 **genepharma**  
Australasia

# Executive Summary

- ⊕ **Most efficient and cost effective pharmaceutical generic drugs pipeline in Australia.**
- ⊕ **Target 90+% of Australian blockbuster drugs coming off patent.**
- ⊕ **Generics market to double over next 4 years.**
- ⊕ **Genepharm to submit 40-50 generic drugs in Australia over next 3 years. Registration of five anti-cancer drugs have begun. Simvastatin is first oral generic drug registration. Company on track for 8 TGA submissions by end 2004.**
- ⊕ **Sell direct to pharmacists and distribute via wholesalers to pharmacists and hospitals.**
- ⊕ **Hospital distribution deals already in place.**

# Genepharma's Business

- ❖ **Specialist generic pharmaceuticals.**
- ❖ **Targeting blockbuster drugs as they come off their patents.**
- ❖ **Product sourcing, TGA approvals, marketing & distribution.**
- ❖ **Wide pipeline of products & dossiers from Genepharma SA.**
- ❖ **Products on Aust & NZ markets next financial year.**

# Key Investment Points

## ⊕ Competitive advantages:

- **Wide pipeline of dossiers, bioequivalence data and manufactured product from Genepharma SA.  
Avoids individual licence agreements and royalty payments.  
Access quick low cost wide portfolio of generic drugs.**
- **Low cost registration / low cost manufacturing with highly favourable payment terms.**
- **Only listed company exclusively in generic pharmaceuticals.**

⊕ **Australia's generic market to be \$2 billion by 2008.**

⊕ **Strong governmental support for generics to reduce PBS cost.**

⊕ **Committed pharmacy groups including seed investors.**

⊕ **Experienced board and management team.**

# Genepharma SA Agreements

**Genepharma SA owns 46.7% of Genepharma Australasia.**

**Genepharma SA is a leading European manufacturer and distributor of generic pharmaceuticals. Sells to 31 countries and enables very competitive pricing.**

- ⊕ **Capital and IP from Genepharma SA.**
- ⊕ **No fixed term - in perpetuity.**
- ⊕ **Competitive cost structure.**
- ⊕ **Production on demand - 3 month order cycle.**
- ⊕ **Exclusive title over complete product range including future product pipeline.**
- ⊕ **Favourable payment terms.**
- ⊕ **Bio-equivalence costs capped at A\$100,000.**

# Business Strategy

## Product Development

- ⊕ Regulatory team will proceed to submit 40-50 drugs in the first 3 years including:
  - 5 anti-cancer injectables (Aug 04).
  - Access to 36 PBS top 100 drugs - value of A\$1.6 b p.a.
- ⊕ After 3 years, product range to increase by 10-12 new drugs per year.
- ⊕ Pipeline includes additional 28 patented drugs from PBS top 100 - value of A\$1.8 b p.a.

