

Felda Wellness plans IPO

It wants to list on Nasdaq in 2015

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SAN DIEGO: Felda Wellness Corp (FWC) has announced plans to access the global capital markets through a public listing on the Nasdaq stock exchange in the first quarter of 2015.

The move is in line with its plan to become a global player in the health and biotech industry.

The company, which is a the wholly-owned subsidiary of the palm oil conglomerate Felda, just opened up its North American headquarters in San Francisco.

It hopes to raise US\$300mil (RM963.44mil) through the planned IPO.

The announcement by Felda deputy director-general of strategic resources Muhammad Sufi Mahbud, coincided with a soft launch of FWC's global brand, under the "mother brand" name FWC Formulae.

FWC said it wanted to penetrate the billion dollar nutraceuticals market, and aimed to launch its first line of herbal supplements by early next year.

It plans to distribute the new product line to 3,000 pharmacy outlets throughout Malaysia, as well as a further 10,000 outlets owned by a Malaysian company in Indonesia.

FWC is still in talks about its distribution plans for the United States. Other markets it aims to penetrate include Australia and South Korea.

The company also plans to launch a range of cosmeceuticals, and has longer term plans to add metabolic support drugs, and prescription medications on to its product line.

FWC also signed a memorandum of understanding with five companies based in three continents to develop what Muhammad Sufi described as "a hive or network of intelligence and knowledge assets" to support the company's entry into the global market.

These include a joint venture with private Australian bio-pharmaceuticals company Gordagen to develop novel supplements for exercise endurance based on tocotrienols and service contracts with:

- Neopeutics, a Bionexus status company with facilities in Penang and San Diego, as FWC's primary contract research partner

- Malaysian Genomics Resource Centre Bhd, which operates one of the largest bio-computational centres for genomics in the region

- Seeloz Inc, a California-based data mining company, which will provide FWC with a platform to analyse the retail healthcare industry and identify market opportunities to expand operations globally

- Naerok Resources Ltd, a

Seoul-based creative marketing consulting, service with a track record in developing customised, market-leading distribution channels for cosmeceuticals, for when FWC introduces its line of cosmeceuticals into the South Korean market.

The announcements were made at the 2014 BIO International Convention, held at the San Diego Convention Centre from June 23-26.

Muhammad Sufi said their presence at the convention, one of the industry's premier global biotechnology events, was to announce FWC's first step into the US market.

"We are ideally placed to spearhead Malaysia's healthcare and biotech industry and to lead the transformation of Malaysian biodiversity resources into the third mega revenue generator for our nation, beyond petroleum and palm oil," he said.

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- Muhammad Sufi Mahbud

FWC also plans to propose that the Government allow Felda Wellness Corp to lead the Malaysian healthcare biotech industry through the formation of a national body named Pharnamas Bhd in the mould of Petronas, to lead the commercialisation of healthcare and biotechnology in Malaysia.

He said Felda, together with Malaysia BiotechCorp, were to come up with a proposal to the Government, for the formation of a dedicated RM1bil biotechnology grant to build a global economic intelligence unit for botanical drug development.

The unit would provide funds to assist in gaining access to global capital markets, and consultancy services to aid foreign market penetration, and could be managed under the management of the proposed Pharnamas.

"Building on this RM1bil economic intelligence grant, we anticipate Pharnamas will be able to generate an annual global revenue of RM100bil for Malaysia, in the 20th year of its operation.

"To achieve this target, we need to build a truly global champion," he said.