

# INDONESIA – A Nation with a Healthy Ambition



In October this year, Prabowo Subianto was elected to lead the world's third-most-populous democracy when he became Indonesia's eighth President. The country's enormous labor force will be one of the crucial drivers of its economic growth. Indonesia is currently experiencing a demographic dividend as a large proportion of its population enters the workforce. This demographic shift is fueling economic activity, increasing productivity and driving consumer spending.

To capitalize on this demographic boon, the Indonesian government is investing heavily in infrastructure development. Megaprojects, such as the Jakarta-Bandung High-Speed Railway and Nusantara International Airport, are reshaping the nation's landscape. These initiatives aim to enhance connectivity, reduce logistics costs and attract foreign investment.

Indonesia's tech sector is booming. Homegrown companies like Gojek and Tokopedia are disrupting traditional industries. The government's support for digital innovation, coupled with a growing internet-savvy population, has created fertile ground for startups and e-commerce. With a valuation exceeding \$10 billion, Gojek has expanded its services to include food delivery, financial services and logistics, while Tokopedia is now one of Southeast Asia's largest e-commerce platforms.

The advanced electronics sector is also experiencing rapid growth. Industry heavyweights like Samsung and LG have a significant presence in Indonesia, producing a range of electronic products, including smartphones, televisions, and home appliances. Indonesia's burgeoning tech scene has also given rise to a plethora of innovative companies, particularly in the fintech sector. Primarily known as a ride-hailing app, Gojek has expanded into a diverse range of services, including food delivery, payment solutions and financial services. OVO, a leading digital wallet in Indonesia, offers various financial services, such as bill payments, money transfers, and investments. Another major e-commerce platform in Indonesia, Bukalapak, has also ventured into fintech services, including payment solutions and lending.

The healthcare sector is another bright spot. The government's focus on universal healthcare coverage, known as the National Health Insurance (JKN), has improved access to quality medical care for millions of Indonesians. The JKN program has significantly reduced out-of-pocket healthcare expenses, particularly for low-income families. Government spending on healthcare has increased steadily, leading to improved public health infrastructure and services.

The pharmaceutical sector plays an essential role in Indonesia's economy, contributing to public health, economic growth and technological advancement. As Indonesia's population grows and ages, the demand for affordable and quality medicines is increasing. The government has recognized the importance of the pharmaceutical sector and has implemented policies to promote domestic production, reduce reliance on imports and improve access to essential medicines. A burgeoning middle class with increasing disposable income is driving demand for higher-quality healthcare products, including branded drugs.

As Indonesia continues to grow as a global tourist destination, the country's wellness industry is poised for further expansion. With its rich cultural heritage, stunning natural beauty, and commitment to holistic well-being, Indonesia offers a unique and transformative wellness experience.

Indonesian startups are at the forefront of medical innovation. Companies are developing cutting-edge technologies, such as telemedicine and AI-powered diagnostics, to address the nation's healthcare challenges. For example, Halodoc, a leading healthtech platform, connects patients with doctors, pharmacies and laboratories, making healthcare more accessible and affordable.

Indonesia's commitment to sustainability is evident in its ambitious renewable energy targets. The country is harnessing its abundant natural resources, such as solar, wind and geothermal energy, to reduce its reliance on fossil fuels. The relocation of Indonesia's capital to Nusantara, a planned city on Borneo Island, symbolizes the nation's aspirations for a sustainable, equitable and prosperous future. This ambitious project will drive economic growth, create jobs and showcase Indonesia's global ambitions.

Indonesia offers immense potential for investors. With its strategic location, abundant natural resources and dynamic economy, the country is poised to become a leading player in the global arena. As Indonesia continues to rise, savvy investors can reap the rewards of this emerging market.

President Prabowo has already met his counterpart Xi Jinping in Beijing and will fly to Washington to meet fellow newly elected President Donald Trump. The tour aims to "cultivate good relations with all parties," Prabowo said. His stated ambition to raise Indonesia's international profile and continue investing in key sectors is a testament to his determination to grow the economy further.



## SGH – Pioneering Indonesia's Herbal Medicine Industry

Indonesia, a nation known for its rich biodiversity, has seen a remarkable shift in its healthcare landscape toward herbal medicine in the last decade. Leading this movement is Eng Liang Tan, whose companies—PT SOHO Global Health (SGH), Soho Flordis International Health (SFI Health), MLM, Unihealth and Bionyeri—are committed to showcasing the medicinal potential of Indonesia's plant resources to the rest of the world.



