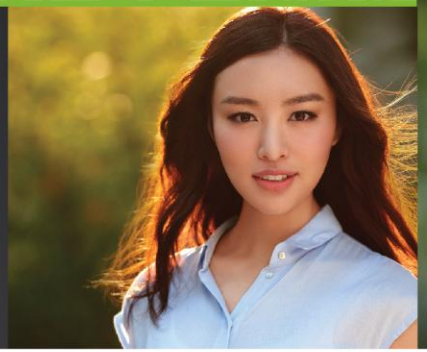
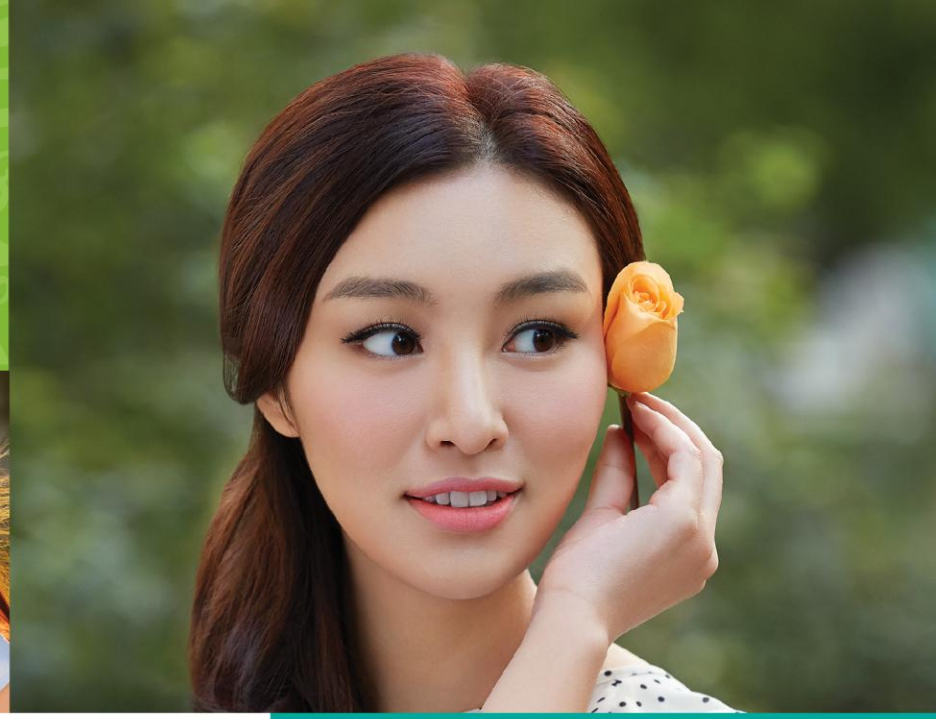




Public Expose

PT Duta Intidaya, Tbk

21 June 2017

watsons

look good. feel great.

AGENDA

I. CORPORATE OVERVIEW

II. BUSINESS ACTIVITIES

III. HIGHLIGHT ON FINANCIAL PERFORMANCE

IV. HUMAN RESOURCES

V. CORPORATE SOCIAL RESPONSIBILITY

CORPORATE OVERVIEW

PROFILE OF PT DUTA INTIDAYA, Tbk

Company Name	:	PT Duta Intidaya, Tbk
Establishment	:	2005
Industry	:	Retail on Health and Beauty products
Store Total	:	59 stores located in Jakarta, Banten, West Java, Central Java, East Java and Bali (per December 2016)
SKU Total	:	More than 24,000 product items, ± 90% are health and beauty
Manpower	:	More than 500 employees
Average employee per store	:	± 7 employees/store
Head office address	:	EightyEight @ Kasablanka, Tower A, 28th and 37th Floor Jl. Casablanca, Kav. 88, South Jakarta

COMPANY JOURNEY

2005

The Company is established.

2006

The Company opens its first 4 stores.

2012

The Company operates 12 stores with a total net revenues of over Rp 75 billion.

2014

The Company expands to Central Java, and operates 43 stores. The Company's total net revenues reached over Rp 150 billion.

2015

The Company operates 46 stores. The Company's net revenues reached over Rp 190 billion.

2016

The Company becomes a public company listing its shares on the Indonesia Stock Exchange on June 28, 2016. Total 59 stores being operated generating a total net revenues of Rp 237 billion.