# Business Strategy

## Sales and Marketing

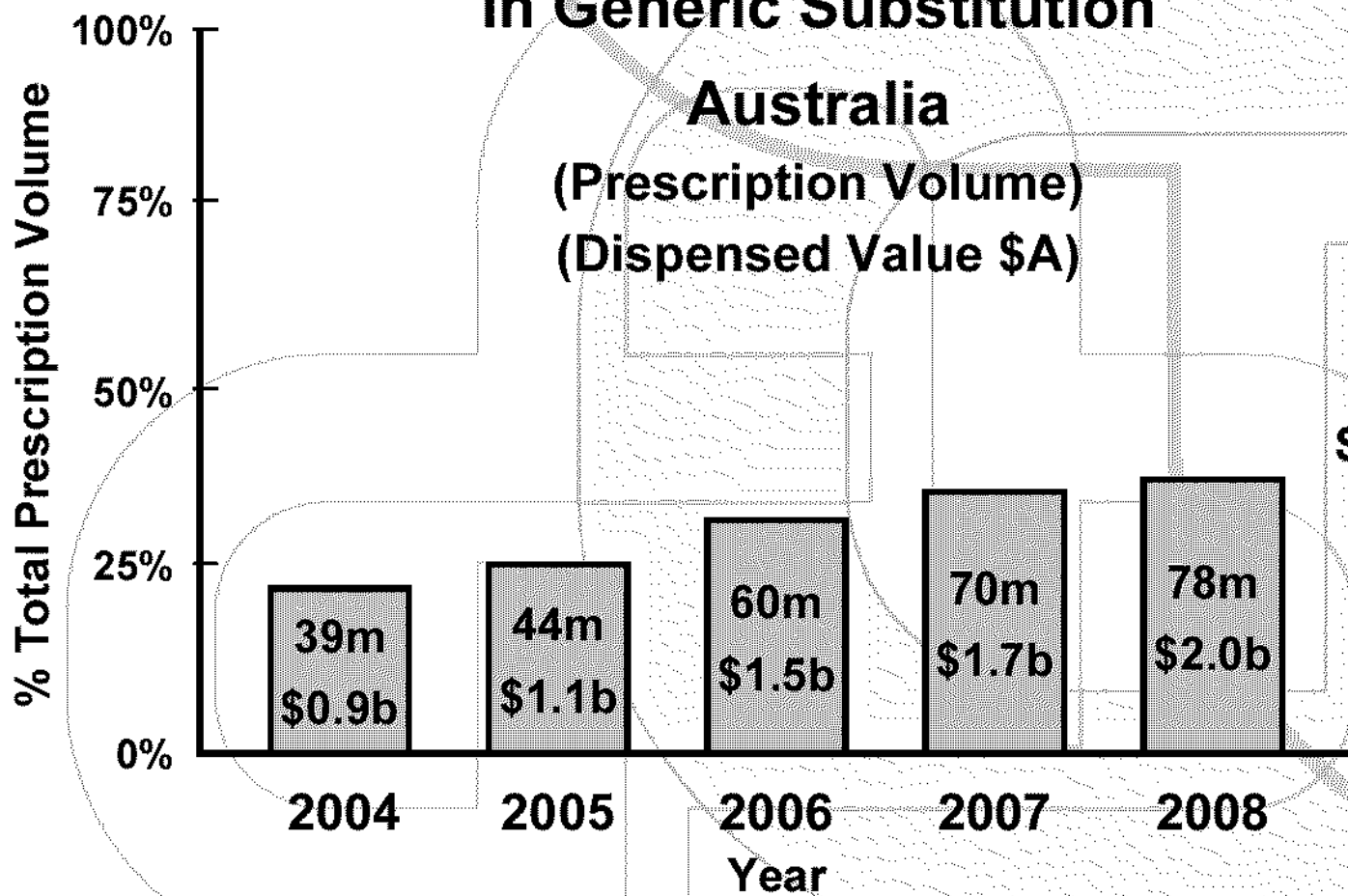
- ⊕ **Genepharm's marketing strategy will aggressively target pharmacies (85%) and hospitals (15%).**
- ⊕ **Marketing plan to have segmented sales strategy, loyalty schemes and key account activities to drive sales:**
  - **Appointment of experienced Sales Director.**
  - **Direct to pharmacy selling via pharmacy sales force.**
  - **Strong product range with incentive program.**
  - **Consistent pricing and discount policy.**
  - **Committed existing pharmacists who are Genepharm investors.**

# Market Opportunity

## Estimated Growth In Generic Substitution

### Australia

(Prescription Volume)  
(Dispensed Value \$A)



