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Australian Healthcare Conference 2008

Dennis Bastas
CEO & Managing Director



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The logo for Ascent PharmaHealth features a blue circular icon with a white stylized cross-like symbol. To its right, the word "ascent" is written in a large, bold, dark grey sans-serif font. Below "ascent", the words "PHARMAHEALTH" are written in a smaller, blue, all-caps sans-serif font. A thick blue horizontal line is positioned below the text.





Ascent Pharmahealth Ltd (APH)

- ⊕ **Ascent Pharmahealth was founded in 2003 by Dennis Bastas and listed on the ASX in June 2004 as Geneparm Australasia Ltd (GAA)**
- ⊕ **Ascent is the group parent company that owns the generic pharmaceutical and healthcare product companies:**
 - ⊕ **“Geneparm” in Australia – based in Melbourne – 90 employees incl. 45 sales and marketing staff**
 - ⊕ **“Drug Houses of Australia” (DHA) based in Singapore – 145 employees is the leading local generics manufacturer in Singapore**
- ⊕ **Sales of generics and OTC’s in Australia and Asia of approx. A\$100 million per annum with historical annual growth in excess of 20%**
- ⊕ **Ascent has completed 3 acquisitions since 2005 valued at \$136 million**
- ⊕ **Ascent is a unique pharmahealth sales and marketing company in Australasia**
- ⊕ **Ascent now operates in eight South East Asian countries with over 400 registered health products.**



Ascent Regional Business

***An Australian and Asian
healthcare business***

-  Existing regional markets (2007)
-  Additional expansion markets in the region (2009+)



