Jamaludin Elis – Country CEO, Chulia Life Sciences, Malaysia



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Jamaludin Elis, country CEO of Chulia Life Sciences Sdn Bhd, discusses the diverse activities of Chulia Group's various subsidiaries, as well as the group's upcoming projects in the healthcare industry. He also offers insight into Malaysia's first medical device innovation park.

Can you present the different healthcare businesses under the Chulia Group, including Chulia Pharmaceuticals?

Chulia Life Sciences Sdn Bhd (CLSSB) is the main holding company focusing on the healthcare industry, including Chulia Pharma Sdn Bhd (CPSB), Chulia Medical Solutions (CMSSB) and Chulia Biomedical Engineering Sdn Bhd (CBESB). CPSB is principally engaged in the manufacturing, distribution, import, and export of generic pharmaceuticals, nutraceuticals, cosmeceuticals, and consumer products. CMSSB handles non-pharma related support services for the company's clients such as logistics, supply chain, and medical device sourcing and maintenance. Lastly, CBESB is aiming to establish and operate the first medical device refurbishment and innovation park in Southern Asia.

Chulia Facilities Management (CFMSB), our parent company, operates in healthcare facility maintenance. CFMSB offers air quality, facility cleaning, waste management, and biomedical engineering maintenance solutions. Chulia Group is the partner of choice for healthcare institutions

as a single company providing end to end support services. We manage equipment, facilities, and the delivery of consumables to our clients all within one organization.

Currently, Chulia Pharma is a key healthcare driver of the group. We are supplying to the Malaysia government and have been approved to provide 16 products to the public sector. Looking at specific therapeutic areas, CPSB's mission is to lower the cost of pharmaceuticals and bring market access to the most innovative treatments.

How is Chulia Pharmaceuticals currently developing within the Malaysian market?

CPSB was incorporated with the intention of operating in the generic pharmaceutical industry. However, we see ourselves not as a normal, commodity generics provider, but more as a high-end, branded generics company focusing on the most recent off-patent drugs. Eventually, we would like to see ourselves as an innovative company as well.

We are also interested in herbal areas – creating prescription drugs using herbal materials. This is an area from which several successful prescription drugs have emerged. For example, statins, the HMG-CoA reductase inhibitors cholesterol lowering agents are from red yeast rice, also the drug the drug that is used to treat Malaria are derived from molecules extracted from certain tree barks. Somewhere in the spectrum of pharmaceuticals, there is a need to look back into natural resources and convert them into drugs that heal rather than being only segmented as supplements.

Another area CSPB is looking into is Halal and biosimilar vaccines. With one of our partners in Singapore, we are one of the only companies in the world that have registered a real 100 percent halal vaccine. Indeed, our partners had researched and released the first fully halal vaccine for Human Influenza Type B (HiB). It will be followed by another three vaccines currently in the pipeline. One will complete its Phase III clinical trial this September. The next will enter Phase III next June and the last will complete its Phase II trial in the first quarter of next year.

How do you assess the current status of the healthcare system of Malaysia?

Malaysia has a very high rate of lifestyle disease. Based on the percentage of the population, Malaysia has one of the highest incidences of diabetes in the region. The functioning of the healthcare system by providing treatment and preventative action is very costly. There needs to be a greater focus on public education and prevention. Additionally, a private and public partnership

should be reached. The government must recognize the private sector as a solution which can drive healthcare forward, rather than just being viewed as business entity.

If you dissect the rising cost of healthcare, some of the major issues are the cost of supply chain logistics and the procurement of medical equipment. Take for example the cold chain logistics in many SEA countries, the usage of conventional system with non-biological friendly containers/boxes.

There is also a challenge regarding patients' access to consistent and affordable medical care. Social Security Organization (SOCSO) is one of the biggest contributors to medical subsidies. Most Malaysians depend on the public system for healthcare service. As an employee in the private sector without additional government benefits, individuals must rely on their own contributions to the system for the subsidization of treatment. The rising cost of medicines and medical equipment/devices creates a gap between patient needs and what they can access. Location also poses an issue as rural institutions often do not have the same capacities as urban hospitals.

What projects exist across the Chulia Group companies which are helping to improve the healthcare environment of Malaysia?

To meet the need for supply chain improvement, we have introduced within CMSSB's activity, an innovative, cost-saving and environmentally friendly cold chain logistics system. The box lasts for about 24 months and is equipped with a temperature control device called the Phase Change Module (PCM). The module is conditioned to have the desired temperature and will stay consistent for 96 hours. It has a data logger that will track and record the temperature consistently and monitor and locate the package. This data is sent back to our cloud database and the recipients of the product will receive a digital certificate to show that the product has been consistently monitored and according to the required standard.

Additionally, we operate end-to-end hemodialysis supply. We provide hemodialysis machines, dialyzers, consumables, bloodlines, and other solutions. Again, by dissecting the overall cost of supply chain, we noticed there are hidden costs such as maintenance, consumables as well as transportation costs. Partnering with suppliers, we secured on block volume purchases which allows us to negotiate prices. This way the patient treatment costs in healthcare institutions are maintained for a long period of time, increasing patient accessibility.

We have also developed a software system which allows patients to visit any healthcare institution for treatment. The system connects the patients to the doctors, the dialysis centers and the payment gateway. When patients visit a new dialysis centers, they are required to provide full medical background, otherwise receiving treatment can be a challenge. Using our system, patients log in to provide quick access to their medical history report to doctors in each healthcare center. Immediately, visiting a new hospital or clinic is streamlined and all the data of treatment during the visit is sent back to the system for processing. Patients have the freedom to travel without having to be concerned about how they will receive treatment.

The Asean Medtech Innovation Park (AMTOP) is a principal initiative for the Group managed under CLSSB. What impact will this have on the Malaysian healthcare industry?

AMTOP will be the first medical device refurbishment and innovation park in the region covering four main areas: medical equipment upgrading and repair, education and skills training, research and development, conformance testing, prototyping and manufacturing. The park will address the gaps in the medical device industry and help save costs to reduce rising healthcare expenses in Malaysia.

Equipment and devices that need to be repaired and upgraded will need qualified personnel. The park will provide specific training programs and endorsed certifications from manufacturers saying that each individual is an expert in that technology – similar to Microsoft having certified technology and software representatives. We also want individuals to be trained in medical device design as well to provide innovation and R&D services. We will be offering an opportunity to train the Malaysian population with valuable technical skills while creating jobs and driving the country’s economy forward.

This park will be a complete ecosystem of medical technology and innovation in ASEAN which can be replicated across the region. In the future, we want to expand into the other markets creating specializations unique to each location. For example, Thailand could be the center for x-ray machines and Vietnam for ultrasound technology with the Malaysian park being the central hub. This can be a platform to exchange knowledge and experiences which will create a strong base of collaboration across ASEAN.

Looking at the future, what is the vision of Chulia Pharmaceuticals as a leading player and healthcare solutions provider in the region?

Although Chulia is vertically integrated across the Malaysian economy and healthcare industry, we do not consider ourselves as a domestic player. In today’s global market, companies cannot operate alone. We are focused on developing the Chulia brand and expanding into new opportunities. Partnership around the world is necessary for the spread of knowledge, new market access, and it is the best platform to become an international player. We are positioning our products in niche area to enter new markets. The Chulia Group believes in the circular economy principle to help evolve the Malaysian economy. In this economy, products are put back into the system in various ways, whether it be refurbishing the product or helping to create something new. Chulia is implementing such principles in its operations and hope to develop it to more players in the future as well.

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