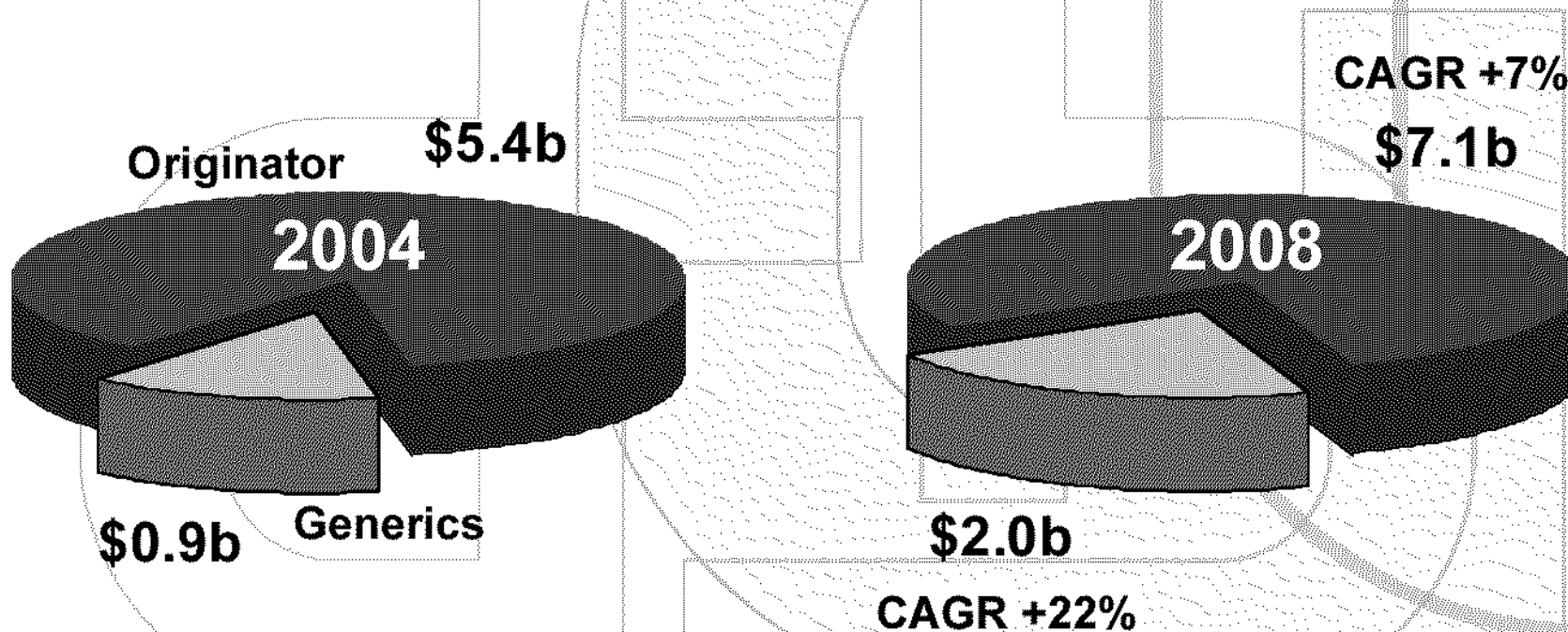
Script Share to  
Value Share  
Ratio  $\leq 2:1$