**Drug Houses of Australia
(Asia) Pte Ltd**

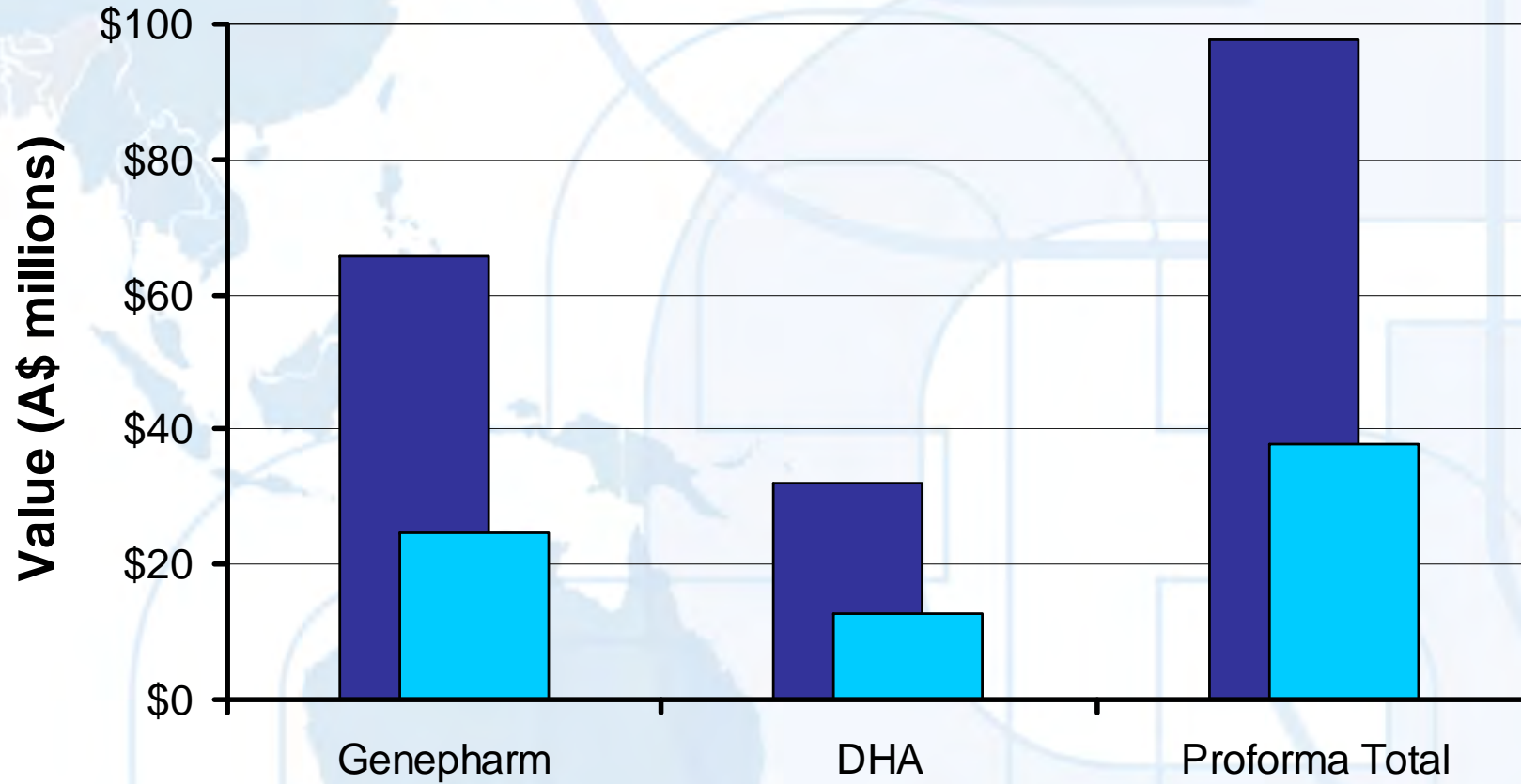


Genepharm (Australia) Limited



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Ascent Sales Overview



Ascent Pharmahealth FY-2007/08

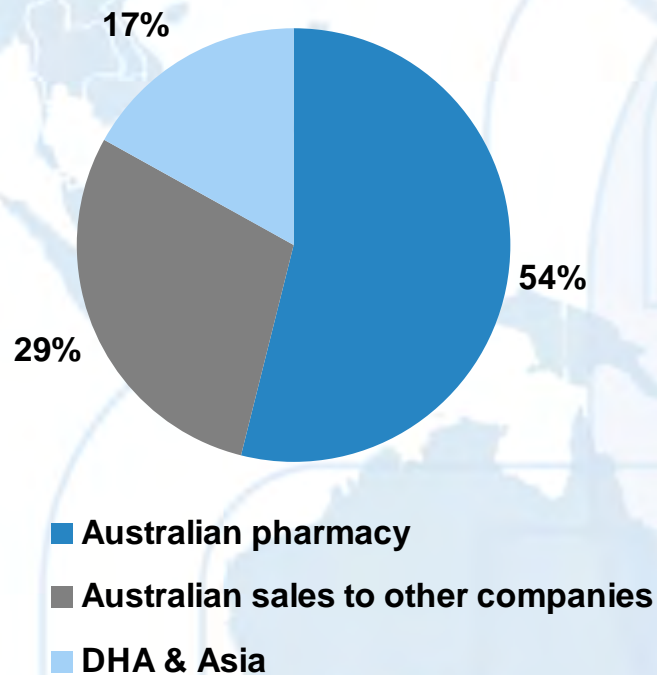
■ Net Sales
■ Gross Profit



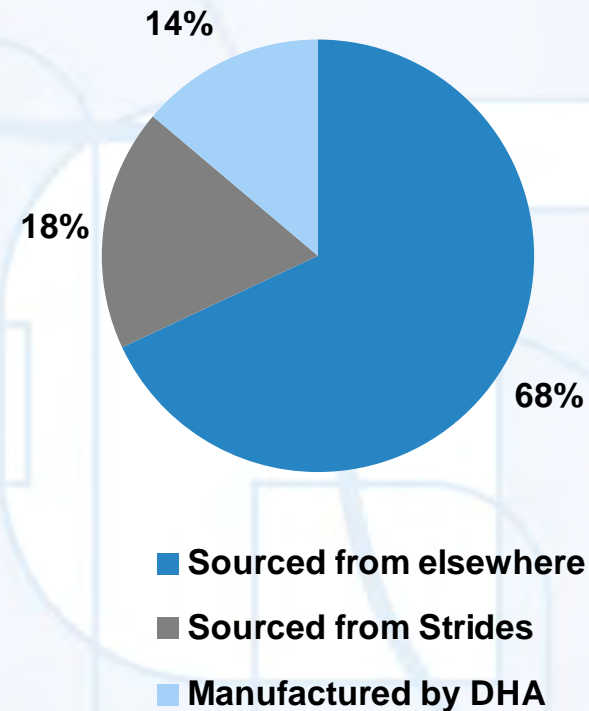
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Ascent Sales by Region

By sales destination



By supply source



⊕ Ascent is a predominantly Australian business with a strong platform to expand further into Asia, offering a large range of products from our various suppliers



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Share Price Performance

ASX Stock Code

APH

Shares on issue

249,434,085

 **Top 20 Shareholders**

78%

Recent price (30/10/08)

A\$0.18

Price range (52wk)

A\$0.15 - A\$0.48

Market cap (@ \$0.18)

A\$45 million

EPS 2008 (before NRI's)

3.7 cents

Price/Earnings ratio

4.9

Dividend (2008)

