We Hold The Care of Human Life as Our Highest Priority
PURPOSE, VISION, and CORE VALUES (PVCV)

OUR PURPOSE
We have a simple but clear purpose – TO HOLD THE CARE OF HUMAN LIFE AS OUR HIGHEST PRIORITY.

OUR VISION
Our distinct Purpose and our operational expertise across our business processes will help realise our Vision – TO BE A HEALTHCARE LEADER AND THE PREEMINENT PROVIDER OF INNOVATIVE NATURAL PHARMACEUTICAL PRODUCTS. WE ARE A COMPANY THAT VALUES THE WELL-BEING OF THE COMMUNITY AND PROMOTES A HEALTHY LIFESTYLE IN A SOCIALLY RESPONSIBLE WAY.

OUR CORE VALUES
Our Purpose and Vision are ambitious. They are supported by our Core Values that are consistent with the expectation of our stakeholders and community.

<table>
<thead>
<tr>
<th>ASOLUTE INTEGRITY</th>
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<tbody>
<tr>
<td>We adhere to the highest standards of ethical behavior within the internal and external business environment. We are committed to be transparent and compliant in all of our processes.</td>
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<table>
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<tr>
<th>MUTUAL RESPECT</th>
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<td>We value diversity in team collaboration and nurture sustainable trust.</td>
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<tr>
<th>PASSION FOR INNOVATION</th>
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<tr>
<td>We enable the innovative spirit and mindset in everything we do to continuously improve. We will embrace creative thinking in developing new products and services, and find better ways to solve problems and to face challenges.</td>
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<tr>
<th>CULTURE OF DISCIPLINE</th>
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<tbody>
<tr>
<td>We will embed the culture that requires disciplined people who engage in disciplined thought, and then take disciplined action, towards achieving company objectives, and strive for self-discipline to follow its policies and procedures.</td>
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Group Review

Because their future starts today

Corporate Information

Name of Company
PT Soho Global Health

Main Line of Business
General trading including chemical products, patent medicine, and materials for chemical industry, manufacturing industry.

Business Divisions
- Commercial
- Healthcare

Date of Establishment
August 27, 1956 under the name of PT Parsi Padang

Legal Basis of Establishment
Deed No. 116 dated August 27, 1956 drawn up before Elisa Pondaag, SH. Notary in Jakarta. The Deed was approved by the Minister of Justice of the Republic of Indonesia in its decision letter No. J.A.5/10/14 dated February 8, 1957, and was published in the State Gazette No. 39, Supplement No. 517 dated May 14, 1957.

Head Office
Jl. Rawa Sumur II Kav. R8 No. 3
Kawasan Industri Pulo Gadung
Jakarta 13930, Indonesia
Ph. : (62-21) 4683 4411
Fax. : (62-21) 4683 0505
Web : www.sohoglobalhealth.com

Contact Us
Mayapada 2 building, 12th floor
Jl. Jend. Sudirman Kav. 27
Jakarta 12920, Indonesia
Ph. : (62-21) 2965 6888
(62-21) 2965 6899

Nama Perusahaan
PT Soho Global Health

Bidang Usaha
Pendagangan umum termasuk produk kimia, obat paten, dan bahan untuk industri kimia, industri manufaktur.

Divisi Usaha
- Commercial
- Healthcare

Tanggal Pendirian
27 Agustus 1956 atas nama PT Parsi Padang

Dasar Hukum Pendirian

Kantor Pasar
Jl. Rawa Sumur II Kav. R8 No. 3
Kawasan Industri Pulo Gadung
Jakarta 13930, Indonesia
Ph. : (62-21) 4683 4411
Fax. : (62-21) 4683 0505
Web : www.sohoglobalhealth.com

Hubungi Kami
Gedung Mayapada 2, Lantai 12
Jl. Jend. Sudirman Kav. 27
Jakarta 12920, Indonesia
Ph. : (62-21) 2965 6888
2015 Performance

The Indonesian pharmaceutical industry is evolving with the implementation of BPJS Kesehatan, driving significant shifts in people behavior towards branded/unbranded generics, vitamins, health supplements, as well as changing market dynamics in terms of product mix.

Kinerja di 2015

Our performance in 2015 reflected a strong focus on execution from our workforce and improving discipline. Our financial results, although overall progressing compared to 2014, were below expectations and reflected several key factors only partly under our control, including overall consumer market softness, government driven structural changes that exacerbated the challenges faced by distributors and several operational issues.

Financial results across the whole Indonesian pharmaceutical industry, including our most successful listed competitors, showed signs of deceleration and margin pressure as a result of many of the same broad market trends.

A summary of 2015 highlights includes:

- Posted a slight increase in net revenues as a result of the multiple headwinds and challenges we faced.
- Decreased working capital by 53% and reduced operational costs by 15% compared to 2014.
- Steady manufacturing efficiency improvements with higher Overall Equipment Effectiveness (OEE) both in Solid and Liquid (Solid increased by 13% and Liquid by 0% compared with 2014), and improved quality (Batch Right First Time - BRF increased for Solid by 10% and Liquid by 10% compared with 2014) and Improvement in Cycle times: Solid reduced by 5 days and Liquid by 7 days compared with 2014.

Ringkasan kinerja 2015 mencakup:

- Penurusan pertumbuhan neto setelah campak dari kegiatan tahun lalu dan kerugian yang dihasilkan.
- Pengurangan modal kerja sebesar 33% dan beban operasional sebesar 15% dibanding tahun 2014.
- Efisiensi program di manufaktur manajemen progres yang sangat signifikan dengan peningkatan Overall Equipment Effectiveness (OEE) baik di area Solid maupun Liquid (Solid meningkat sebesar 13% dan Liquid 8% dibanding tahun 2014) dan peningkatan kualitas produk (Batch Right First Time - BRF) meningkat sebesar 18% untuk area Solid dan 10% untuk Liquid dibanding tahun 2014 serta peningkatan Cycle times: Solid lebih cepat 5 hari dan Liquid 7 hari dibanding tahun 2014.

