



**Chairman's Address  
Annual General Meeting  
26<sup>th</sup> November 2008**

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Good morning and welcome to Helicon Group's Annual General Meeting of shareholders. As you all know, the past year has been a challenging one for our Company, but it has not been without its achievements in progressing our business plans in China. The products' registration programme has been slower than planned, due principally to a difficult regulatory environment in China that has affected all healthcare companies, whether multinational or small. Like all companies we have also been impacted by the problems in the capital and financial markets and have responded to these developments by a major restructuring and cost-cutting program.

At the outset, I want to say that the board and management continue to be disappointed with our share price performance. Although Helicon is not alone in this regard, our pain and disappointment are nonetheless keenly felt. The drop in share price is due to the current global financial market turmoil that has affected most businesses in some way, shape or form, as well as the continued delays in product regulatory approvals by the State Food and Drug Administration in China. The Board and Management do not believe that the current share price is reflective of the underlying value of the business and your directors, including myself, have continued to increase our shareholding in the Company.

We believe the capital markets will not be responsive to the needs of small companies. In order to better operate in this type of environment, your directors earlier this month unanimously approved a restructuring and cost reduction program effective from the end of this week that will lower our operating costs by 40% to 50% per annum.

The cost management plan that will follow will ensure our Company has roughly two years of funding.

I want to reinforce to you that Helicon's board and management are doing all within their power to accelerate our Company's pathway to revenue, including continuously searching for potential business opportunities.

As you know, the business of Helicon is to secure the exclusive rights to pharmaceutical, healthcare and medical device products for commercial exploitation in the fastest growing healthcare market in the world, China.

We continue to actively pursue our core strategy whilst also negotiating with various groups to add to our portfolio, which now consists of four products that our CEO will talk more about.

The Company has achieved a number of key milestones over the course of the year that include:

- The appointment of Jewim Pharma, the leading oncology distribution and logistics operator in China.
- The signing of an exclusive product licensing agreement with EUSA Pharma for Collatamp® G for the China market. This agreement also provides Helicon with first right of refusal to EUSA's pipeline of products.
- The SFDA approval of the ReCell® concept and kit.
- The submission of the MedWrap™ product dossier to the Chinese State Food and Drug Administration.

In his address, Mr Abrahamson will go into more detail in respect to these initiatives and will be happy to answer questions.

In going forward, we will continue to search for strategic relationships and business opportunities that can provide us with the leverage to accelerate our business plans and pathway to sales.

We remain well positioned to be the gateway to China for small to medium healthcare and pharmaceutical companies with innovative western approved products.

In closing my address I would like to take this opportunity to firstly thank all those shareholders who have continued to support us through these challenging times. I would also like to acknowledge our staff and advisers for their efforts and support. I would like to thank Mr Abrahamson whose commitment and dedication to the Company continue to be exceptional. Finally, I would like to thank my fellow directors for their ongoing support and very professional contributions.

I now hand over to our CEO Peter Abrahamson for his presentation.

Thank you.

Dr Saliba Sassine  
Chairman