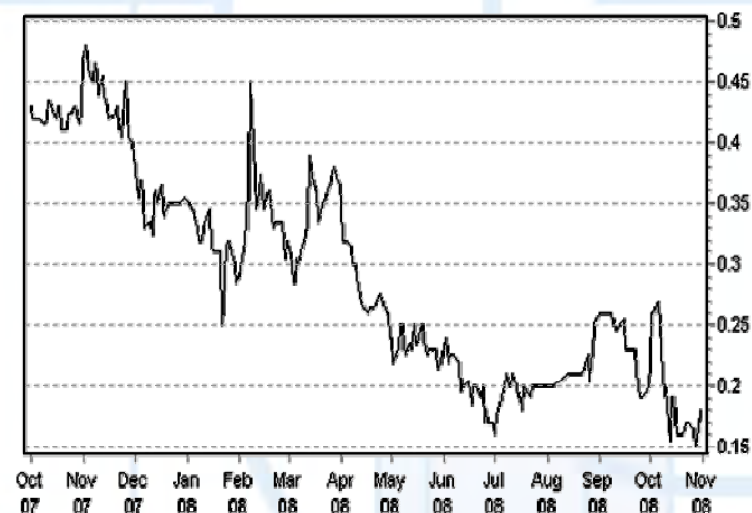
0.5 cents

Relative Price/Earnings ratio
- Health sector

13.8

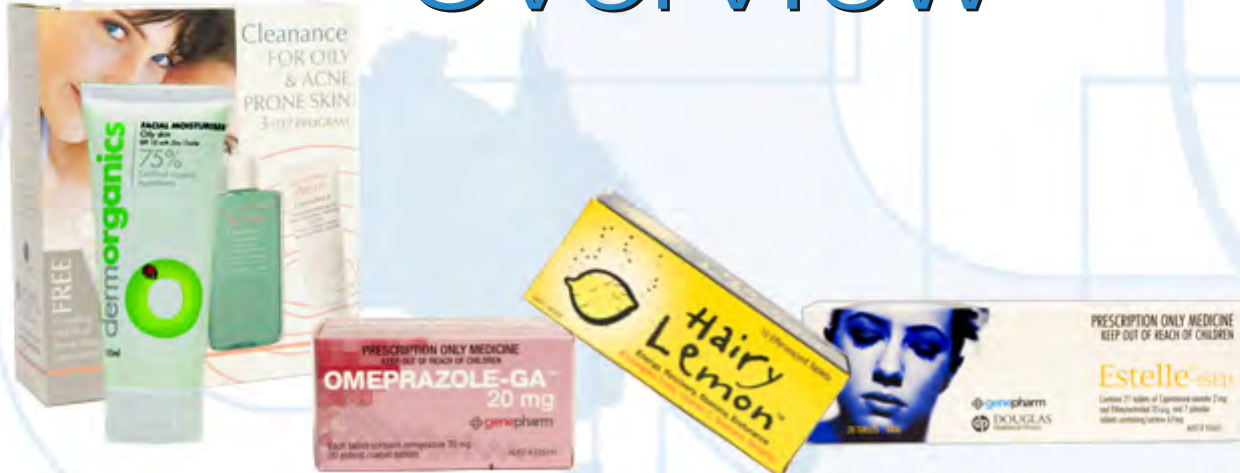


APH Share Price – 12 months



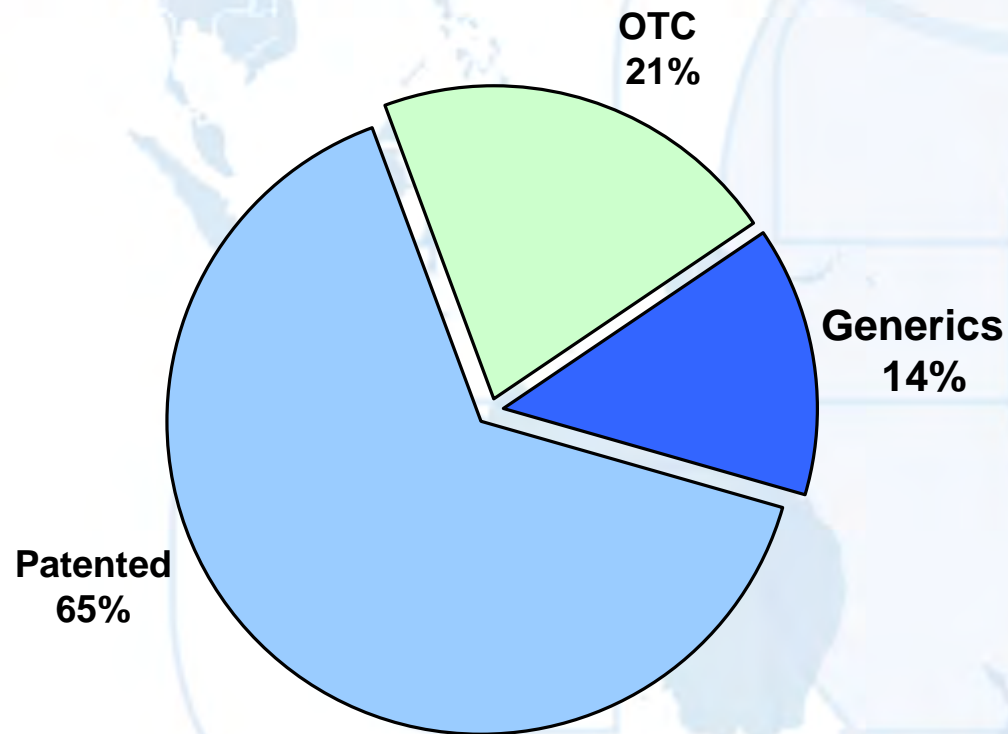
genepharma

Overview



Australian Pharma Market

Pharmaceuticals Market, 2007