We have 8 brands with sales of IDR 20 billion and above that deliver strong social benefit to the well-being of the community.

Several major projects successfully implemented, including SAP for SHG and SIP, initiation of "Power of One", and the opening of our newest research facility - SOHO Center of Excellence in Herbal Research (SCEHR) in Nagari, Sukabumi.

These achievements came in conjunction with internal efforts to sustainably lower our cost structure and improve efficiency. We are focusing on building a more competitive SOHO Global Health that can outperform through industry cycles. This work required some difficult decisions in 2015, including workforce reduction and a consolidation in management positions to streamline decision making.

This focus on sustainably lowering our cost structure is critical, but it might come at the expense of maintaining a responsible, employee-friendly culture and our desire to achieve a culture of accountability and performance.

Our healthcare business unit includes a portfolio of brands that aim to deliver consistent, competitive, profitable and responsible growth supported by investments in innovation and marketing.

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TOP Products:

1. Imboost
2. Curcuma Plus
3. Diapet
4. Fitkon
5. Asthin
6. Curvit
7. Oste
8. Lexing

SGH memiliki 8 brand yang menarik perhatian sebesar Rp 20 miliar per brand dan berkontribusi memperbaiki manfaat, sosial untuk kesejahteraan masyarakat.

SGH secara acak menganalisa portfolio produknya dan ini menunjukkan konsistensi portofolio yang menarik dengan melacak produk baru berbunyi superman perawatan kulit yang disarankan secara OTC.
2015 Significant Events

Finalization of 5-year business plan, a road to IPO in 2019
In August 2015, SGH finalized its 5-year business plan to lay out all the
many initiatives and opportunities identified together with
Quadria Capital, such as adding innovative new products, strengthening
business portfolio, improving financial performance and ultimately getting
ready for an IPO.

Finalisasi rencana bisnis 5 tahun, persiapan menuju IPO di
tahun 2019
Pada bulan Agustus 2015, SGH memfinalisasi rencana bisnis untuk 5 tahun
ke depan bersama dengan Quadria Capital serta menciptakan
berbagai inisiatif bisnis yang perlu dilakukan untuk mendukung
corporasi menuju IPO. Salah satu yang diimplementasikan adalah
Inauguration of our newest research facility: SOHO Center
of Excellence in Herbal Research (SCEHR)
On August 13th 2015, SGH officially inaugurated its newest research
facility: SOHO Center of Excellence in Herbal Research (SCEHR)
located in Nagra, Sukabumi. SCEHR was built as a corollary project from
the SOHO project as a way to meet market needs, both in
innovation and non-herbal sectors.

Peresmian fasilitas penelitian terbaru: SOHO Center
of Excellence in Herbal Research (SCEHR)
Pada tanggal 13 Agustus 2015, SGH melakukan peresmian fasilitas penelitian terbaru yang disebut SOHO Center of Excellence in Herbal
Research (SCEHR) yang berlokasi di Nagra, Sukabumi. SCEHR
merupakan salah satu komponen dari SOHO yang ditujukan
untuk meningkatkan kesehatan, dan memperkuat etnis-indonesia, dan
mempromosikan kampai Seed-to-Patient market untuk produk biologi
dapat dipasarkan secara global.

Working capital reduction by 84% compared to last year and
dramatically strengthened balance sheet now showing a large net cash
capital reduction, and the balance sheet is now showing a significant
increase in net cash.

Penerapan program "Be Healthy!" for SGH employees
Starting from October 2015, SGH launched the "Be Healthy!",
allowing SGH employees to enjoy SGH product benefits while spending
much less than the normal market price.

Peluncuran program "Be Healthy!" untuk karyawan SGH
Dengan peluncuran program "Be Healthy!", karyawan SGH dapat
mensyaratkan program “Be Healthy!” yang memungkinkan karyawan SGH untuk merasakan
benefits of SGH products at a much lower price than the market.

SOHO participation in World Expo Milano (WEM) 2015
SGH participated in the World Expo in Milan (WEM)
in Aug 30th - Sep 3rd, supporting BPO in promoting natural based
products from Indonesia. SGH President Director was honored
to deliver a presentation during the business forum regarding the
Seed-to-Patient concept and its implementation in their plantation.

SOHO berpartisipasi di World Expo Milano (WEM) 2015
SGH menjadi peserta di World Expo Milano (WEM)
pada tanggal 30 Agustus - 3 September 2015, bekerja sama
dengan BPO untuk mempromosikan produk-produk
dari Indonesia. Presiden Direktur SGH diundang
di forum bisnis untuk memberikan presentasi tentang
konsep Seed-to-Patient dan implementasinya di perkebunan
SGH.

Ceremonial launch of new PVCV
SGH closed the year 2015 with the launch of new Purpose,
Vision, and Core Values (PVCV). The official launch was held on Dec 19th, 2015 at
Rawo Sumur and Pulo Gadung Head Office with the theme "Believe,
Focus, Achieve." Similar events were conducted at all PPG branches on
Dec 19th 2015.

Acerca peluncuran PVCV yang baru
SGH menutup tahun 2015 dengan melakukan peluncuran Purpose,
Vision, and Core Values (PVCV) yang baru. Peluncuran ini
dilaksanakan pada tanggal 19 Desember 2015 bertempat di kantor
pusat Rawo Sumur dan Pulo Gadung dengan tema "Believe,
Focus, Achieve." Acara ini diselenggarakan di seluruh cabang PPG
sejak tanggal 19 Desember 2015.

Award and Recognition

2015 The Law Award
SGH meraih penghargaan The Law Award 2015 dalam kategori "In-house Team of
The Year" as a result of the successful closing of the investment
agreement between SGH and Quadria Capital in partnership with DEG
(Deutsche Investitions-und Entwicklungsgesellschaft mbH), a
German development finance institution.

