

# Felda Wellness aims to list on Nasdaq by March

## US\$300M IPO: Firm looking to tap growing demand for botanical drugs, treatments

### KUALA LUMPUR

**A** GRI-BUSINESS conglomerate Federal Land Development Authority of Malaysia (Felda) is looking to tap growing demand for botanical drugs and treatments with a planned US\$300 million (RM954 million) listing of a life sciences unit on the Nasdaq exchange by March, officials said.

Its unit, Felda Wellness Corp, has chosen to list on the United States market for technology and biotech companies because of the country's well developed market for health products and US investors' familiarity with such offerings, they said.

Only one other Malaysian com-

pany has announced a Nasdaq listing — MOL Global Pre Ltd, an online payment firm that also owns social networking site Friendster Inc.

MOL is also planning to raise US\$300 million from its US IPO scheduled for this year.

"We believe that the Nasdaq and American investing community are very life sciences-friendly," said Felda's deputy director-general Muhammad Sufi Mahub.

"We should be able to secure better value on the Nasdaq than in any other stock market."

Felda Wellness has been working with a New York-based investment bank with expertise in raising funds for life sciences companies in the US.

Bankers to advise on the deal will be chosen in September

after the listing is approved by the Felda board.

The firm will launch its health products in Malaysia next month, followed by US, South Korea and Australia in January next year and Indonesia in March.

Felda Wellness will use herbal plants available in Malaysia, and exploit the therapeutic potential of palm oil produced by its parent to develop "neutraceuticals" — food and healthcare products that provide medical benefits.

Felda's listed plantation arm, Felda Global Ventures Holdings Bhd, is the world's third-largest oil palm estate operator.

"The global population will always look for an alternative option which has less side-effects. This is the vacuum we are trying to fill," Muhammad Sufi said.

"We should be able to get good market attention from the US market."

It is seeking approval for its products from the US Food and Drug Administration and aims to reap sales of US\$20 to US\$30 million in its non-Malaysian markets next year.

The products will be marketed in the form of lotions, gels, sachet drinks and cosmetics.

The global neutraceuticals market, largely dominated by the US, topped US\$140 billion in 2011 and is slated to grow to more than US\$200 billion by 2017.

"We want to explore the various plants in the Malaysian biodiversity chain and value-add them into super neutraceuticals," said Felda Wellness chief executive officer Mohd Nasir Shaffiq. **Reuters**