A\$11 billion



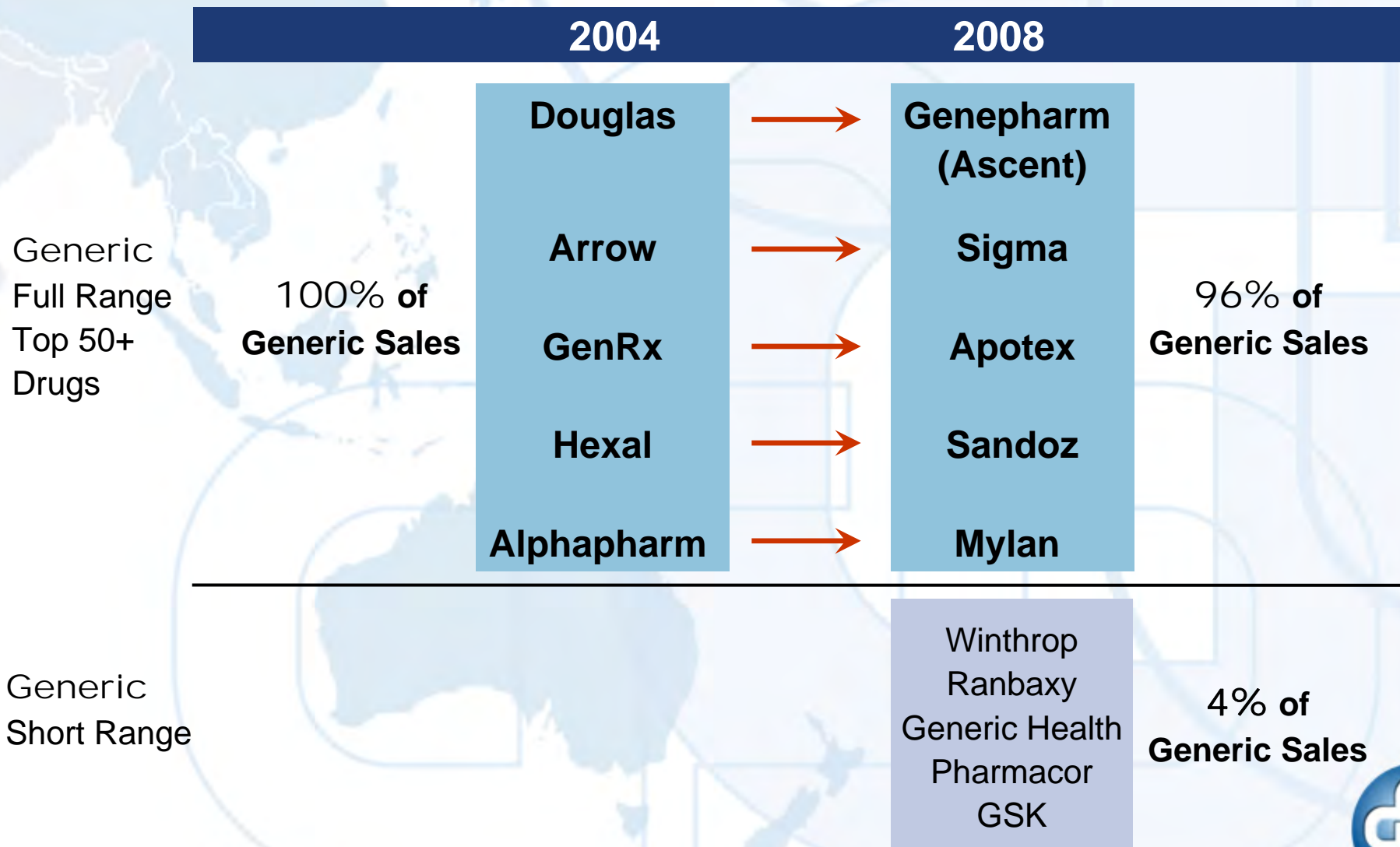
- ⊕ **Generics represent over 30% market share by volume**
- ⊕ **Over 55% of prescriptions for patent expired medicines will have a generic substituted**
- ⊕ **Simvastatin is estimated to have 73% substitution**



