
Executive Summary

Based on a patented technology licensed from BIOTEC, LifeMed is a joint venture between a pediatric endocrinologist and a group of entrepreneurs who intend to bring a better quality of life to Thais by offering high quality drugs with relatively lower prices. The licensed DNA Recombinant technology provides LifeMed with a versatile production process that can be applied to produce numerous valuable drugs and medical substances.

Since our initial strong hold is in growth hormone, LifeMed will aim at this market first. The growth hormone is very vital to children with growth hormone deficiency (GHD) and short stature as well as AIDS patients. Although short stature can cause emotional harm, GHD and AIDS can cause death. Currently, about 34,000 of GHD and short stature children have been denied their chance to use growth hormone partly due to excessive prices. Approximately, 300,000 AIDS patients could benefit if the growth hormone is available to them.

LifeMed will use the DNA Recombinant technology to produce growth hormone under brand name Lifetropin®. Our growth hormone will be the same quality and use application as those existing in the market. Therefore, there is no new learning among medical doctors and patients in using our growth hormone. They just switch to a comparable drug with lower expenses.

Staffed by well qualified personnel in R&D, production, marketing, and management who have experience in the medical industry, LifeMed will be able to operate successfully. The staff's backgrounds will help the company follow the customary practices in selling this product to the medical community effectively.

Competition is not expected to be high since the selected markets are relatively small for large multinational companies and there are structural barriers, i.e., few medical specialists dominating the use of the drug. Moreover, LifeMed has advantages in unique technology leading to lower prices and strong support from the related medical community.

The financial payoff is handsome. Our financial plan as follows. Based on forecasted revenue, the expected IRR is 52.08 %, NPV is 1,895 million Baht and the payback period is 5 years and 2 months. We will invest 40 million baht and are seeking 75 million Baht in convertible debentures in two payments 10 million Baht in Year 2004, and 65 million Baht in Year 2005. The investors are guaranteed interest payments and will be able either to convert to common stock at the end of Year 2009 or to be repaid their original capital by the Company.

The above return of this venture shows a promising future for LifeMed. The company has already established a long term plan to fully utilize the licensed technology as well as to plan to invest in additional proprietary R&D to secure our long-standing growth. The success of this company does not only bring wealth to those involved but, also contributes to the well being of less fortunate people in developing countries.