

HELICON GROUP LIMITED

GATEWAY TO CHINA

ACN: 107 903 159



Company Profile 2008

Key Points

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- Milestones Achieved
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INTRODUCTION

Helicon Group Limited ("HCG") is a pharmaceutical and healthcare company with an innovative strategy, listed on the Australian Securities Exchange. Its business is to identify and exploit niche market opportunities in the specialty pharmaceutical and healthcare markets of China and North Asia and to participate in the significant growth that has been projected for those markets over the next 20 years.

Helicon identifies significant niche product opportunities for advanced, patented, US FDA approved or CE Mark western pharmaceutical and healthcare products that are not being adequately met in China and secures exclusive rights to such products that meet specific selection criteria. **Helicon** uses a low operating cost base in combination with established channel partners for product registration, marketing and sales.

CAPITAL STRUCTURE

HELICON'S CAPITAL STRUCTURE as of April 2008

• Fully Paid Ordinary Shares	83, 277, 377
• Options (exercisable at 20c on or before 31/10/09)	7, 600, 000
• Cash in bank	\$2, 000, 000
• Annual Burn Rate	\$1, 200, 000

MISSION

Grow Shareholder Value by participating in China's extraordinary transition to a first world economy.



PEOPLE: BOARD OF DIRECTORS

- **Dr Saliba Sassine, Non-Executive Chairman**

Dr Sassine is an experienced biomedical entrepreneur who founded **Helicon Group Limited** in 2003. He is also the founder of Biotech International Ltd and originator of Phylogica Limited. Dr Sassine currently chairs Allegra Capital, a boutique investment group specialising in biomedicine, natural resources and alternative energy.

- **Mr Peter Abrahamson, CEO**

Mr Abrahamson is an experienced pharmaceutical and medical device industry executive with eight years experience as Managing Director of Allergan Inc and AMO Inc, responsible for the China and East Asian markets. He was also Managing Director of Allergan's Australian and New Zealand operations. Prior to that Mr Abrahamson was Director of Business Development and Director of Sales and Marketing with FH Faulding (now Symbion) and Wellcome respectively.

- **Dr Arthur Emmett, Non-Executive Director**

Dr Emmett was former President, Vice Chairman of Ciba Geigy's China Operation as well as Ciba Geigy's Head of World Wide Medical Affairs. Before his involvement with Ciba Geigy, he was a Medical Director with the Australian affiliates of GD Searle, WS Merrell and Parke Davis. Prior to that Dr Emmett was a Medical Director at the Australian Embassies in Paris and Belgrade.

- **Dr Chris Brown, Non-Executive Director**

Dr Brown is a qualified accountant with a Doctorate in Business Administration; he is the Director of William Buck (WA) Pty Ltd. He has a wealth of experience as an adviser to corporations and high net worth individuals in China. Dr Brown is also Director of GN Solutions Pte Limited, an Asian focused specialist business connectivity and investment facilitation group.

- **Mr Graeme Boden, Company Secretary**

Mr Boden has 20 years experience as Director and Company Secretary of ASX listed companies in a diverse range of industries including the biotechnology sector with Biotech International (now Agenix), Phylogica and Visiomed. He is a Fellow of the Australian Institute of Company Directors and Certified Practising Accountants of Australia.

Expert Advisory Panel Members

Currently **Helicon** has two expert advisory board members; Dr Yifei Huang and Mr John Greenbaum, who collectively bring a wealth of knowledge to the company in the spheres of medical practice in China as well as the complexities of regulatory affairs.

MILESTONES

- Licensed the exclusive marketing rights for four innovative biomedical products, Volplex[®], Collatamp[®] G, MedWrap[™] Island Wound Dressing with Microban[®] and ReCell[®], the latter of which has already been launched in Hong Kong.
- Appointed a Blue Chip Distribution and Logistics partner, DKSH; one of the largest pharmaceutical distribution and logistics operators in China.
- Signed cooperation agreement with Jewim Pharma, the leader in the distribution and marketing of oncology products in China.
- Hong Kong commercialisation partner, PharmaLink appointed.
- South Korean commercialisation partner Daeun Medical appointed.
- Secured an experienced Board and Management team that has a wealth of knowledge in raising capital, managing SME's and commercialising western biomedical products into Asian markets.

PRODUCTS



Volplex® is a gelatine based blood plasma substitute used in cases of trauma and/or after surgery. It is given by intravenous infusion in hospitals as it is well tolerated, sterile and does not interfere with blood coagulation. **Helicon** has secured the commercialisation rights for Volplex® in China and the South Korean markets. Due to inadequate infection control systems in China, the Chinese government has restricted blood donation programs, thus creating a growing demand for blood plasma substitutes where the risk of cross infection is insignificant.

