



## **Moleac turns Chinese medicine into stroke treatment**

By Mia Shanley

SINGAPORE, Dec 11 (Reuters Life!) – Singapore's Moleac, which turned a traditional Chinese medicine into a treatment for stroke patients, plans to sell the product in the United States and Europe in 2007 and win a fifth of the world market in four years.

David Picard, Moleac's chief executive and one of its five founders, told Reuters that he expects sales to grow to about \$100 million over the next four to five years, from about \$150,000 in the past six months, due to its NeuroAID stroke recovery medicine and a device that reduces addiction to smoking.

NeuroAID, which is a mixture of 14 extracts and includes plants such as red sage and milkvetch roots, will be marketed globally as the first drug to help stroke patients recover faster.

Initially, it will be sold as a "complementary" medicine that would be used alongside treatments such as physiotherapy and anti-platelets or anti-coagulants.

That will allow Moleac to generate revenues from NeuroAID while it conducts the clinical trials required by regulators such as the U.S. Food and Drug Administration for an upgrade in its label to a drug that more doctors would prescribe.

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"NeuroAID has the potential to reach in the \$50 million-per-year range in revenues after the publication of the trial results in three to four years from now," Picard told Reuters in an interview on Monday.

Moleac, set up in 2002, is one of the few Singapore-based biomedical firms to generate revenues -- albeit small -- at such an early stage in its development.

The city-state has spent about S\$3 billion on its biomedical drive, luring top scientists, building research labs and helping small start-ups get off the ground, as part of its ambition to diversify its trade-dependent economy and create new sources of revenue.

However, a recent World Bank report said the drive to create a pipeline of products for the biomedical industry was full of risks for Singapore. The authors of the report told Reuters they saw few payoffs in terms of products and money-generating companies so far.

## STROKES AND SMOKERS

Moleac's success stems from the fact that it has focused on products that are closer to, or have already been tested in, the market. NeuroAID, for instance, is already used by half a million patients in China, Picard said, although it is the only country where Moleac does not own the right to sell it.

NeuroAID went on sale in Singapore in July. It goes on sale in the Philippines this month and will be available in other parts of Southeast Asia throughout 2007 as a food supplement or a traditional Chinese medicine.

It will be available in the U.S. in the first quarter of 2007, and in Europe by the second half of the year, as a food supplement in both markets.



Of the 15 million stroke sufferers in the world each year, two-thirds survive, Picard said, adding that Moleac wants to treat at least 20 percent of those patients.

Picard said that Moleac needs venture capital funds in the "high, single-digit million-dollar" range to help launch its stroke medicine and smoking-prevention device worldwide, and enable it to become profitable.

In three or four years, the company may be an attractive takeover target or may be ready for an initial public offering, most likely in Hong Kong where liquidity is better, Picard said. It could also go for a dual listing, in which case it would look for a listing in Europe or the United States.

Moleac's China-developed device for smokers, Re:vive, will be available in Europe, the United States and in wealthy Asian countries from the second half of 2007.

The device, which is attached to the hand three times a day initially, administers electrical pulses that stimulate the central nervous system, helping to reduce nicotine cravings. Each device would be sold for between \$150 to \$200 and would rival over-the-counter products such as patches and gum.

"We hope to sell one million units per year by 2009 in western markets and in North Asia," Picard said.