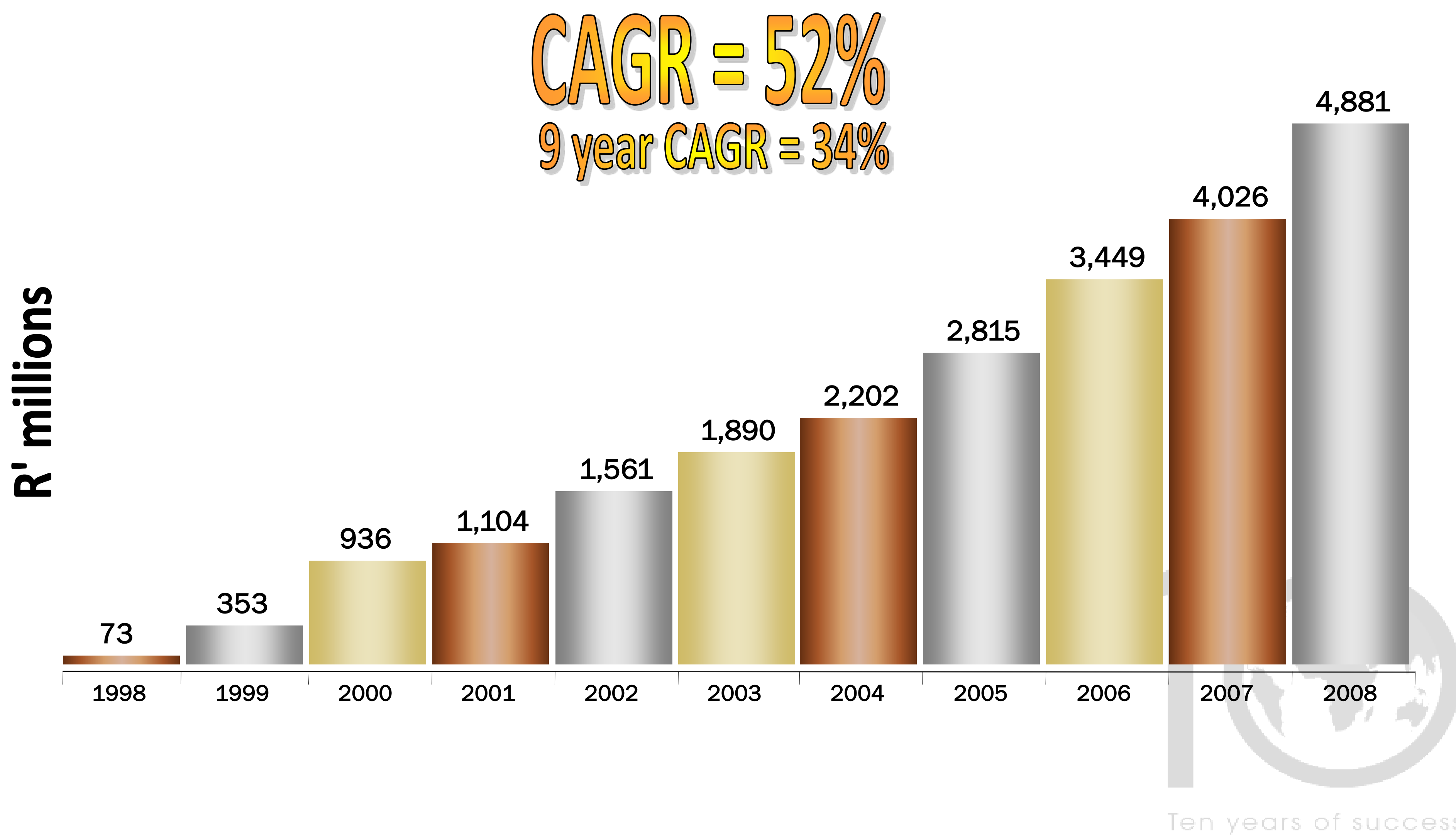
Aspen Pharmacare Holdings Limited

ANNUAL RESULTS AS AT JUNE 2008