Australian Generics Market

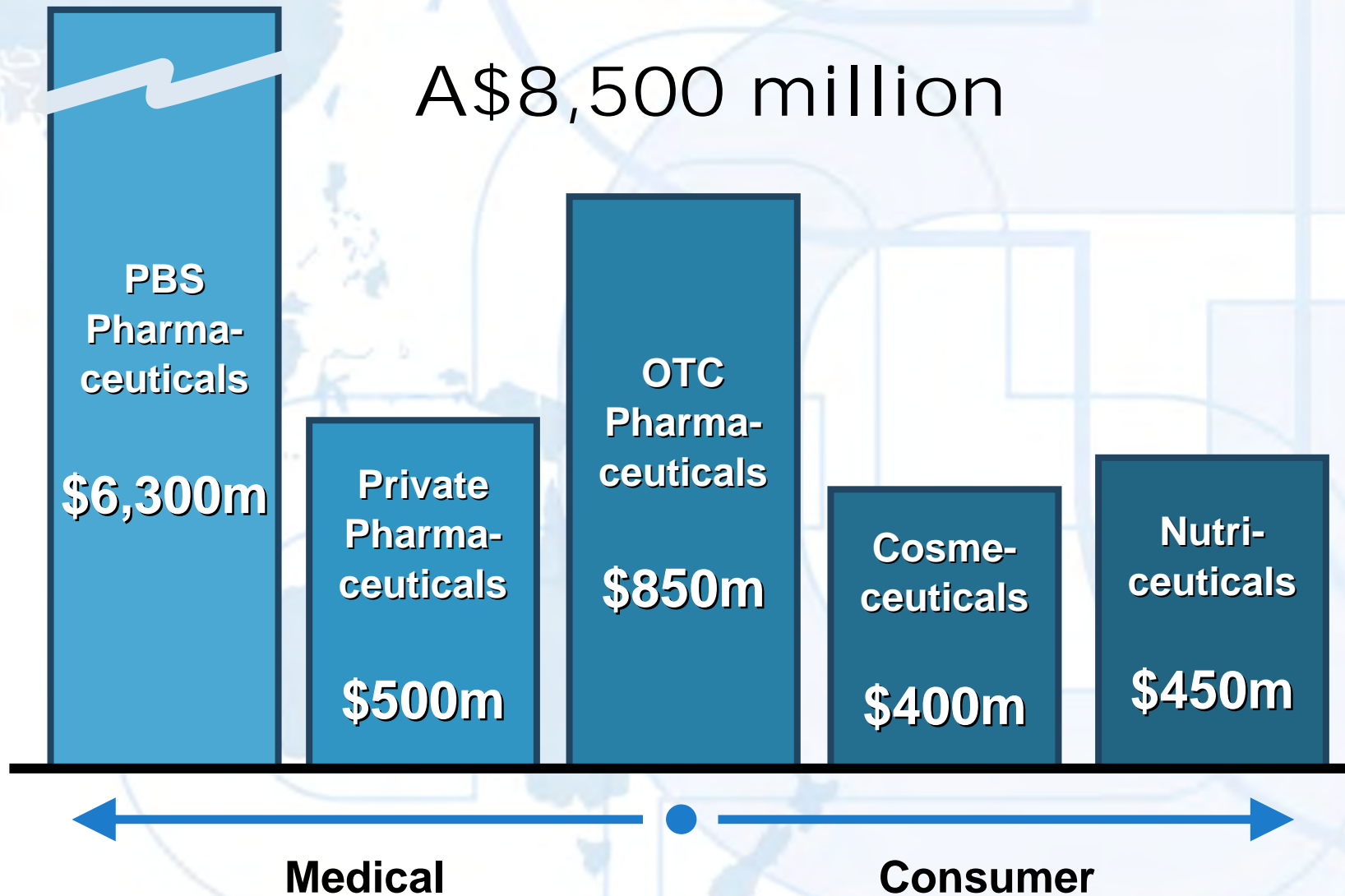


Australian Generics Industry