2015 The Law Award
SGH meraih penghargaan The Law Award 2015 dalam kategori "In-house Team of
The Year" sebagai hasil dari kesuksesan penandatanganan perjanjian kerja sama antara SGH dan
Quadria Capital bekerjasama dengan DEG (Deutsche Investitions-und Entwicklungsgesellschaft mbH), institusi keuangan
asal Jerman.
2015 Project Highlights

Fostering innovation is critical to future success, therefore during 2015 SGH continued to improve business processes and invest in several innovative initiatives to drive sustainable performance and growth.

Power of One

A special task force called “Power of One” has been put in place to better align the efforts of our Healthcare and PPG teams. This initiative is our attempt to link strategy to operations, break silos and close execution gaps and reap the powerful synergies deriving from acting as one SGH.

Cash Cycle Task Force

During 2015 we continued the work we started since Q3 2014 with the set up of the Cash Cycle Task Force. This task force aims at achieving structural working capital reductions especially in Distribution and Manufacturing. Thanks to this project in 2015 we could reduce our Net Working Capital by 11% compared to 2014, generating free cash flow and creating headroom in our balance sheet to fund growth opportunities.

SCEHR applying Seed-to-Patient concept

SGH, leveraging an innovative integrated collaboration among various stakeholders called ASCG - Academy, Business, Community, Government - is pioneering in Indonesia the Seed-to-Patient concept to ensure consistent quality of natural-based products. In August 2015 SGH officially inaugurated its newest research facility: the ASCG O Center of Excellence in Herbal Research (SCEHR) located in Negara, Sukabumi. This is an important milestone to continuously strengthen our portfolio of natural products and, at the same time, giving back to the community.

Customer Multiple Touch Points

SCH continues to build brand equity in the OTC space via switches and market expansion efforts. Following the successful switch of Imbecol, in January 2015 SGH switched to OTC OSTÉ FORTE. In late 2015 SGH expanded into a new category with the launch of Renovakol, that intends to target the big opportunity represented by the skin supplement market.

Natural Business Building Network

Part of our commitment to the highest levels of compliance in conducting business, we continued to invest by professionally engaging HCPs and creating awareness about naturals among both prescribers and consumers. After a series of Natural Wellness symposium during 2014, during 2015 we started the initiative to set up a Respiratory Advisory Board and an Antioxidant Advisory Board.

Membangun Jaringan Bisnis Berbasis Natural

Sebagai bagian dari komitmen kita untuk menempatkan bisnis dengan standar internasional, Compliance yang tinggi, kita terus bervariasi dan mendirikan jaringan bisnis yang melibatkan para profesional kesenian di seluruh Indonesia dan membentuk kesadaran akan produk alami dari berbagai dokter masal dan konsumen. Selain melakukan serangkaian sumpah Natural Wellness di tahun 2014, selama tahun 2015 kita memulai inisiatif untuk membentuk Respiratory Advisory Board dan Antioxidant Advisory Board.
Group Review

Sejarah

PT Ethica Industri Farmasi founded by Mr. Tan Tjhoen Lim as an injectables focused pharmaceutical company.

Tan Tjhoen Lim mendirikan PT Ethica Industri Farmasi sebagai perusahaan farmasi yang berfokus pada produk injeksi.

PT Parit Padang (currently PT Parit Padang Global) was established as the distribution arm of the business.

PT Parit Padang (kini PT Parit Padang Global) didirikan untuk melayani distribusi bagi Grup beserta usaha terkaitnya.

- OTC business expanded to Consumer Health products
- First exports to international market
- SOHO Group (currently SOHO Global Health) was established as the Group’s holding company
- Produk Consumer Health diluncurkan sebagai perluasan dari produk OTC
- Melakukan ekspor ke pasar internasional untuk pertama kalinya
- SOHO Group (kini SOHO Global Health) didirikan sebagai perusahaan induk bagi Grup

- Formed a Joint Venture with Fresenius Kabi, a global leader in Injectable Generics through the sale of a 51% stake in PT Ethica Industri Farmasi
- Natural Wellness: Harnessing nature for a healthier Indonesia.
- Ethica Fresenius Kabi (EFK) didirikan sebagai Perusahaan Patungan dengan Fresenius Kabi - sebuah perusahaan kesehatan global yang menguasai pasar Generik Injeksi - melalui pembelian 51% saham PT Ethica Industri Farmasi.
- Natural Wellness: Mengembangkan potensi alam untuk Indonesia sehat.

1946

1951

1956

1992

PT Soho Industri Farmasi was established as the pioneer and trend-setter in the use of natural products in prescription market.

PT Soho Industri Farmasi didirikan sebagai pionir dan pelopor dalam penggunaan produk alami di pasar obat resep.

- Embrace new Purpose, Vision and Core Values (PVCV) as guiding principles in growing business towards aspiration.
- Announced partnership with Quadria Capital, a growth focused private equity fund with healthcare industry & regional specialization.

2006

2009

2013

2015

PT Universal Health Network (Uniohealth) was established to expand consumer touch points via multilevel marketing/direct selling.

PT Universal Health Network (Uniohealth) didirikan untuk memperluas jangkauan kepada konsumen lewat jalur multilevel marketing/jualan langsung.

- Menerapkan Purpose, Vision dan Core Values (PVCV) yang baru sebagai pedoman dalam mengembangkan bisnis ke arah yang diajarkan.
- Mengumumkan kerjasama dengan Quadria Capital, lembaga pendanaan khusus yang bergerak di bidang healthcare dengan spesialisasi di kawasan regional.
SGH at a glance

SGH, founded in 1946, has established its reputation as a pioneer in natural medicine, currently market leader in kids multivitamin with 35% market share. In 2013 we were able to ink a landmark agreement for a joint venture with a German healthcare company, Fresenius Kabi.

SGH has focused its business in two business units: Healthcare, and Commercial. Also expanding to the Medical Device and Medical Equipment segment to enhance our business portfolio. Supported by over 2700 employees, SGH maintains coverage of 90% of the targeted doctors, while distribution reaches over 41,000 outlets nationwide.


SGH memfokuskan bisnisnya dalam dua unit usaha, Healthcare, dan Commercial. SGH juga memperluas portofolio bisnisnya ke segmen Medical Device dan Medical Equipment. Didukung oleh lebih dari 2700 karyawan, SGH menjangkau jaringan rumah sakit dengan cukup sekitar 90% dari dokter yang ditargetkan, serta distribusi yang mencapai lebih dari 41,000 outlet secara nasional.