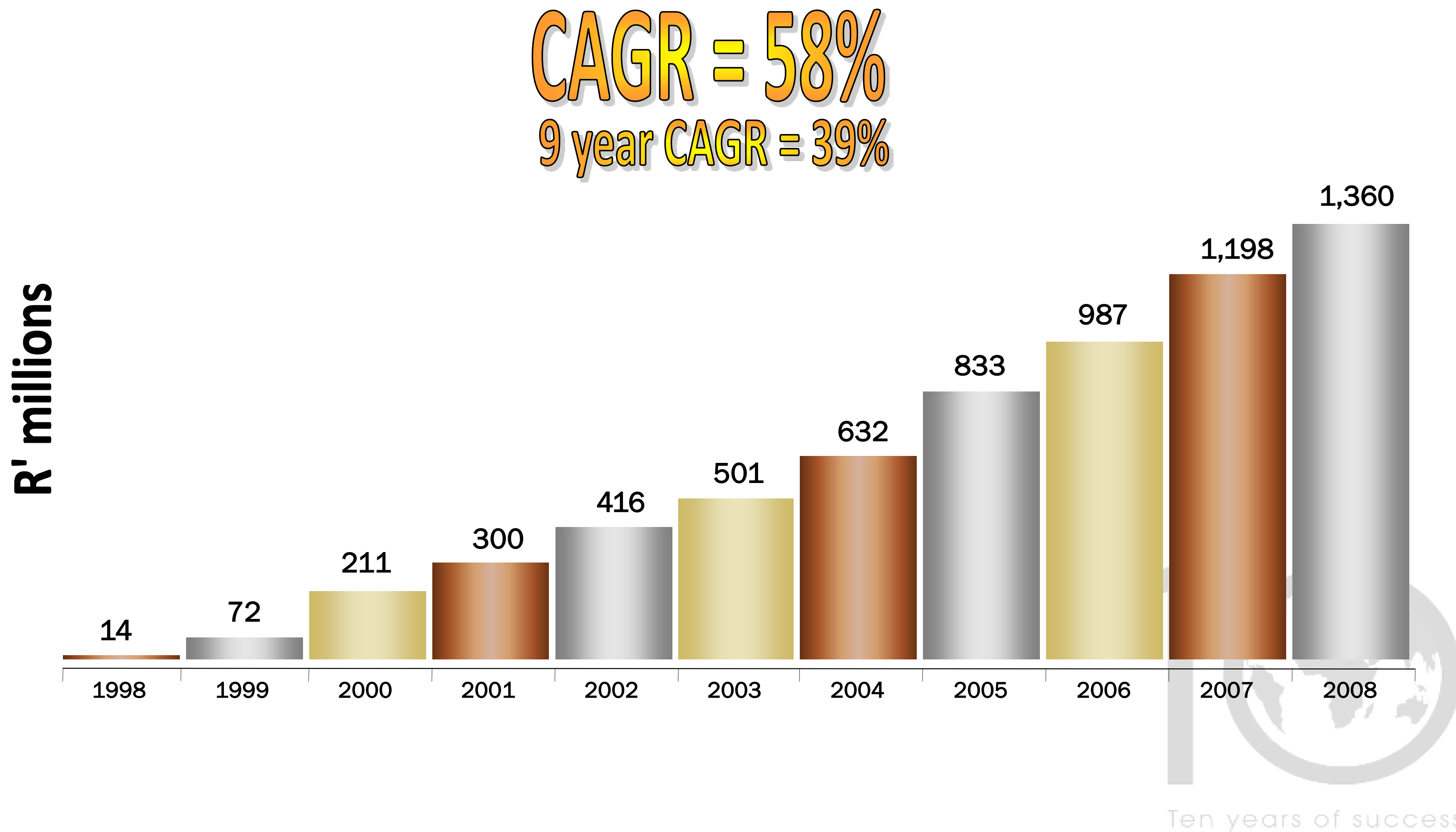
Reflecting on 10 years

Revenue



Reflecting on 10 years (continued)

