*Executive Summary*

Periodontitis, or periodontal disease, is caused by bacterial infection, which evade the gum line, thus weakening the gum and destroys the tissue that holds teeth in place. If left untreated, teeth will eventually fall off. Moreover, researches show that periodontitis can lead to chronic heart disease. 60% of the Thai population aged 35 and above are prone to this disease and some might not even realize it. Currently the treatments available for periodontitis are scaling and root planning (removing of the plaque), antibiotics, surgery and dentures. Antibiotics are imported, and because they are costly, they are not popular among patients and dentists unless in extremely severe cases.

BioPharma’s product, *Panicutin*, offers an affordable yet equally effective alternative to costly imported antibiotics. The active ingredient in Panicutin is a pure extract from Andrographis Paniculata, a traditional Thai herb. Extensive research and two phases of clinical tests have shown 100% efficacy with no side effect. Panicutin is in the final phase of the clinical trials which would receive Thai FDA approval in 2005.

The key competitiveness of our product is the low cost due to the abundant supply of raw material in Thailand. BioPharma has already signed contracts with various Andrographis Paniculata suppliers to assure the supply availability, quality and price. Currently, there is no direct competitor in the Thai market due to the high cost of imported antibiotics products. Biopharma would gain competitive advantage from being the first mover and the only solution to periodontitis with no side effect.

BioPharma will produce and market Panicutin, first launching it in Bangkok, followed by large cities in Thailand. In the initial stage, emphasis will be given to creating awareness of periodontitis to educate the seriousness of the disease and gain more customer base. In later stages, we will focus more on product and brand awareness. Medical journal publication and other means of marketing will also be frequently supported by BioPharma to ensure dentists awareness.
BioPhama intends to license international distribution to a selected group of global pharmaceutical firms in 12 other countries which we have intellectual property pending during 2005 – 2007.

The operations of BioPharma, located in central Bangkok, will include the manufacturing and quality control of Panicutin, securing the equipment and raw materials required for the pharmaceutical industry, and training of the outsourced distributors. Due to the essence of the economy of scope, research and development of future products will be also committed by BioPharma.

BioPharma is seeking 30.1 million baht investment in two payments, 21.5 million baht in 2003 and 8.6 million baht in 2005. In exchange, investors would receive 36% equity in 2003 and 8% more in 2005. The expected IRR of this venture is 57% or and NVP of 135.7 million baht with a payback period of 3 years and 6 months.

Panicutin not only has commercial merit but is also a source of pride for Thailand. It is a first modern medicine ever invented with the active ingredient extracted from Thai herb. With a diverse and well balanced management team, BioPharma believe we can steer the company towards prosperous and sustainable growth.