SGH Footprints

- **Branches**
  - Jakarta 1
  - Jakarta 2
  - Jakarta 3
  - Bogor
  - Tangerang
  - Bandung
  - Cirebon
  - Semarang
  - Solo
  - Yogyakarta
  - Surabaya
  - Medan
  - Palembang
  - Banjarmasin
  - Samarinda
  - Palangka
  - Pontianak
  - Batam

- **Sales Offices**
  - Purwokerto
  - Tegal
  - Tasikmalaya

- **Sub Distributors’ Areas**
  - Ambon
  - Seredi Aceh
  - Sambas
  - Kupang
  - Lombok
  - Manokwari
  - Ternate
Tan Eng Liang

President Commissioner, SGH since 1997

Eng Liang Tan received Postgraduate Master degree in Management from the University of Bradford, England and German degree as Diplom Physiker (equivalent to MSc) in Physics (specializing in Nuclear Physics) from the University of Bochum, Germany.

Abrar Mir

Commissioner, SGH since 2015; Co-founder and Managing Partner, Quadria Capital.

Abrar is actively involved in managing Quadria Capital and serves on the fund’s investment Committee. Abrar currently serves on the boards of Medica Synergy, Soho Global Health, Onius Investments and MedialInvestment Holdings. Prior to founding Quadria Capital, Abrar was Global Head of Healthcare at Reilagre Capital Markets. Before that he was a Managing Director at Bank of America Merrill Lynch in London where he was part of the senior leadership team that led the bank’s healthcare investment banking strategy in Europe and Emerging Markets. Abrar received a MPhil in International Law from the University of Cambridge and is fluent in five languages.

Darodjatun Sanusi

Commissioner, SGH since 2015; Executive Director of Association of Indonesia Pharmaceutical Company.

Drs. Darodjatun Sanusi, MBA, has been served as Commissioner of PT Mustika Ratu Tbk since 2002. He also served as the President Director of PT Kimia Farma Tbk from 1997 to 2002 and of PT. Bio Farma from 1998 to 1998. He graduated his first Stratum education majoring Pharmacy at Bandung Institute of Technology in 1971. In 1975 he graduated from Post Graduate Course at State University of Gent, Belgium and then in 1991 he completed his education in Antwerp, Belgium as Master of Business Administration.

Roegielio La O’ (Cooey)

President Director, SGH since 2014

MBA from London Business School, MSc in Management

Piero Brambati

EVP, Finance, SGH since 2013

MBA from INSEAD Singapore, MBA degree from ESC Lille, France

Ludovic Toulemonde

SEVP, Healthcare BU since 2015

Advanced Management Program (AMP) from INSEAD Singapore, MBA degree from ESC Lille, France

Rick Gouw

SEVP, Commercial BU since 2014

MBA degree from Northwestern University

Made Dharma

EVP, Supply & Operations since 2014

Master in Management from PPM GEM Jakarta, BSc in Chemical Engineering from UGM Yogyakarta

Denny Charlie

EVP, Business Technology since 2012

MSc in Industrial Engineering from Iowa State University

Herlina Permatasari

EVP, Human Capital Development & Public Affairs since 2003

Psychology degree from Bandung University

Yuliana Tjhai

EVP, Legal & Compliance since 2014

Law degree from University of Indonesia and Master Degree in International Commercial Law from University of Nottingham
Tan Eng Liang
President Commissioner
SOHO Global Health

I strongly believe in a future Indonesian pharmaceutical industry where the government will set and strictly enforce clear rules and boundaries and SOHO Global Health will take the lead. We have already made the difficult choices necessary to position us to operate in this coming market environment.

I’m pleased with the steps we took to adjust to the challenging market conditions in 2015. We quickly adapted to solid execution to dramatically reduce working capital, closely manage costs, drive efficiencies in our operations and leverage technology to adapt the changing business needs – partly by implementing SAP.

I have no doubt that, during 2015, we took timely and prudent actions on the major business levers we could control. I commend our employees for their efforts and commitment during a volatile time.

Our strategy focuses on natural medicines that cannot go wrong. Indonesia has a tremendous variety of indigenous herbs which are still completely under-exploited. People are living longer, more health-conscious than before with a focus on disease prevention. Naturals are widely considered safer and offer side effects than chemical drugs, thus the opportunities within naturals are very promising. We are continuing to build our expertise in naturals and we are working closely with BPOM to harness indigenous herbs from Indonesia.

In late 2014 we signed a partnership agreement with Quadra Capital (OCQ), a leading Asian healthcare investment firm. A year has passed and the partnership is providing great benefits since QC is bringing not only capital, but also expertise and a strong industry network. Thanks to this partnership we now have access to larger opportunities for organic growth and we are working hard to prepare SOHO for an IPO. I really want to see the IPO successful as planned and I want all the staff together with the shareholders to understand that we are all on the same boat and heading in the same direction.

Change is happening at an accelerating pace these days; speed and innovation are key. To this regard, we have a strong collaboration in place with SF Research.

2015 was a year of progress from a financial result perspective although progress fell short of our initial expectations and roadmap. A combination of end market softness, heightened competitive pressures in several segments where we operate and shift in consumer preferences made 2015 a year filled with challenges. However we didn’t just manage to weather a difficult environment, but we steadily worked to poise SOHO Global Health to continue in an era of profound structural changes.


We had a series of strategic and tactical efforts to pre and post IPO. Here is the company’s progress for the year:

- We had a strong start to the year with solid execution on our key strategic initiatives.
- We continued to focus on increasing our market share in the local market.
- We made significant progress on our international expansion plans.
- We strengthened our relationships with key partners and customers.
- We achieved several important regulatory milestones.
- We continued to invest in our people and talent.

Moving ahead, our focus will be on executing our strategy and accelerating our growth. We are committed to delivering strong financial performance and creating value for all stakeholders.