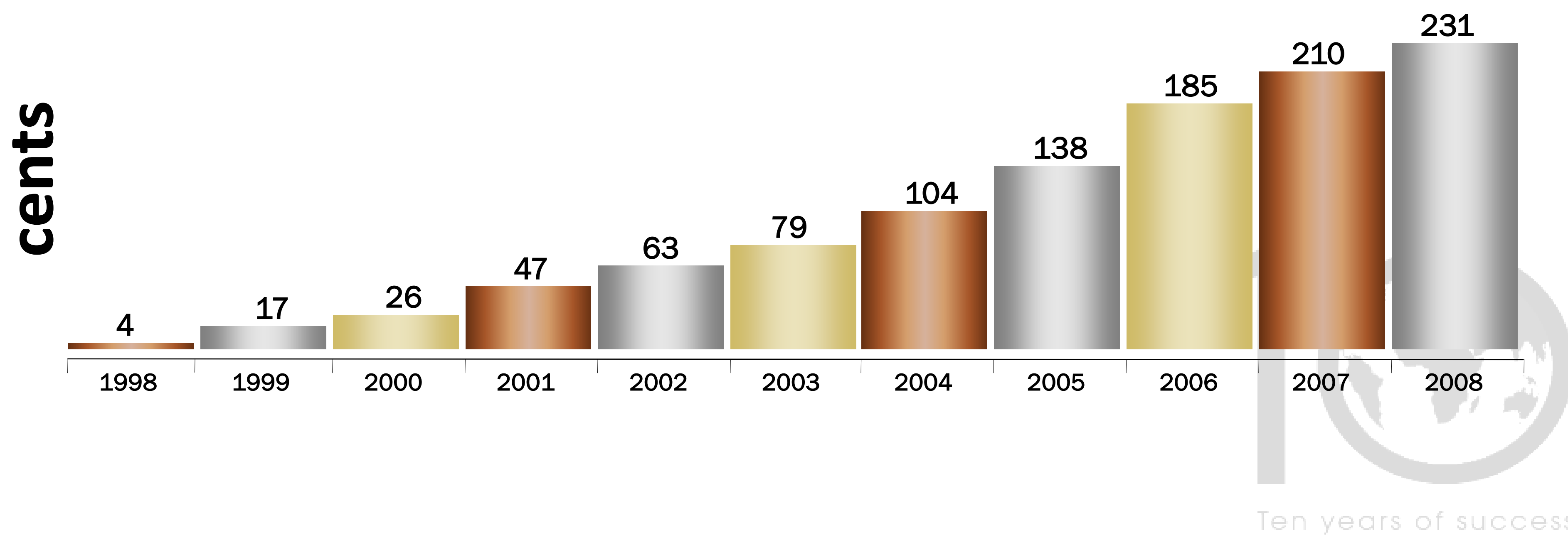
EBITA



Reflecting on 10 years (continued)
Headline Earnings per Share

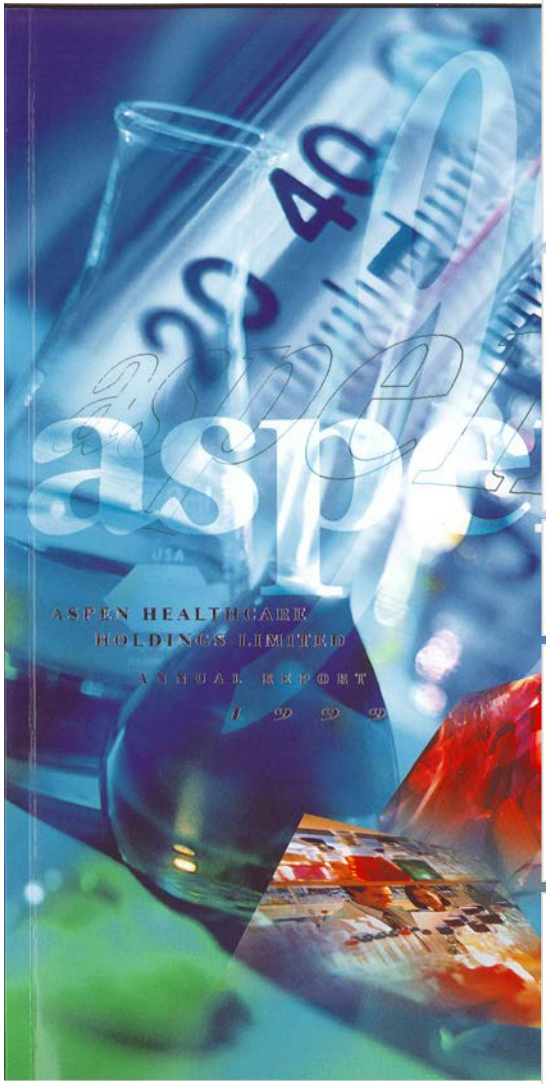
CAGR = 50%

9 year CAGR = 34%



Reflecting on 10 years (continued)

Strategic challenges…



Particular attention will be directed towards Aspen's substantial manufacturing resources with the objective of positioning the group as an internationally competitive producer.

Aspen Annual Report 1999

The pharmaceutical industry in South Africa presents many challenges. New legislation, once implemented, will have a profound effect on business in the healthcare environment.

Aspen Annual Report 1999

The reduction of debt on the group balance sheet is a priority of management.

Aspen Annual Report 1999

Utilising group's critical mass and strong market position in the domestic prescription market as a basis for forging strategic alliances with multi-national pharmaceutical corporations.

Aspen Annual Report 1999

The group recognises the advantages to the internationalisation of its business in today's global economy. The development of this strategy will be off the base of a successful and stable domestic operation.