COMPANY MANAGEMENT

Board of Commissioners

Zannuba Arifah Chafsoh Rahman
President Commissioner
(Independent Commissioner)

Sugito Walujo
Commissioner

Ayu Patricia Rachmat
Commissioner

Board of Directors

Lilis Mulyawati
President Director

Sukarnen
Independent Director

Mariawati
Director (Effective from 10 March 2017)

AUDIT COMMITTEE

Zannuba Arifah Chafsoh Rahman
Chairman of the Audit Committee

Friso Palilingan
Member of the Audit Committee

Nurharyanto
Member of the Audit Committee

STORE NETWORK

In 2016, the Company operated 59 stores in 6 Indonesian provinces with a total retail area of ± 10,000 m² and SKUs of more than 24,000 types of goods.

BUSINESS ACTIVITIES

COMPANY ACTIVITY OVERVIEW

At a glance PT Duta Intidaya, Tbk	The Company is engaged in trading activities of health and beauty products. The Company was established in 2005, and by end of 2016 the Company operated 59 stores under the brand name "Watsons".
License and Support A.S. Watson Group	The Company is the sole and exclusive licensee of the Watsons brand in Indonesia and receives support from the A.S. Watson Group.
Brand Positioning	In line with the Company's brand positioning, most stores are located in shopping centers surrounded by high-density residential areas and easily accessible to consumers.

COMPETITIVE ADVANTAGE

The Experienced Management Team supported by the A.S. Watson Group

Watsons Brand and Relationship with Suppliers

Innovative Outlet Concepts and Corporate Outreach Plans

Focus on Consumers by Providing Various Value Added Services, Partnership Programs and Social Media Platforms

COMPANY FOCUS

GOBE

1. Own Brand & Exclusive Products

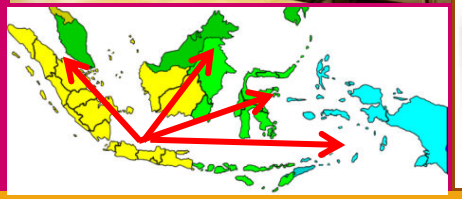
- Increase amount of SKUs
- Increase sales participation

3. People Development

- Training (internal & external)
- Product knowledge
- Coaching & Counseling

2. New Store Development

- Store expansion
- Partnerships



4. Brand Building

- Digital *(Social Media & e-Commerce)*
- Collaboration with third parties *(banking, market place, and 3)*

mandiri

LAZADA .CO.ID

5. E-Commerce

- Increasing *Product Assortment*
- Mobile Apps and Website platforms

EFFORTS TO INCREASE SALES

Opening New Stores

- Mall of Indonesia
- Gajah Mada Plaza
- Tangerang City Mall
- Baywalk Mall
- Bassura Mall
- Cinere Mall
- Seminyak Square Bali
- Legian Street Bali
- Warung Made Bali
- Batu Bolong Bali
- Supermall Pakuwon Surabaya
- East Coast Surabaya
- Trans Studio Mall Bandung
- Jatinangor Townsquare

Products

- Wider range of **Health & Well-being** products

- Additional assortment in **Skincare**, focusing on **Derma & Face Masks**

- Strengthen **GOBE display among Top Brand**

- **Product differentiation in market**

Promotional Activities

- 3 Carnival Program

- Activities Podium

- Various in-store activities e.g. health & bone checks

- Exclusive products & attractive promotions

Stores Refits

Major and Minor Refits

Newly Opened Stores in 2016

Jabodetabek Area

- Mall of Indonesia
- Gajah Mada Plaza
- Tangerang City Mall
- Baywalk Mall
- Bassura Mall
- Cinere Mall

West Java Province

- Trans Studio Mall Bandung
- Jatinangor Townsquare

East Java Province

- Supermall Pakuwon Surabaya
- East Coast Surabaya

Bali Island

- Seminyak Square
- Legian Street
- Warung Made
- Batu Bolong

COOPERATION WITH THIRD PARTIES

March 2016 – Cooperation with GOJEK

November 2016
Cooperation with
Apotik Antar (HaloDoc)

COOPERATION WITH THIRD PARTIES LAZADA

June 2016
LAZADA Market Place

Sinergi dengan Lazada

STORE REFITS AND RELAYOUTS

New G7 Concept

- Introducing the **new G7 concept**
- Enriching ***buyer shopping experience***
- Offering Innovative store layouts

E-COMMERCE DEVELOPMENT

In December 2016, Watsons Indonesia launched its Mobile App

- Increase **Traffic** through Social Media & Ads Digital Campaign
- Boost **sales** with appealing promotions and free delivery