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Tan Eng Liang
President Commissioner
SOHO Global Health

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Tan Eng Liang
President Commissioner
SOHO Global Health
SOHO Global Health brand franchises continue to dominate their segments. I share two of many examples. We are still the leader in kids multivitamins with a 35% market share and our Filikom franchise has re-established its growth trend with several tweaks in our product offerings. Imboco has steadily outperformed the industry and is now among the top pharmaceutical products in Indonesia. 2015 audited consolidated financial report posted a slight decrease in net revenues as a result of the multiple headwinds and challenges we faced, yet we have been doing a very solid job in managing costs and working capital. Our savings and efficiency programs, combined with the efforts we have made to drive profitability in many areas of the business, enabled us to end the year with an improvement in core operating costs of 10%. Tight control of working capital contributed to a IDR 400 billion operating cash flow delivery for the full year, which is unprecedented for a company that has consistently seen negative cash flows in the past.

Refusing to let tough external conditions deter our course for the future, we took swift action to restructure our organization, make the necessary adjustment to our planned strategy, redesign processes, kick start innovative initiatives and make the investments needed to return to our long-term growth targets.

REIGN MENTUM

In 2016 we need to reign momentum and deliver market share. We are re-focusing on our core products to better leverage our strong brand equities. Imboco, Filikom, Diapet, Ashin Force and Curuma Plus are core for us and we will invest more and look for opportunities behind those brands. We will stay disciplined in managing our cost base and implement initiatives in line with planned budgets. Specifically, we will implement SAP for Merk-i-merk produk unggulan SOHO Global Health terus mendominasi segmen pasar. Saya hanya akan berbagi cerita tentang dua diantaranya. Kita terus memimpin pasar multivitamin anak dengan 35% pangsa pasar dan salah satu produk unggulan kita, Filikom bertumbuh dengan sangat pesat. Imboco terus mendominasi performa yang prima dan kini masuk dalam kategori top produk farmasi di Indonesia. Laporan keuangan tahun 2015 hasil audit mencatat sedikit penurunan penjualan neto sebagai dampak dari beragam tantangan dan kendala yang kita hadapi, namun kita berusaha mengendalikan biaya operasional dan menerapkan program kerja. Program penghematan dan etisnis yang kita lakukan, diikompensasikan dengan upaya untuk meningkatkan profitabilitas di beberapa area bisnis yang penting, telah menampakkan kenaikan pertumbuhan 7% meskipun dengan menurunnya penjualan biaya operasional sebesar 10%. Upaya ketat pengendalian modal kerja yang kita lakukan telah berkontribusi terhadap peningkatan keuntungan ppostit, peningkatan laba bersih konsolidasi 10%.

Tidak membantu kondisi pasar yang sulit menghambat upaya kita meraih kesuksesan masa depan, kita menganalisis fraksi pasar untuk menentukan strategi, melakukan langkah anti-pasar dan menyusun strategi marketing proyek-proyek inovatif dan melakukan investasi yang diperlukan untuk meningkatkan pencapaian target pertumbuhan jangka panjang.

REGAIN MENTUM

Di tahun 2016 kita perlu memenangkan kembali momentum dan meningkatkan pangsa pasar. Kita akan

Distribution in PPG and drive automation in key areas of the business. We will start nationwide implementation of the “Power of One” project, a collaboration initiative to better align Healthcare and PPG in winning the battle. Finally, we will jump start inorganic initiatives to build multiple engines of growth for the future. Overall, these steps will allow us to speed up decision making and enhance our focus — both of which will help unlock growth. We’ll also have a more nimble organization, one better equipped to outpace the change happening in our industry. We have made significant progress in many areas of the business during recent years, but it is a mark of how fast the environment is evolving that, to remain agile and effective, we need to step up our efforts continuously.

PASSION FOR INNOVATION

Innovation should be at the core of our daily activities. It is a culture that needs to be instilled beginning with the Leaders — particularly behavior and attitude towards concepts, initiatives, processes, etc. Leaders need to ensure that the organization — and encourage innovation. We need to generate real value out of genuine new ideas, not just follow what was done last year or what some competitors have recently did. Of course enabling innovation starts with me, and it is part of our core values.

COMPLIANCE AND INTEGRITY

Our culture and commitment to compliance in everything we do has never been stronger. Operating with integrity is what our stakeholders — including consumer/patients we serve and their families — expect from us and depend on. The Advisory Boards — that we have set up to build a strong KOL endorsement for some of our key natural products — is a good example of our way to engage KOLs following the strictest international standards, kembali berfokus pada produk-produk unggulan kita dan memanfaatkan efek eksternal yang kita saji kuantitatif di pasar. Imboco, Filikom, Diapet, Aslin Force dan Curuma Plus adalah produk unggulan kita dan kita berusaha melakukan investasi yang lebih besar dan mengalami potensi di pasar produk kita. Kita akan menambahkan produk “Power of One” secara nasional, sebuah proyek kolaborasi antara Healthcare dan PPG untuk memanfaatkan pasarnya dalam kecenderungan di produsen produk. Tidak lahap tentang insaf kita, kita akan fokus pada risalah untuk mendukung pertumbuhan organisasi segera kita dapat membangun mesin pertumbuhan yang berkelanjutan.


PASSION FOR INNOVATION

Innovasi harus menjadi pusat dari aktivitas kita setiap hari. Ini adalah batasan yang perlu diteliti dan direkonstruksi melalui dari para pemimpin — Mungkin ada titik kritis yang ingin kita perbaiki. Kita tidak ingin menghabiskan keuangan dan biaya yang kita keluarkan untuk melakukan inovasi. Kita akan terus berusaha mensinergisasi inovasi ini dengan kinerja bisnis kita.
Our robust compliance program will continue to evolve as we anticipate and mitigate potential challenges that may arise in our ever-changing operating environment, but our core commitment to compliance and integrity will remain our priority.