Aspen Annual Report 1999

2008 Headlines

Revenue	+21%
EBITA	+14%
NPAT	+20%
HEPS	+10%

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Income Statement Re-analysed

	Year ended June 2008	Year ended June 2007	Change
Revenue	4 881	4 026	+21%
Cost of sales	(2 659)	(2 084)	
Gross profit	2 222	1 942	+14%
Net operating expenses	(862)	(744)	
EBITA	1 360	1 198	
Amortisation	(127)	(121)	
Operating profit	1 233	1 077	+14%
Net funding costs	(24)	(68)	
Share of after-tax loss of associates	(1)	—	
PBT	1 208	1 009	+20%
Tax	(343)	(292)	
PAT	865	717	+20%
EPS	245.3 cents	205.7 cents	+19%
HEPS	231.3 cents	210.1 cents	+10%
HEPS (excluding amortisation)	259.9 cents	237.2 cents	+10%

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Funding Costs

	Year ended June 2008	Year ended June 2007
Interest paid	(323)	(174)
Interest received	230	111
Net interest	(93)	(63)
Preference share dividend paid	(38)	(33)
Preference share dividend received	33	29
Net preference share flows	(5)	(4)
Notional interest on financial instruments	10	(4)
Foreign exchange gains	60	23
Fair value gains / (losses) on financial instruments	4	(19)
	(24)	(67)

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Segmental: EBITA (excl. disposals)

	Year ended June 2006	Year ended June 2007	Year ended June 2008
Pharmaceuticals			
South Africa	35%	35%	30%
Australia	8%	10%	12%
India	33%	21%	24%
East Africa	---	---	23%
Latin America	---	---	3%
Rest of the world	27%	35%	99%
Total	31%	31%	28%
Consumer			
South Africa	25%	25%	22%
Australia	31%	28%	20%
Latin America	---	---	6%
Rest of the world	13%	28%	87%
Total	26%	25%	22%
Group Total	30%	30%	27%

Cash Flows and Investment

	Year ended June 2008 Rm	Year ended June 2007 Rm
Cash operating profit	1 493	1 322
Working capital requirements	(435)	(353)
Cash generated from operations	1 058	969
Net financing costs paid	(347)	(194)
Investment income received	263	140
Tax paid	(322)	(206)
Net inflow from operations	652	709
Capital expenditure – PPE	(379)	(288)
Capital expenditure – IP	(166)	(147)
Acquisition of investments	(1 358)	—
Disposals	68	9
Redemption of preference shares	377	—
Other	1	(6)
Net outflow from investing activities	(1 456)	(432)

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Abridged Balance Sheet

	Year ended June 2008 Rm	Year ended June 2007 Rm
Assets		
Non-current assets	6 090	2 393
Tangible fixed assets	1 745	855
Goodwill	590	295
Intangible assets	3 723	845
Investment in associates	26	—
Preference share investment	—	377
Non-current financial assets	6	21
Deferred receivables	459	—
Other current assets	2 778	1 808
Cash	1 522	3 331
	10 849	7 532
Equity & Liabilities		
Shareholders' equity	3 319	2 389
Preference shares – liability	402	404
Long term interest bearing debt	76	26
Other non-current liabilities	12	18
Short term interest bearing debt	3 104	3 802
Deferred tax liabilities	155	65
Liability for products acquired	2 653	—
Other current liabilities	1 128	828
	10 849	7 532

Capitalisation Issue

- Most recent distributions to shareholders have been 3 times covered
- Recent acquisitions have lead to a high level of gearing
- Distributions of cash are not in the best interests of the Group
- Capitalisation issue
  - 1.75 ordinary shares for every 100 ordinary shares held
- Weighted average price: 5-day VWAP for week ending 12 September 2008
- Capitalisation from share premium
- Effective date 8 October 2008 for shares held as at 26 September 2008

A period of intensive Corporate activity

- The culmination of long running strategies
- Onco Therapies and Powercliff — oncolytics joint venture with Strides — USD 43 million
- Latin America — 50% investment into Strides businesses in Brazil, Mexico and Venezuela — USD 152.5 million
- Shelys Africa — 60% investment into a leading player in East Africa — USD 39 million
- GSK brands — Four globally established products acquired — GBP 170 million
- GSK licensing and supply — Collaboration in developing markets
- Approximately 40% of EBITA expected to be from international businesses in 2009
- Disposals:
  - 51% of Co-pharma (United Kingdom) — GBP 2.25 million
  - 80% of Formulae Naturelle (South Africa) — R 52 million
- Formation of Aspen Global

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Oncology Franchise

- Joint venture with Strides to develop, manufacture and commercialise oncology products
- Indian based manufacturing and development facility for injectables, semi-solids and solids
- Rights acquired to 32 oncology products under development. Pipeline substantially enhanced since the deal
- Validation of the facility has commenced
- First products to be commercialised in 2010
- Onco Therapies to also license and supply specialist generics under the GSK deal