WATSONS OWN BRAND LAUNCHING

Launching **Naturals by Watsons**
at Mal Kelapa Gading

HIGHLIGHT ON FINANCIAL PERFORMANCE

TRENDS IN MACROECONOMICS

	2015	2016	2017F
GDP Growth	4.9%	5.0%	5.2%
YoY Retail Growth	11.6%	7.7%	9.0%
Population	255M	259M	262M

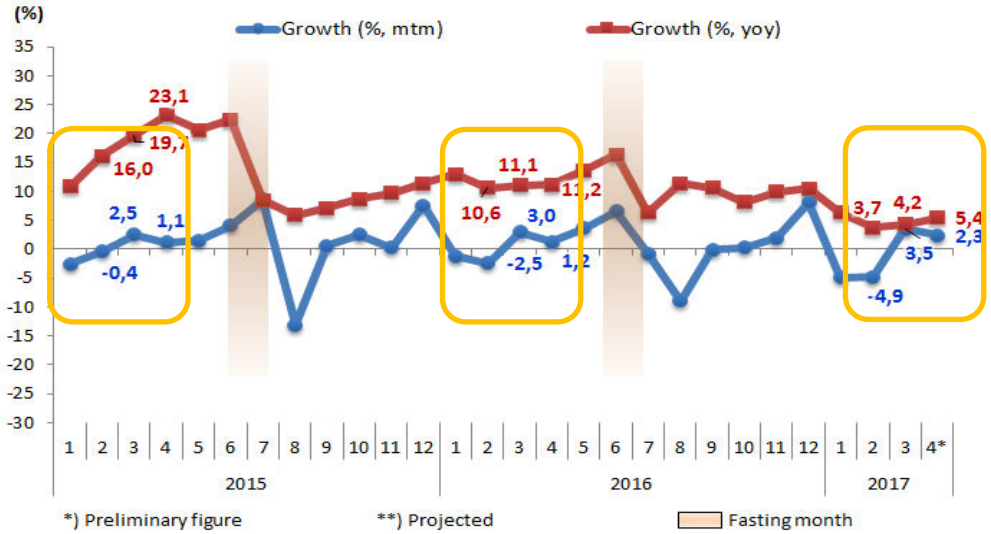
	2015	2016	2017F
Minimum wage/month	2.7M	3.1M	3.4M
Inflation	3.5%	3.0%	4.2%

Source: www.tradingeconomics.com; www.worldometer.info, www.adb.org; Nielsen Overview of Indonesia Market March 2017

- Stronger **GDP growth** vs Dec 2016. World Bank forecast to reach 5.2% in Q4 2017.
- **YoY retail growth** continues to decline in Q1 2017, but forecasted to increase slightly for the rest of this year.
- **Minimum wage** has increased for the past 2 years at CAGR 11.4%.
- **Inflation** slowed in 2016, but is forecasted to accelerate to 4.2% in Q4 2017.

TRENDS IN INDUSTRY

Retail Market Growth



Source: Bank Indonesia, Retail Survey March 2017

Channel Growth Forecast

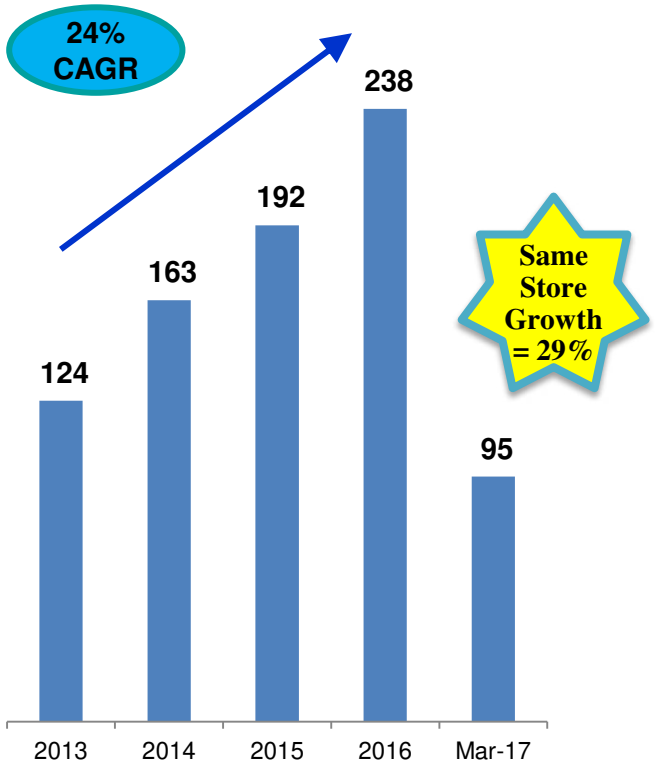
	FY 2015	Q1 '15	Q2 ' 15	Q3 '15	Q4' 15	FY 2016	Q1 '16	Q2 '16	Q3 '16	Q4' 16	FY 2017	Q1	Q2	Q3	Q4
National	11.6					7.7					9	4	9	11	13
Indonesia General Trade	13.3	12.6	13.9	13.2	13.6	7.2	11.0	7.8	7.2	3.0	8	3	7	8	9
Indonesia Modern Trade	9.8	11.0	11.0	9.1	8.3	8.6	11.8	11.1	6.1	5.8	13	6	14	15	14
Super Hyper	6.6	11.7	9.2	4.5	1.8	-1.0	-0.3	0.4	-3.4	-0.5	2	-2	4	3	6
Mini	11.6	10.6	12.0	11.7	11.8	13.7	18.8	17.2	11.0	9.0	11.6	9	20	20	18