Source: Genepharma Australasia Estimates

genepharma  
Australasia

# Market Opportunity

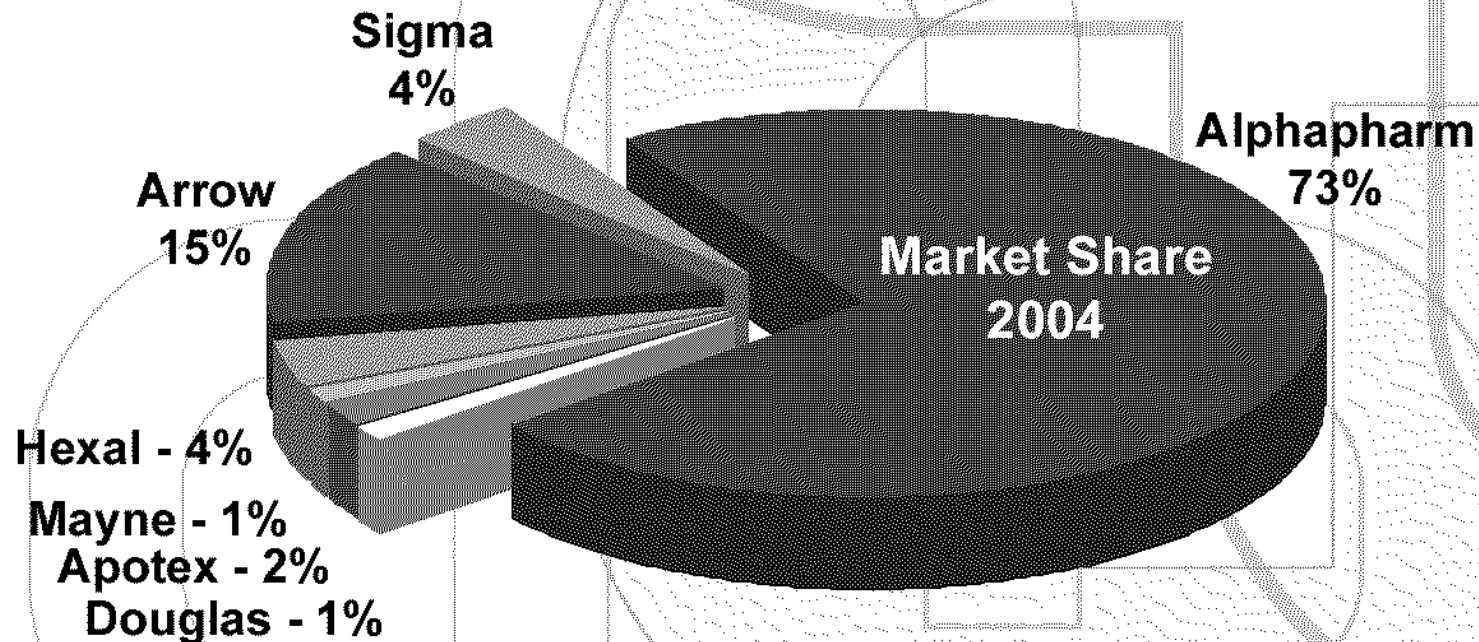
⊕ **Estimated Growth In  
PBS Market  
Originator vs. Generics  
(Dispensed Value \$A)**



⊕ Source: Genepharma Australasia Estimates

# Generic Competitors

Small competitive landscape for generic pharmaceuticals with only 7 generic suppliers to the PBS.



Source: Genepharm Australasia Estimates

# Capital Structure

<b>Listed on ASX (GAA)</b>	<b>June 2004</b>
<b>Shares</b>	<b>76,080,000</b>
⊕ <b>Genepharma SA</b>	<b>47%</b>
⊕ <b>Executive Directors</b>	<b>15%</b>
⊕ <b>Institutional</b>	<b>15%</b>
<b>Recent price (23/11/04)</b>	<b>\$1.05</b>
<b>Price range (52wk)</b>	<b>\$0.47 - \$1.15</b>
<b>Market cap (@ \$1.05)</b>	<b>\$80m</b>



# Board of Directors

- ✚ **Thomas O'Brien, Independent Non-exec Chairman**  
Formerly CEO of Ernst & Young and National Chairman of E&Y.
- ✚ **Dennis Bastas, CEO & MD**  
Over 15 years senior experience in business development, retail operations and supply chain management.
- ✚ **Achilles Vigopoulos, Non-exec Director**  
Principal owner and executive chairman of Geneparm SA with extensive experience in the European pharmaceutical industry.
- ✚ **Ken Lianneas, Non-exec Director**  
CEO of Geneparm SA with 14 years experience in the Australian scientific industry.
- ✚ **Kip Harding, CFO and Company Secretary**  
Background in financial management of new products and new market strategies including Glaxo, Time Warner and Reuters.

# Future Growth

- ❖ **Flow of Genepharma TGA registrations.**
- ❖ **Reciprocated approvals between Australia's TGA and NZ's Medsafe from July 2005.**
- ❖ **Growth in the generic pharmaceutical market especially due to bulge of patent expiries.**
- ❖ **Possibility of expansion into the Asian region.**
- ❖ **Licensing opportunities of non-Genepharma SA new therapeutic products.**