OncoTherapies LIMITED

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Latin American Investment

- Aspen investment eliminated debt from the Latin American businesses and provided a war chest of USD 40 million
- Final purchase consideration performance linked based upon a warranty of USD 28 million in EBITDA
- Put and call after one year
- USD 40 million has been invested in a branded generic business and in three OTC brands
- Accelerated change of control : Aspen acquires additional 1% for USD 2.8 million and rights to 100% of profits with immediate effect
- Put and call for remaining 49%
- Purchase consideration based upon application of previous principles applied to EBITDA for year ending 30 June 2009

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The Aspen-GSK Relationship

- Forged over many years

- Existing deals:
  - fostering deal in South Africa
  - ARV voluntary license in Southern Africa
  - co-marketing arrangement in Australia
  - acquisitions of products in South Africa
  - manufacturing for GSK in OSD

- Aspen has established its credentials:
  - integrity
  - trust
  - capability
  - quality

- Relationship has evolved from:
  - South Africa to
  - regional to
  - global

- Direct communication with new CEO

GlaxoSmithKline

Ten years of success

Acquisition of GSK Brands

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- global access to niche brands
- good exposure in target markets
- leverage and extend international distribution network
- manufacturing opportunities
- value enhancing
- strong cash flow profile

gsk GlaxoSmithKline

- non core brands
- consolidation of manufacturing

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Acquisition of GSK Brands (continued)

- Purchase consideration: GBP 170 million (R2.7 billion)
- Purchase of intellectual property
- Four products: Eltroxin, Lanoxin, Imuran, Zyloric
- Virtually all markets globally excluding the USA
- Acquired by Aspen Global Incorporated
- Transition arrangements:
  - distribution for up to one year
  - manufacturing: 3 years (Zyloric) to 5 years

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Financial Effects

- Revenue in 2007 exceeded R1 billion
- First year under transitional arrangements
- Future revenue in Aspen's hands will be less where distributors are used
- Worldwide territories – future performance will be measured in different geographies
- Highly profitable, excellent cash flows
- On a pro-forma basis adds 80 cents to 2007 HEPS

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GSK License and Supply Agreement

- leveraging GSK brand, marketing, distribution across 95 countries
- manufacturing opportunity – South Africa, Brazil, India

- access to a generic pipeline
- branded generics in emerging markets
- a “transformational” deal

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GSK License and Supply Agreement (continued)

- Deal is with Aspen and Onco Therapies
- GSK will select products annually from the Aspen and Onco Therapies pipelines
- Territories:
  - Central and Eastern Europe, Middle East, North Africa, Latin America
- Protections for Aspen where overlapping territories
- License and supply term: 10 years from launch – profit share
- First commercialisation expected in 2010
- Default to royalty