We don’t expect to see any significant or immediate improvement in the overall market. For that reason, we remain prudent in our approach and single-mindedly focused on building the resilience and the agility of our business portfolio and our organization. We made good progress on those fronts in 2015, which gives me further confidence that we can continue to deliver on our objective of consistent top and bottom line growth. I want to thank all our wonderful 2,700+ employees for their commitment.

SGHD Global Health today has a strengthened R&D pipeline; a leaner, more efficient organization; and a stronger corporate culture.

memberikan semangat untuk mendorong inovasi di area lain. Kita perlu menciptakan nilai dari ide-ide baru yang inovatif, bukan hanya meluaskan apa yang sudah dikerjakan tahun lalu atau mengembangkan apa yang dilakukan pada tahun sebelumnya. Tentunya inovasi dimulai dari sisi yang tidak biasa dan ini adalah bagian dari nilai-nilai utama kita.

**COMPLIANCE AND INTEGRITY**

Eksis kerja dan komitmen kita atas kepatuhan (compliance) dalam segala hal yang kita lakukan belum pernah lebih kuat dan saling saling. Meningkatkan bisnis dengan perubahan integritas adalah apa yang diharapkan para pemangku kepentingan — termasuk konsumen/pasien yang kita layani dan kelayakan mereka. Advisory Board — yang telah kita inisiasi untuk membangun lingkungan yang disediakan dari KOL (Key Opinion Leader) untuk mendukung produk natural kita — adalah salah satu contoh upaya kita untuk menjamin hubungan dengan profesional kesehatan dengan perubahan integritas dan kepatuhan terhadap standar internasional. Program-program kepatuhan yang kita pahami akan fokus memperhatikan dengan antusiasme dan mitigasi kita atas potensi tantangan yang mungkin timbul dari lingkungan yang dinamis, namun komitmen kita atas kepatuhan dan integritas akan tetap menjadi prioritas kita yang paling utama.

Kita tidak dapat berharap kondisi pasar membaik dengan segera. Oleh karenanya kita terus menerapkan prinsip keahlian dan fokus sepenuhnya pada upaya untuk membangun keahlian bisnis dan kesehatan organisasi. Kita telah mencapai progress yang signifikan dalam upaya kita di sepanjang tahun 2015, yang memberi saya keyakinan bahwa kita akan mampu mencapai tujuan dan target pertumbuhan penjualan dan profitabilitas yang kita konsisten. Saya harap mengungkapkan timura kasih atas komitmen 2700+ karyawan SGHD. Kita SGHD Global Health memiliki pipeline pengembangan produk baru, yang makin kuat, organisasi yang ramping dan efisien serta badan perusahaan yang makin kuat.
Market Trend & SGH Position

Indonesia Pharmaceutical Market Trend

Total Market MAT Values (IDR billion)

Indonesia pharmaceutical market has grown at 4.7% in MAT Q4 2015, though a 8% growth driven by OTC while CPT market posted negative growth (-0.67%).

Pasar farmasi Indonesia bertumbuh sebesar 4.7% pada MAT Q4 2015, mencapai IDR 62.9 Trillion, didorong oleh pertumbuhan pasar Ethical 8% sementara pasar OTC mencatat pertumbuhan negatif -0.67%.

Total Market Growth (%)

<table>
<thead>
<tr>
<th>MAT 4Q15 vs MAT 4Q14</th>
<th>TOTAL</th>
<th>MNC</th>
<th>DOMESTIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>4.66</td>
<td>12.24</td>
<td>1.94</td>
</tr>
<tr>
<td>Ethical</td>
<td>8.19</td>
<td>17.32</td>
<td>3.58</td>
</tr>
<tr>
<td>Ethical branded</td>
<td>6.55</td>
<td>17.58</td>
<td>-0.64</td>
</tr>
<tr>
<td>Unbranded generic</td>
<td>16.79</td>
<td>-1.44</td>
<td>17.32</td>
</tr>
<tr>
<td>Free Sales</td>
<td>-0.67</td>
<td>-4.27</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Vitamin Market Trend

<table>
<thead>
<tr>
<th>Vitamin Market Trend</th>
<th>MAT Dec 2014 (IDR billion)</th>
<th>MAT Dec 2015 (IDR billion)</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Adult Children</td>
<td>2015.6</td>
<td>2031.2</td>
<td>0.6%</td>
</tr>
<tr>
<td>Adult</td>
<td>580.3</td>
<td>583.1</td>
<td>0.6%</td>
</tr>
<tr>
<td>Children</td>
<td>1435.3</td>
<td>1448.1</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

The Vitamin market reached IDR 2,031.2 Billion as per MAT December 2015, posting a flattish +0.6% growth in volume y-o-y.

The Pertumbuhan produk vitamin mencapai IDR 2.0 Triliun pada MAT Desember 2015, mengalami penurunan sebesar 1.9%.

Children vitamin category continued to decline with negative growth of -1.9%.

Kategori Multivitamin Anak mengalami penurunan pertumbuhan sebesar -1.9%.

SGH Top brands Performance

Top 10 products in Indonesia Pharmaceutical Industry

SGH Top products in Kids Multivitamin Category

SGH Brands

<table>
<thead>
<tr>
<th>SGH Products</th>
<th>Rank</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Curcuma Plus</td>
<td>1</td>
<td>13.9%</td>
</tr>
<tr>
<td>Fitkom</td>
<td>3</td>
<td>12.8%</td>
</tr>
<tr>
<td>Curvit Syrup</td>
<td>11</td>
<td>2.7%</td>
</tr>
<tr>
<td>Imboost Syrup</td>
<td>7</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

SGH continues to lead in the kids multivitamin category with 35% share.

Imboost (total Imboost franchise) outperformed the industry and sits in 2nd place selling products in pharmaceutical industry.

SGH is the best seller in Indonesia with 35% market share.

Imboost (total Imboost franchise) is the best seller in Indonesia with 35% market share.
Our Operations

SGH's three primary operating segments consist of Distribution, Sales & Marketing and Supply & Operations.