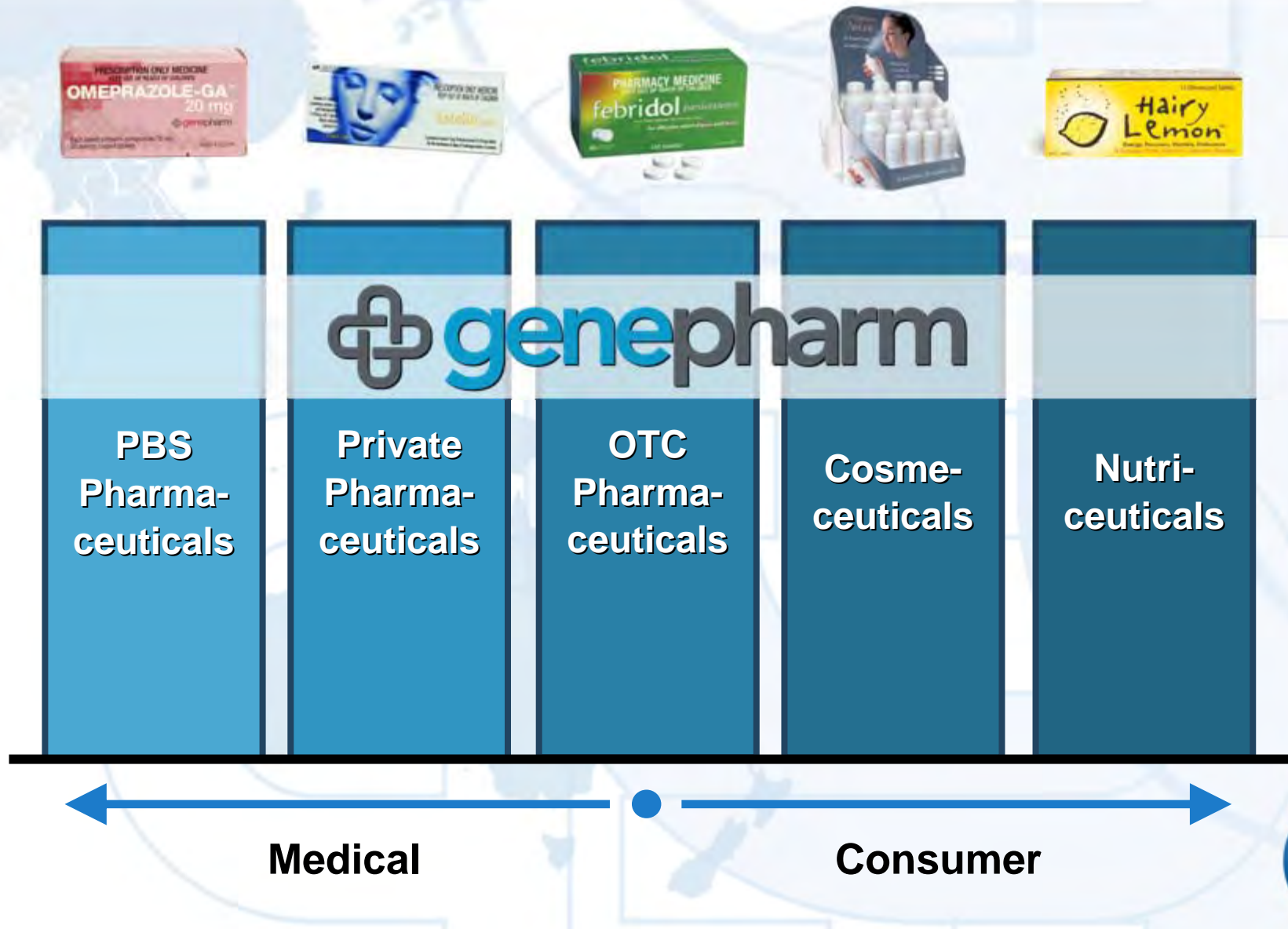
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Australian Pharmacy Offer