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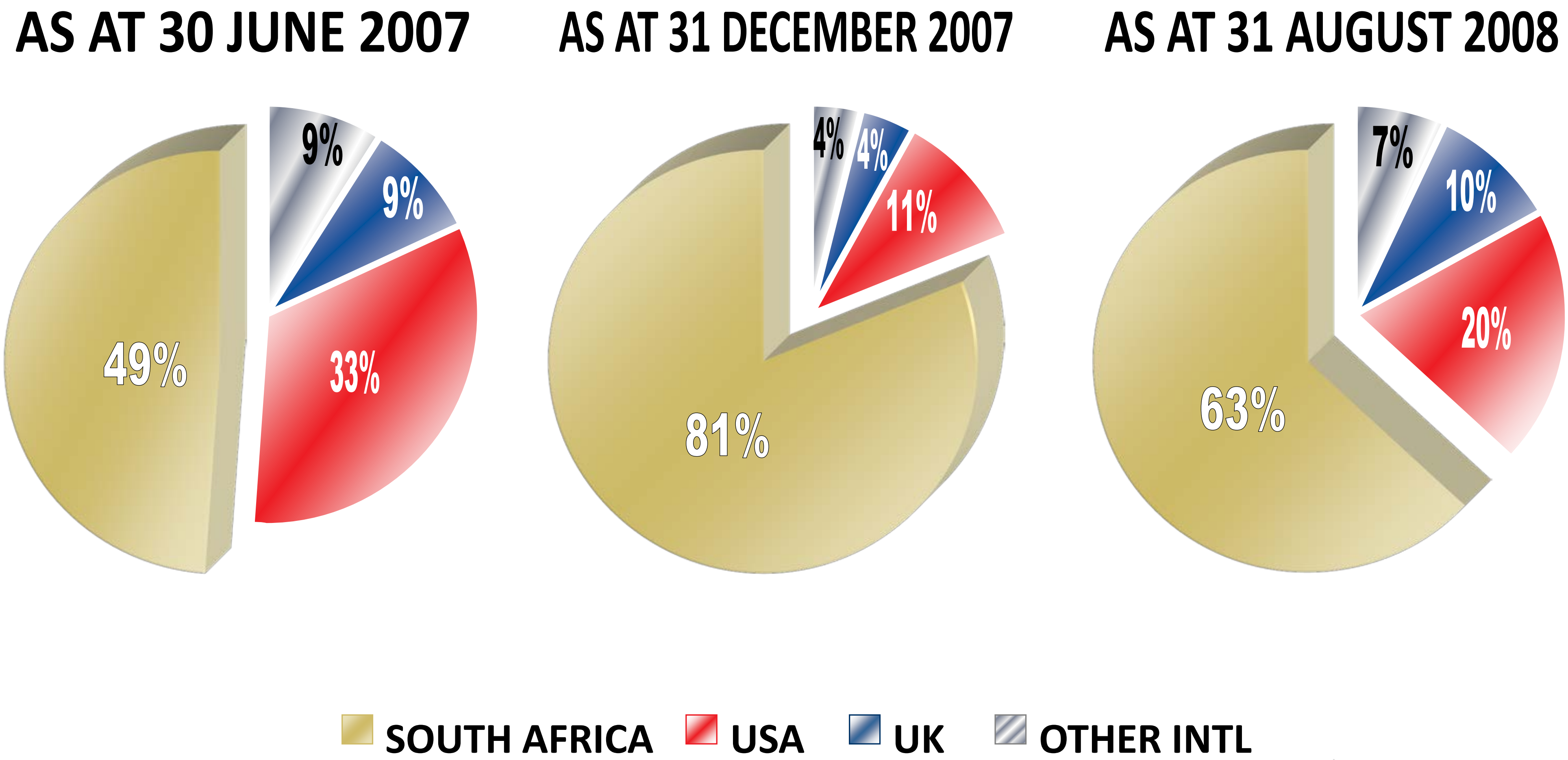
Geographic Distribution of Fund Managers



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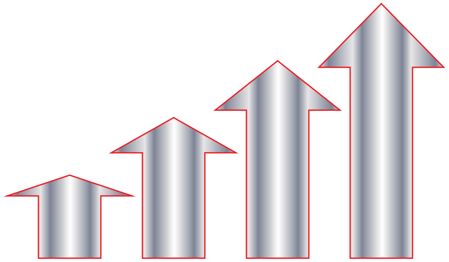
South African Market

Aspen in South Africa

- Aspen is number one in the South African public sector:
  - supplies one in four/five tablets to every public sector institution
  - supplies nearly three in four ARV tablets sold by the South African government
- Aspen is number one in the South African generic sector:
  - a decade of leadership
- Aspen is the largest pharma company in the private sector
- Aspen is the largest pharma company in South Africa
- Aspen has credibility:
  - more than 2000 SKU's
  - Aspen's focus on quality, affordable products has given consumers peace of mind to make the switch



Aspen has for a decade, half on half, year on year delivered an unbroken growth trajectory in both sales and earnings with CAGR of 52% and 58% respectively

South African Private Market

Market Growth As per IMS – June 2008

Total Market	**+13%**
Generic	+23%
OTC	+10%
Branded	+12%

CAUTION: We have found numerous errors in the IMS data and have concerns. We picked this up post October when we changed distributors. IMS are working at correcting this information.

- Key Drivers:
  - pricing
  - generic shift and acceptance
  - emerging middle class driving volume growth
  - GEMS
  - patent expirations