**Distribution**
- Overview
  - Distributing products with 60 years long track record for Principals, ETHICAL, OTC/Consumer and Medical devices/medical equipments
  - Distribution network covers over 50% of Indonesia's major cities

**Sales & Marketing**
- Overview
  - Natural medicine OTC and distinctive natural based OTC and consumer health products
  - Leading in kids multivitamin and diarrhea category

**Supply & Operations**
- Overview
  - SGH manufacturing operations are focused primarily on non-sterile oral pharmaceutical products and OTC products
  - Manufacturing operations are carried out on a site with an area of about 22,000 sqm.

**Certificate and Recognition**
- GSPD Certificate from Société Générale de Surveillance
- ISO 9001:2008

**Capabilities**
- GSPD Certificate from Société Générale de Surveillance
- ISO 9001:2008

**Warehouse**
- 2 distribution centers
- 2-8°C for cold chain storage

**Distribution Network**
- 92 distribution points (branches, sales offices and sub-distributors)

**IT Enablement**
- MSA (Mobile Sales Application): Automation for ordering purposes
- Gitview: Centralized database management dashboard report with daily information updated

**Output**
- Market Share
  - Kids multivitamin: 38%
2015 was an important transitional year for SOHO Global Health. In line with our strategy, significant progress was made in positioning the group for accelerated profit in higher margin, growing businesses.

As we begin 2016, we remain firmly focused on improved profitability, good returns and growth. Our strategy to achieve this encompasses two main strategic themes:

• Sustainable growth
• Professionalism

Kita memulai 2016 dengan tetap fokus terhadap peningkatan profitabilitas, pendapatan dan pertumbuhan perusahaan. Strategi kita untuk mencapai tujuan tersebut diterjemahkan ke dalam dua tema strategis:

• Pertumbuhan yang Berkesinambungan
• Professionalisme
Our healthcare solutions touch the lives of millions of people in Indonesia, create direct employment for 2700+ people and indirect employment for hundreds of others, have a positive impact on communities and generate significant economic benefits.

As part of the worldwide community, we are working on initiatives to fully implement Environmental, Social and Governance (ESG) Management System, an integrated system to manage environmental aspects including health & safety, social and governance aspects. The system also manages impacts and risks of the operational activities, from plantation, manufacturing and the distribution activities, to third parties that provide products and services to our company (e.g. contractors, suppliers, consultants). The ESG Management System refers to the International Finance Corporation (“IFC”) Performance Standards, Environmental Health Safety Guidelines (“EHS”), and all applicable rules and regulations in Indonesia.

CUSTOMERS

As a pioneer in natural herbal-based medicine, SGH is striving to ensure the highest quality of its natural-based products. It’s our commitment to improve the health of Indonesians by harnessing Indonesia’s natural wealth and indigenous plants.

Delivering on this promise, we implement the Seed to Patient concept for our Curcuma products, in which the group controls the entire process from seedling, extraction, and manufacturing all the way up to delivery to customers/patients. We take great care in maintaining and developing each part of the entire value chain, starting from where we obtain our raw materials, the plantation.

As a basis for the community's spirits and health, SGH provides support for health-related/charity events. In line with the company’s objectives, CSR activities related to public health were realized by providing free medical treatments regularly in some areas in Indonesia with a particular focus on communities surrounding our operations such as Jakarta, Sukabumi, Pasambahet, Medan, and Yogyakarta. In addition, SGH also donated medical facilities for Beliniy Medical Center in Bangka Belitung.

In the form of product sponsorship, SGH provides product support for health-related/charity events including event held by HIMNATA (Street Children Education) in Pampang, Eco Kids Camp Site in Banda Aceh, Production ceremony of TK Moli Bagi Bangsa and work in collaboration with Perhimpunan Persatuan Duta Ushawon Katolik Indonesia (Dorduki) in the event "No Thanksgiving Without Care".

We are also working closely with the Bogor Institute of Agriculture (IPB), an educational institution which focuses on agricultural research and Nagapr Organic SR Center (NOSC), an agricultural practices support to provide agricultural training to the people of Tualang farmers in Nagapr Village, Cibadak-Sukabumi. Technical Good Agricultural Practices (GAP) training was provided to cultivate temulawak, harvest, and post harvest processes and to transform organic waste from plantations/household into organic fertilizer. In 2014 25 farmers received the training, and this number increased to 50 in 2015.

We value high performance. This is why we are investing in our people to learn, grow, and to have a productive career with SGH. A significant portion of training and development spend is allocated according to business needs. Ensuring that our people have an understanding of safety first in everything they do is a business imperative. Occupational Health and Safety (OHS) are in place whereas staff make use of personal protective equipment (PPE) such as safety glasses, gloves, facemasks, gogos, and caps in manufacturing site.

People

KARYAWAN

Kami menganggap kinerja tinggi. Inilah alasan mengapa karyawan kita dinilai sebagai karyawan yang berperilaku baik, memiliki nilai-nilai yang baik, dan membawa kecemerlangan yang produktif. SGH menawarkan training dan program pengembangan diri sesuai dengan kebutuhan tim.

Mencakup karyawan kita memutuskan keterampilan kerja dalam sejalan hal yang mereka kerjakan adalah hal yang tidak dapat dilanggar. Kesehatan dan keselesaan kerja atau Occupational Health and Safety (OHS) telah ditetapkan sehingga karyawan dibutuhkan menggunakan Alat Pelindung Diri (APD) seperti sarung tangan, masker, kacamata, dan topi di lokasi produksi.
Karyawan dan Lingkungan Kerja di SGH

During 2015 we hire 450+ new employees (excluding replacement) in the entire organization resulting significant economic downturn all over the country. Among 2700+ people we employed, 900+ are women employees, a significant portion from this improvement that showcased our commitment to diversity.

CARE FOR PLANET

The manufacturing facility has a dedicated wastewater treatment plant that is operating well within capacity and complies with local regulations. An adequate control on the storage, handling, and disposal of hazardous materials used in the production process is in place and complies with all relevant regulations. In addition we are starting to implement procedures for reducing and recycling general waste, also focusing our resource efficiency initiatives on converting boilers from diesel to dual fuel i.e., natural gas for pollution prevention.