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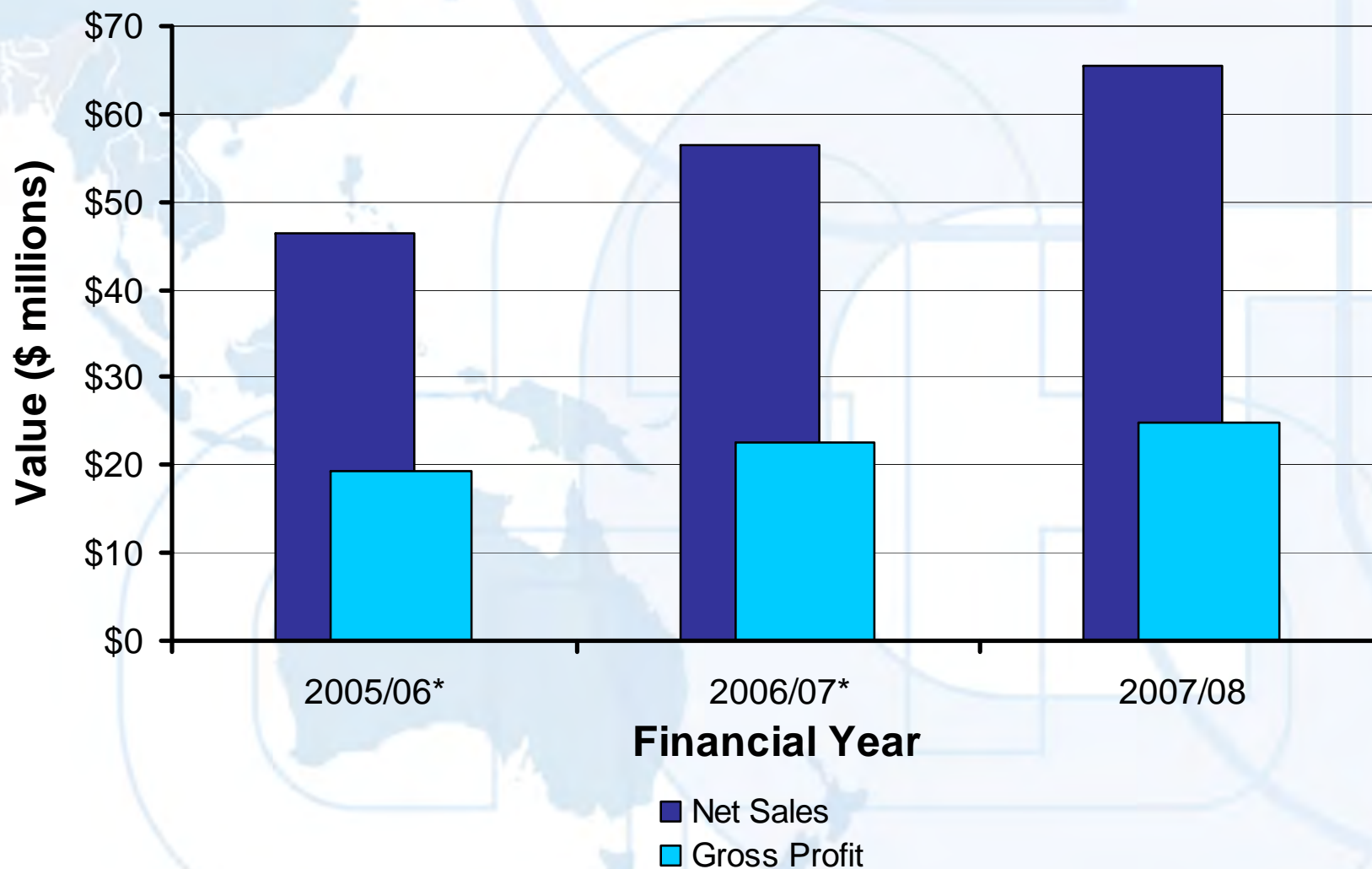
A Diversified Range



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Sales Growth



* Proforma figures for the 2005/06 and 2006/07 financial years assume combined full-year results from Genepharma Australasia and Douglas Pharmaceuticals Australia businesses



Financial Results 2008

A\$millions	Reported Results FY-2007/08	Reported Results FY-2006/07	Results FY-2007/08 (before non-recurring items)	Results FY-2006/07 (before non-recurring items)	% Growth
Net Sales	\$65.6	\$54.6	\$65.6	\$54.6	20%
Cost of Sales	(\$40.8)	(\$32.8)	(\$40.7)	(\$32.8)	
Gross Profit	\$24.8	\$21.8	\$24.9	\$21.8	
Operating Expenses	(\$17.5)	(\$36.8)	(\$17.3)	(\$17.1)	
EBITDA	\$7.3	(\$15.0)	\$7.5	\$4.7	57%
Dep'n & Amortisation	(\$1.5)	(\$3.2)	(\$1.2)	(\$0.8)	
EBIT	\$5.8	(\$18.2)	\$6.3	\$3.9	59%
Net Interest	(\$0.7)	(\$0.2)	(\$0.7)	\$0.7	
NPBT	\$5.1	(\$18.5)	\$5.5	\$4.6	20%
Tax	(\$0.9)	(\$0.5)	(\$0.3)	\$ -	
NPAT	\$4.2	(\$18.0)	\$5.2	\$4.6	13%
EPS (cents)	3.0	(13.0)	3.7	3.3	



Business Update

Relationship

- ⊕ A focus on building strong supply relationships with pharmacy and a differentiated value and service offering based on:
 - ⊕ Value for customers across broad pharmacy offering
 - ⊕ An efficient and low cost pipeline
 - ⊕ Service through its dedicated customer focused field representatives
 - ⊕ Simplified pricing for customers that supports sustainable profits
 - ⊕ Innovative value added service offerings

Range

- ⊕ A number of drugs were launched in 2008 including four major drugs with a market value of over A\$300 million were launched:
 - ⊕ **Omeprazole**, leading gastrointestinal drug, launched Sept 2007
 - ⊕ **Perindopril**, a leading cardiovascular drug, launched Aug 2007
 - ⊕ **Meloxicam**, a leading arthritis drug, launched Sept 2007
 - ⊕ **Amlodipine**, a leading cardiovascular drug, May 2008



PBS Reforms & Outlook

- ⊕ PBS Reforms have eroded the net sales value of generics to pharmacy by 15% - 20% on previous year
- ⊕ Changes in Pharmacy buying habits have led to consolidated buying with greater compliance
- ⊕ Greater focus on generic substitution to receive government benefits and additional profits
- ⊕ Genepharma has a strong product pipeline of new generics and replacements for existing supply sources to ensure COGS are low





Overview



Drug Houses of Australia (DHA)