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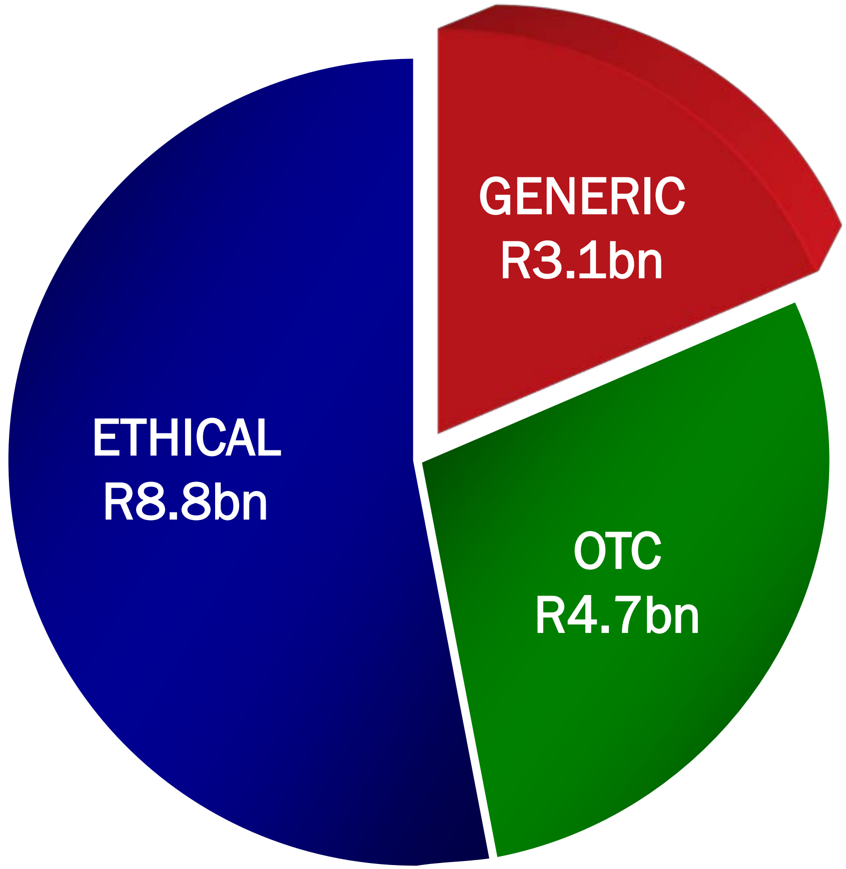
Total Private Market

As at June 2008 R16.6bn (June 2007 – TPM R14.9bn)



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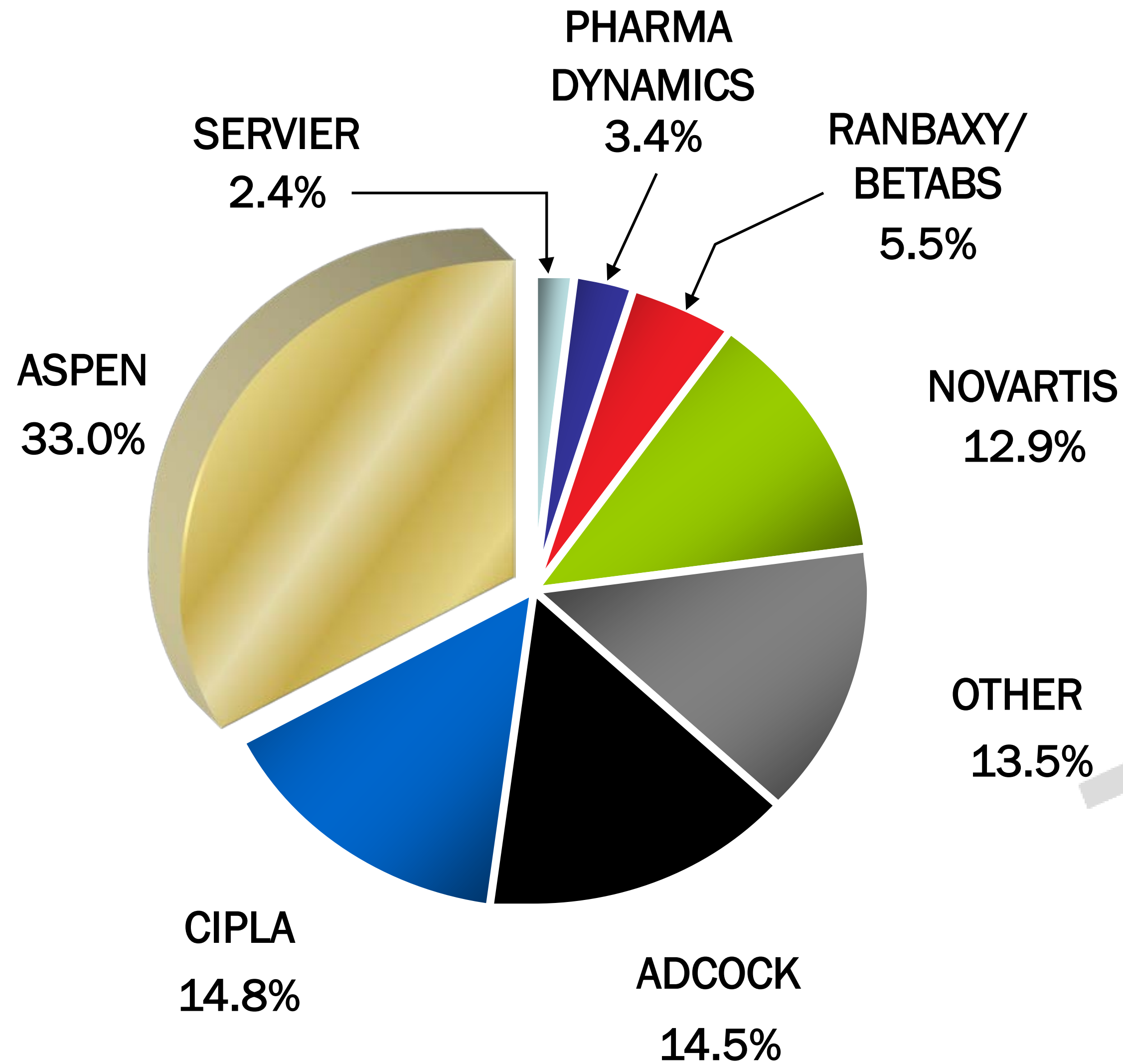
Total Generic Market