Source: Nielsen Overview on Indonesia Market March 2017

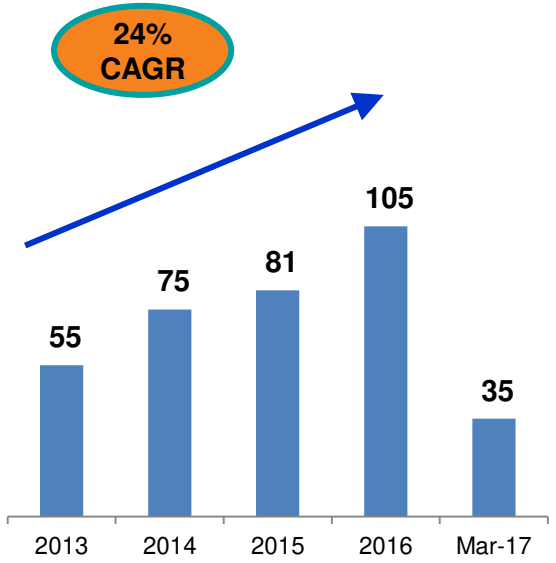
- **Retail Sales Growth** in Q1 2017 is weaker than Q1 2016 & 2015.
- Nielsen forecasted FY 2017 **National Retail growth** at 9% with acceleration starting from Q2 2017.
- Higher growth expected in **Indonesia Modern Trade** & **Minimarket** sectors.

REVENUES, GROSS PROFIT AND NET LOSS PER STORE

Revenues (billion Rp)



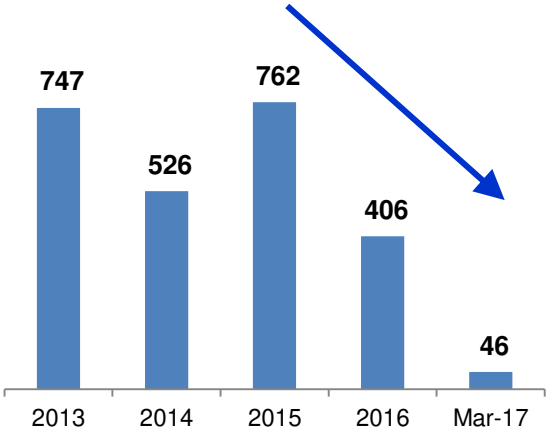
Gross Profit (billion Rp)



Net Loss per Store (million Rp)