- ⊕ **Established 1968 – strong Asian market position in 8 countries throughout SE Asia incl. Singapore, Vietnam, Malaysia, Thailand & Hong Kong**
- ⊕ **Leading local generic manufacturer in Singapore – PICS approved facility in Singapore**
- ⊕ **Broad product range of 150 prescription and OTC products**
- ⊕ **Well established and reputed brand throughout Asia in DHA**
- ⊕ **Strong sales & marketing presence and reputation for excellence:**
 - ⊕ direct to doctors
 - ⊕ at pharmacy level
 - ⊕ and via government tenders
- ⊕ **Scope for further expansion into Korea, Indonesia, Taiwan, and eventually Japan and China via a Singaporean hub**



Asian Generic Markets

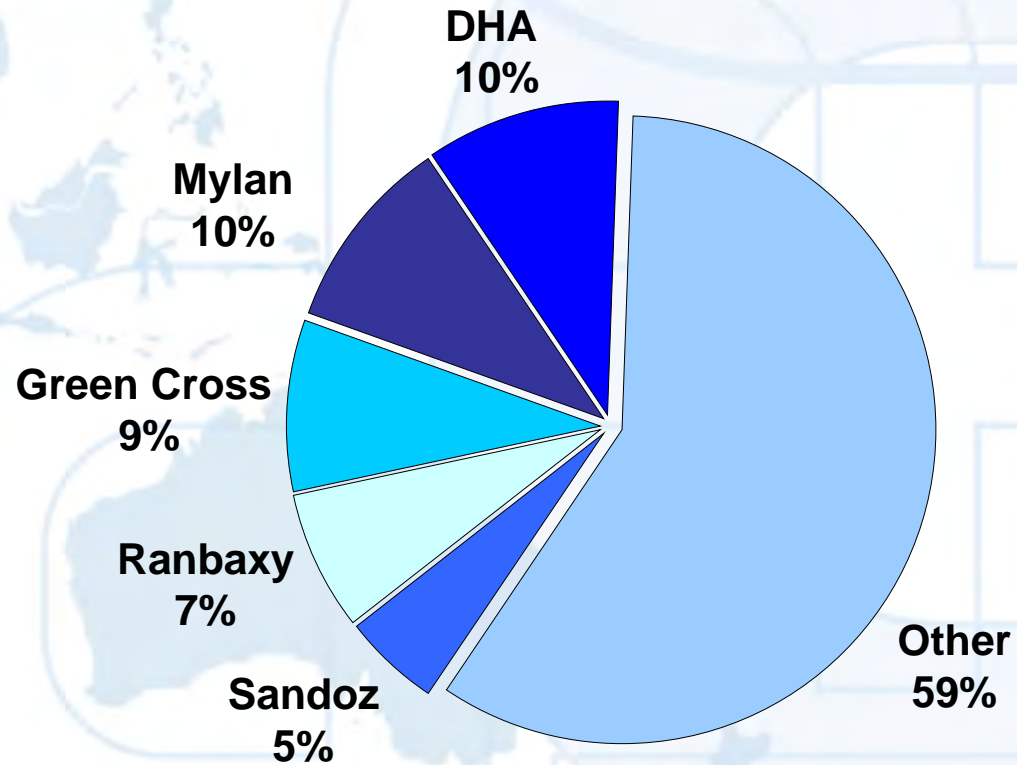
Market	Generic Market Value (US\$)	% of Total Market Value
Singapore	\$130 million	22%
Malaysia	\$300 million	30%
Hong Kong	\$100 million	12%
Thailand	\$1,150 million	55%
Vietnam	\$220 million	25%



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Singapore Generic Market

**Generic market value
US\$130 million**



Financial Results 2008

DHA & Strides Asia Financial Results 2007/08 (unaudited)

A\$millions	Results FY-2007/08	
Net Sales	\$32.2	
Cost of Sales	(\$19.3)	
	<hr/>	
Gross Profit	\$12.9	40%
Operating Expenses	(\$5.5)	
	<hr/>	
EBITDA	\$7.4	23%
	<hr/>	



Company Outlook



New Products & Markets

Products

- ⊕ New blockbuster generic drugs for 2009:
 - ⊕ **Risperidone**, an anti-psychotic drug, \$76m PBS value
 - ⊕ **Venlafaxine**, an anti-depressant drug, \$120m PBS value
 - ⊕ **Alendronate**, an osteoporosis drug, \$95m PBS value
- ⊕ Expanded dermatology range with Pierre Fabre (France)
- ⊕ New organic therapeutic skincare range
- ⊕ New branded OTC products



Markets

- ⊕ Expansion of Asian market opportunities 2009-2010
 - ⊕ launch new TGA approved generics from Genepharm range
 - ⊕ launch Australian consumer products range;
 - Skincare
 - Nutraceuticals
- ⊕ Acquisition and partnership opportunities to expand Asian distribution base





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