Building Bio-Health Fund, Bio Farma Together with MDI Invest to Targeting Opportunities in Health Sector Startups



Joint commitment signing ceremony procession by MDI Ventures and Bio Farma; Managing Partner of MDI Ventures Kenneth Li (second from left), Director of Operation & Risk Management of MDI Ventures Sandhy Widyasthana (center), Director of Finance, Risk Management, and Human Resources Bio Farma I.G.N Suharta Wijaya (third from right) witnessed by the Vice Minister Of State Own Enterprise I (third from left), Director of Strategic Portfolio Telkom Group Budi Setiawan (far left), President Director of Bio Farma Honesti Basyir (second from right), Director of Transformation and Digital Bio Farma Soleh Ayubi (far right) in Jakarta, Wednesday (11/05).

(Jakarta 11/5) MDI Ventures, a venture capital company owned by Telkom Indonesia has partnered with Bio Farma to launch the Bio-Health Fund, a new early-stage and growth-later stage investment for startups focused on the Biotech and Healthcare sector.

Vice Minister of State-Owned Enterprise I, Pahala Nugraha Mansury, who was attending on this occasion, said, "Currently, Indonesia has various challenges, including those related to the health industry. Therefore, how can Indonesia develop new technology in the health sector, whether related

to biosciences, pharmaceuticals, and the healthcare technology industry."

Pahala added, "This is the reason the Ministry of SOEs encourages the Bio Farma Group together with Kimia Farma and Indofarma to be able to develop technology and invest in startups. Bio Farma needs to work with the fund managers that currently exist through MDI. After development in the health sector, the challenge is to pursue partnerships between MDI Ventures and SOEs in the food sector such as PTPN, ID Food, and Perhutani to develop the food industry. Then, our main challenge is new energy, so we encourage Pertamina to build a new venture to develop new energy." Then, our main challenge is new energy, so we encourage Pertamina to build a new venture to develop new energy."

Bio-Health Fund will drive synergy value to Bio Farma as its anchor LP, which serves as a unique opportunity considering Bio Farma's positioning as a leading healthcare company in Indonesia that covers a wide value chain across the Healthcare category.

President Director of Bio Farma Honesti Basyir said, "Bio Farma as the parent Holding of Pharmaceutical State Own Enterprise, will add to its portfolio other than vaccines and serum, as during this pandemic Covid-19, we innovate to produce diagnostic kits such as mBio-Cov and Biosaliva, as the result of collaboration with companies' startups.

"With this Bio-Health Fund, it will increase Bio Farma's capabilities in terms of innovating life science products, health tech products such as telemedicine, and so on. The ultimate goal is to form a national health ecosystem," said Honesti.

He added, "Bio Farma will act as a Limited Partnership for startups engaged in biotech. For the initial stage, Bio Farma will prepare a fund of 20 million USD that will be disbursed to potential startups.

Bio Farma's capabilities as a pharmaceutical manufacturer and healthcare provider will offer a strong Go-To-Market presence in Indonesia. With that intention in mind, Bio-Health Fund will not limit its investment geography focus but remains open to products and solutions applicable to Indonesia as a market.

Strategic Portfolio Director of Telkom Group, Budi Setyawan Wijaya said, "We hope that MDI Ventures and Bio Farma's involvement can contribute to the Biotech and Health Services sector, the most important sector for all of us. So, it will potentially provide efficient and useful products for the wider community in the future."

"Telkom Group is strongly committed to this partnership, and we hope that this collaboration can also be expanded, not only for startups but also areas of cooperation to create new opportunities not only through MDI but also through all Telkom Group's business, "said Budi

Bio-Health Fund's strategic value is well-positioned to capture opportunities within the scope of MDI Ventures' existing multi-stage venture fund, which also focuses on the Biotech and Healthcare sector. In addition, this fund strengthens the opportunity to create innovations more intensively, considering that MDI Ventures can co-invest with the Bio-Health Fund while relying on Bio Farma's strategic value.

COO & Management Risk of MDI Ventures Sandhy Widyasthana said, "MDI looks forward to running the biotech health fund with Bio Farma. Over the last two years, MDI has invested in quite a few digital health and some biotech investment with the assistance and advice from Bio Farma. We have seen that Biotech is indeed the next frontier in tech that is really ripe for rapid expansion. We see Bio Farma as a critical partner investor for us, with the technological expertise needed for this

field.”

“Biotech itself has the potential to upgrade and transform not just the health, but also the agriculture and manufacturing landscape in Indonesia. And we are excited to begin our journey with Bio Farma.” Sandhy added.

Bio-Health Fund is strategically positioned to synergize with MDI Ventures' expertise in Healthcare deals with coverage across all stages with relevant track records. The Fund will support founders who are passionate about creating opportunities for income growth through the sharing economy and providing better, cheaper, and faster access to basic services such as healthcare, education, and finance.

About Bio Farma

Bio Farma is an Indonesian state-owned company in the pharmaceutical sector. The company is the only human vaccine producer in Indonesia and the largest vaccine producer in Southeast Asia. To support its business activities, apart from the head office and factory covering an area of 91,058 square meters in Bandung, the company also has a laboratory animal breeding facility covering an area of 282,441 square meters in West Bandung. The company also has a representative office in Jakarta. With a production capacity of more than 3.2 billion doses per year, the company has exported its products to more than 150 countries.

www.biofarma.co.id

About MDI Ventures

MDI Ventures is a USD 830+ million multi-stage venture capital firm from Indonesia's largest telecommunications company. It is the largest technology investment company in the country and has one of the best-performing funds in Asia. The company's global portfolio spans a wide range of sectors, including healthcare, logistics, fintech, Deep Tech, consumer tech, and more. The holding company PT Telekomunikasi Indonesia Tbk (Telkom Group) is a state-owned enterprise of the Republic of Indonesia. The company is listed on the Indonesia Stock Exchange (IDX: TLKM) and has a secondary listing on the New York Stock Exchange (NYSE: TLK).

www.mdi.vc