Mr. Eng. Liang Tan Chairman of SOHO Global Health

In recent years, Indonesia's healthcare sector has undergone a significant transformation, with governments and policymakers developing a universal health system for accessible, quality healthcare throughout the country. At the same time, many Indonesians have turned to herbal medicine for both prevention and treatment, in line with their traditional practices of wellness known as Jamu, which has been included in UNESCO's Intangible Cultural Heritage list. In 2024, Indonesia's herbal medicine market was valued at approximately \$2.8 billion and is projected to grow annually by 6 to 8% over the next decade.

"We are seeing a significant shift in consumer behavior toward herbal remedies, driven by a desire for natural, safe and effective healthcare options," says Tan, reflecting on the broader health trends. He believes this momentum will continue, with herbal medicine gaining prominence not only in domestic markets but also internationally.

The Indonesian government has long recognized the benefits of natural remedies, classifying them into three categories: jamu (traditional herbal medicine), standardized herbal medicines, and phytopharmaka (modern herbal medicines).

This environment empowers the SOHO Group of companies to continue innovating and expanding their offerings. In Indonesia, SGH has fully embraced the country's herbal legacy, positioning itself as a leader in the herbal health sector. Its flagship products, including Imboost (an immune booster), Curcuma Force (a hepatoprotector), and Gastin Force (for digestive health), have earned it a dominant market presence within Indonesia. These products have also begun attracting international attention, further expanding SGH's footprint and financial performance. In

2023, SGH achieved double-digit growth, the same growth that SFI Health is seeing in 2024, by selling natural health products in over 50 countries.

Meanwhile, Bionyeri, an R&D company recently co-founded by Tan and Professor Gilles Guillemin, is developing new generations of natural therapies for pain management and oncology, two critical areas of global health. Bionyeri leverages Indonesia's vast biodiversity of plants and marine resources to develop innovative products backed by scientific validation. The company collaborates with prestigious Indonesian institutions such as IPB University, the National Research and Innovation Agency (BRIN), and RS Dharmais Hospital.

"Indonesia's biodiversity gives us an incredible foundation for breakthrough therapies," Tan explains. "This partnership between traditional knowledge and modern research highlights Indonesia's potential to become a global leader in healthcare innovation."

The growth potential for natural products from Indonesia and the benefits to the country are significant. With over 3,728 species of plants identified for their medicinal properties, Indonesia's natural resources provide a solid foundation for long-term growth.

From an investment perspective, Indonesia's herbal and pharmaceutical markets present a lucrative opportunity. "Investing in Indonesia's healthcare sector means investing in the future of natural medicine," says Tan, emphasizing the growth potential of companies like SGH and Bionyeri backed by the extensive global distribution capability of SFI Health.

The sector's projected growth, combined with government policies favoring local

pharmaceutical development, makes Indonesia an attractive market for investors seeking to capitalize on sustainable healthcare solutions. SFI Health's global reach in over 50 countries demonstrates the vast appeal of natural health products in the microbiome, cognitive and wellbeing categories. At the same time, Bionyeri's focus on pain management and oncology adds a significant layer of innovation, tapping into areas of critical global health importance.

At the heart of Tan's mission is not just a commercial ambition, but a genuine desire to uplift communities and have a lasting and positive impact for Indonesia.

SGH's SOHO Center of Excellence in Herbal Research (SCEHR), located in the Sukabumi highlands in West Java, is dedicated to growing and optimizing production of herbs such as Temulawak (Javanese ginger) and Echinacea purpurea. The center ensures that its herbs meet international quality and efficacy standards while their cultivation supports local farmers and communities.

Tan's vision for the SOHO Group is ambitious, grounded in the belief that the future of healthcare lies in the synergy of nature, science and spiritual values. "We are building a future where the unique strengths of SGH, SFI Health and Bionyeri bring the benefits of Indonesian herbs to the world while improving the health and wellbeing of people at home. Each organization has unique strengths, with deep respect for natural ingredients, cutting-edge scientific advancements, and faith in God at the center of our journey," he says.

Importantly, this puts Indonesia in a position to shape the future of natural and holistic healthcare across the globe.