Collatamp® G is an implantable collagen sponge that is impregnated with the broad spectrum antibiotic, Gentamycin. In controlled clinical trials the device has been shown to significantly reduce the incidence of severe post surgical infections. The main benefit of this localised drug delivery system is that it ensures that high concentrations of the drug can be maintained on-site whilst avoiding the risk of systemic toxicity and the associated side effects of Gentamycin. **Helicon** has secured the exclusive product rights for China which has relatively high rates of post surgical site infections.



ReCell® is a leading edge tissue engineering technology, developed by Clinical Professor Fiona Wood, FRCS, FRACS, AM, which revolves around the use of a patient's own skin cells to produce fresh skin in areas where trauma has occurred thereby significantly improving the likelihood of matching healthy skin and eliminating tissue rejection. It is utilised in the treatment of burns, small wounds, vitiligo, encouraging scar free healing and re-pigmentation. There is no other product able to match ReCell® on the international market, thus making it an ideal fit with **Helicon's** high end positioning. **Helicon** has the exclusive rights for China and Hong Kong and Macau.

MedWrap™ Island Wound Dressing with Microban® contains a potent bacteriostatic agent indicated for surgical site infections. It is used for the management and control of post surgical site infections, enabling speedier patient recovery times. **Helicon** has secured the exclusive rights to this technology for China and a number of other Asian markets. Medwrap™ will be especially pertinent in the Chinese market where instances of surgical site infections are relatively high.



THE CHINA OPPORTUNITY

Powered by the world's most rapidly changing economy, China is influencing our lives as consumers, employees and citizens¹. International analysts believe that China will become the world's largest pharmaceuticals market by 2050. Some experts also predict that the Chinese drugs market will grow at an annual rate of 20 to 25 percent in the next five years². **Helicon** has identified this huge growth potential as a viable business opportunity, which, when managed effectively, will reap the rewards for **Helicon** and its stakeholders.

There are a number of demographic factors driving the development of China's pharmaceutical market. China is the most populous country in the world; figures from the National Bureau of Statistics of China show that China's population accounted for 21 percent of the global population in 2004³. Growth in consumer demand for healthcare and pharmaceuticals is expected to be driven in the next few decades as China transitions to a first world economy.

CHINA OPPORTUNITY continued

Another driving force is China's ageing population; estimates suggest that the population of people aged over 60 will rise from seven percent in 2005 to 11.8 percent in 2020⁴. The elderly tend to be higher consumers of pharmaceuticals and medical services than younger generations, thus the ageing population is a key driver in the development of China's healthcare market.

The higher living standards and associated levels of disposable income in China also have a positive effect on the pharmaceutical and healthcare sectors⁵. Finally the trend to urbanisation in China, create lifestyles that are more conducive to pharmaceutical use and provides consumers with greater access to retail pharmacies⁶. The megalopolises of Shanghai, Beijing and Guangzhou with populations of close to 20 million each, account for 21 percent of pharmaceutical sales⁷.

These driving forces and growth trends have a positive impact on China's pharmaceutical and healthcare market and is the key factor behind **Helicon's** reasoning to target China. **Helicon** will focus on the 1, 500 Tier III and 12, 900 Tier II hospitals in the major cities in China. Products have been carefully selected on the basis of whether they meet a niche market need. For instance, Volplex[®] will meet the high demand for western blood plasma substitute products due to inadequate screening of donated blood in China whilst Collatamp[®] G and Medwrap[™] Island Wound Dressing with Microban[®] have been chosen to address the relatively high level of risk of post surgical infections.



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Disclaimer:

Forward Looking Statements

This publication contains certain forward looking statements. Forward looking statements are statements other than historical information or statements of current condition. These forward looking statements relate to the plans and objectives of the Company for future operations including the Company's plans for regulatory approval and its estimates for markets. In light of the risks and uncertainties inherent in all future projections, the inclusion of forward looking statements in this publication should not be regarded as a representation by the Company that the objectives or plans will be achieved.

PLANS

Helicon's business strategy revolves around:

- Identifying specific product opportunities, based on performance, efficacy, strength of IP and value, that are not being fully addressed or where there are only one or two suppliers involved.
- Securing the exclusive licensing rights for these products for China and other North Asian markets.
- Managing the product, market and commercial risks by controlling and directing the regulatory approvals process, controlling brand and promotion, offsetting purchases and sales by back-to-back letters of credit, maintaining a low overhead cost structure and focusing on the bottom line to build shareholder value.

REFERENCES

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