1. Emission

Carbon dioxide (CO2) is the primary greenhouse gas emitted through human activities. Carbon dioxide is naturally present in the atmosphere as part of the Earth’s carbon cycle (the natural circulation of carbon among the atmosphere, oceans, soil, plants, and animals). Human activities are altering the carbon cycle—both by adding more CO2 to the atmosphere and by influencing the ability of natural processes, like forests, to remove CO2 from the atmosphere. While CO2 emissions come from a variety of natural sources, human-related emissions are responsible for the increase that has occurred in the atmosphere. Significant CO2 reduction was generated from various saving initiatives during 2014-2015 in our site.

2. Energy

The main human activity that emits CO2 is the combustion of fossil fuels (coal, natural gas, and diesel) for energy and transportation, although certain industrial processes and land-use changes also emit CO2. Reducing energy usage such as electricity, fuel and gas will also reduce CO2.

Main activities in energy reduction during 2014-2015:

- **Electrical**: Reducing electricity usage in Chill system
- **Fuel**: Energy Conservation from diesel fuel tanks
- **Water**: Water usage optimization

3. Hazardous Waste

Hazardous waste was produced from residual production activities such as liquid and solid products, contaminated goods, and expired medicine. Hazardous waste decreased by 55.24% compared to 2013.

Improvement of production yield was one of various initiatives to decrease hazardous waste.

4. VOC Emission

Volatile organic compounds (VOCs) are organic chemicals that have a high vapor pressure at ordinary room temperature. Their high vapor pressure results from a boiling point, which causes large numbers of molecules to evaporate or sublime from the liquid or solid form of the compound and enter the surrounding air, a trait known as volatility.

Main activities of VOC reduction initiatives during 2014-2015 were material replacement of solvent base to water base, and also reduction of diesel fuel usage.

5. Asbestos

Based on HIPERKES K3 AOM analysis 2013 in Centralized Utility Building, material has used as roof and insulation consists of chrysotile where that material is asbestos.

During 2015 we addressed this concern by removing asbestos material and replacing with insulation non asbestos material at Building of central utility, (roof) and exhaust piping electrical backup diesel generator (insulation).

2. Energi

Kejadian utama manusia yang menganalisis CO2 adalah pembakaran bahan bakar fosil (batu bara, gas, dan minyak) untuk energi transportasi, mesin pencetakan industri, serta pembuangan gas buang yang berasal dari kegiatan penggunaan energi seperti listrik, bahan bakar dan gas, yang telah melakukan upaya mengurangi CO2. Kejadian utama dalam upaya mengurangi energi sepanjang tahun 2014-2015 adalah:

- Listrik: Mengurangi penggunaan listrik pada sistem chiller.
- Bahan Bakar: Pengurangan penggunaan bahan bakar di gas.
- Air: Optimalisasi penggunaan air.

3. Limbah berasap dan bercorak


4. Emisi VOC

Sinyawa organik volatil merupakan bahan kimia organik yang mempunyai kecenderungan menguap (vaporize) dari titik diding rendah yang menembus sejumlah bahan plang selaput atau sublimasi dari cair atau padat dan memasuki udara di selah batas, atau di luar yang dihormati dengan volatilitas.

Sejumlah inisiatif untuk mengurangi emisi VOC telah dilakukan sepanjang tahun 2014-2015 dengan penentuan konsentrasi bahan baku untuk material tiang, serta pengurangan penggunaan bahan bakar.

5. Asbestos

Berdasarkan analisis HIPERKES K3 AOM 2013 di Centralized Utility Building, material yang telah digunakan sebagian besar berasal dari bahan asbestos, baik atas (roof base) maupun bahan bakar (water base), serta pengurangan penggunaan bahan bakar diesel.

Pada tahun 2015 kita telah mengembangkan inisiatif dengan mendirikan unit dan menggantinya dengan bahan isolasi non asbestos di bangunan central utility (roof) dan kipas pita diesel generator cadangan listrik.
IMBOOST is an Immuno-booster with accurate dose for various illnesses caused by virus/bacteria/fungus.

OSTE FORTE is a supplement to help maintain Joint-Health, made from Natural Ingredients: GLUCOSAMINE & CHONDROTIN, with Vitamin C, Manganese, Magnesium and Zinc.

FITKOM fulfills kids’ vitamins needs in their growing age and maintains health.

LAXING is made from natural ingredients to help promote bowel movements and ease the digestive system.

CURCUMA PLUS products consist of Milk and MultiVitamins which have been specifically formulated for kids aged 1 year and up, with the combination of natural ingredients Curcuma and complete nutrients to help kids grow healthy. Curcuma PLUS offers complete variants, helping children to develop bone & teeth, maintain appetite and immunity, and fulfill their daily fruits and vegetables needs.

ASTHIN is the strongest and safest antioxidant without any pro-oxidant that helps to prevent and treat symptoms of diseases related to free radicals.

AQUA MARIS is a Nasal Spray sourced from the Adriatic Sea Water which has a higher mineral content with APF Pump technology. Helps to clean the nose every day, allergic rhinitis and post operative nasal therapy.

DIAPET is made from natural ingredients to reduce bowel movements frequency.

MAGOZAI is an antioxidant from 7 natural ingredients with highest ORAC score which are beneficial to help maintain health and reduce the risk of degenerative diseases.

ASTA-GEN is an anti-aging molecules from the highest source of antioxidants - natural astaxanthin, that protects the whole body organs.

PROSPAN unique actions of secretolytic and bronchodilator in relieving productive cough is well defined in the cellular level. Making PROSPAN as one of the first natural medicine with a clear pharmaceutical grade mode of action explanation.

CURVIT is the best choice for boosting appetite, maintaining body immune system and helping the development of

LEGRES is an anti-aging molecules from the highest source of antioxidants - natural astaxanthin, that protects the whole body organs.

HEZZEL FARM MULTIVITAMIN are supplement for maintain your healthy joint, brain, eye, teeth and bone, decrease blood fat level, to meet essential vitamins and minerals requirements, and protect the body from viral and bacterial infections.