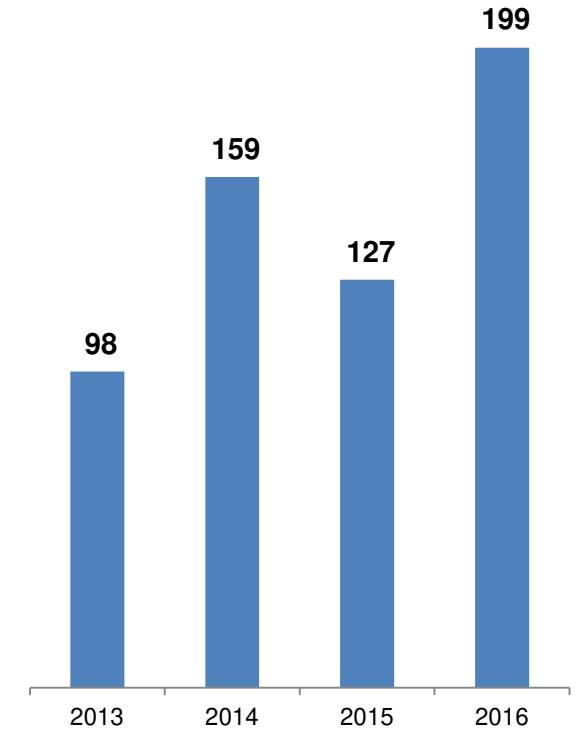
Net Loss (billion Rp)				
23	23	35	24	3

Number of Stores				
31	43	46	59	59

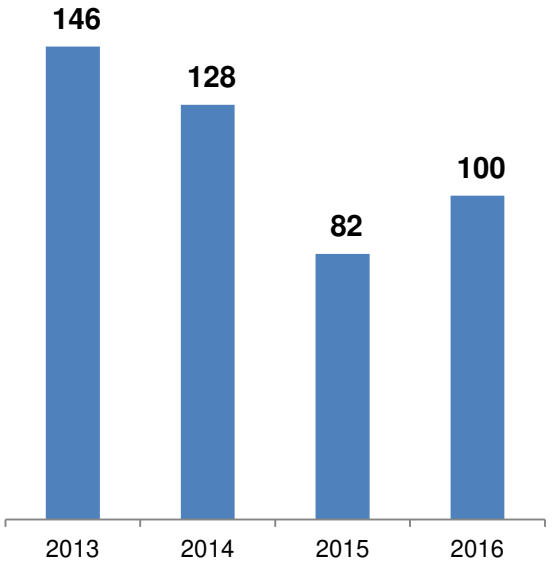


FINANCIAL POSITION

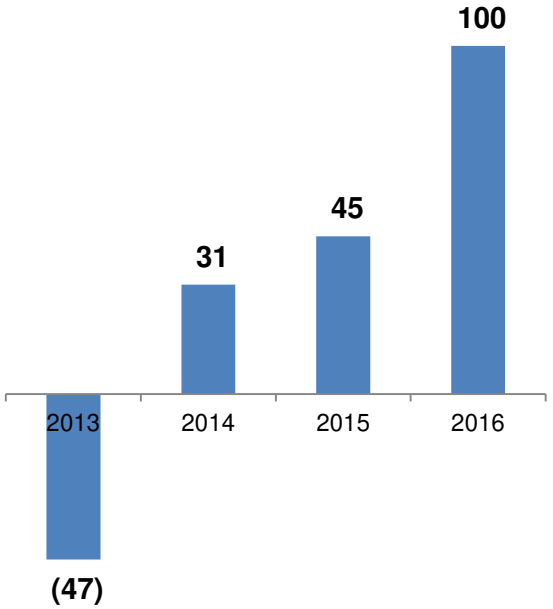
Total Assets (billion Rp)



Total Liabilities (billion Rp)



Equity/(Capital Deficiency) (billion Rp)



HUMAN RESOURCES

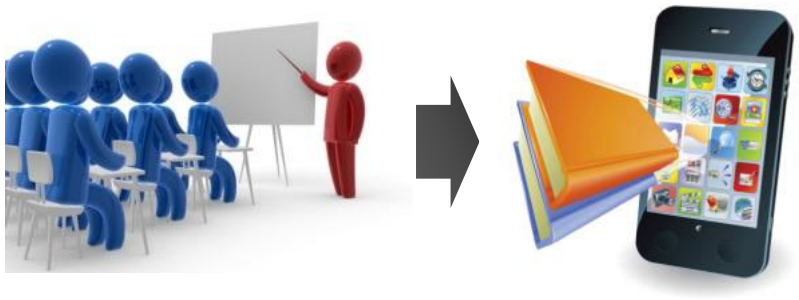
HUMAN RESOURCE DEVELOPMENT

Human Resource Development Programs and Trainings (internal and external) are provided to continuously develop human resource competence:

- Product Knowledge, New Hire Trainings
- Store Development Programs
- Personal Development Programs
- Functional Trainings

MOBILE LEARNING APPLICATION

The Company launched the Mobile Learning - Pocket U application. This application is one of the methods to meet the wider training needs more efficiently and effectively.



Watsons M-Learning App

CORPORATE SOCIAL RESPONSIBILITY

CORPORATE SOCIAL RESPONSIBILITY

In partnership with Zenpec, the Company provided free eye health seminars and examinations to 115 people.

CORPORATE SOCIAL RESPONSIBILITY

In cooperation with Roche, the Company conducted free bone health checks for 60 participants.

In conjunction with the National Health Month, the Company conducted Free Health Checkups including blood sugar, tension, and body fat evaluations.

THANK YOU