Market shares as at June 2008



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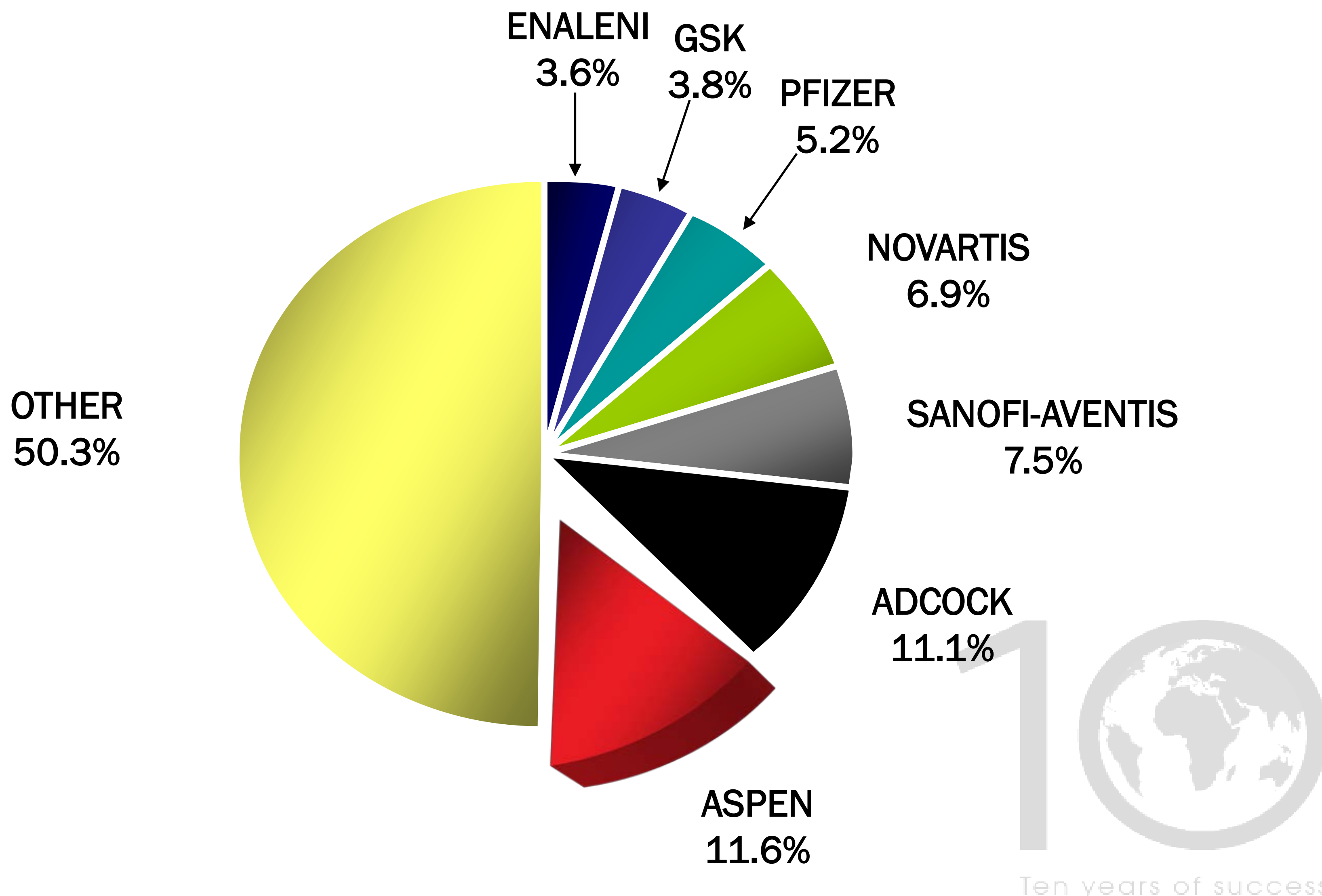
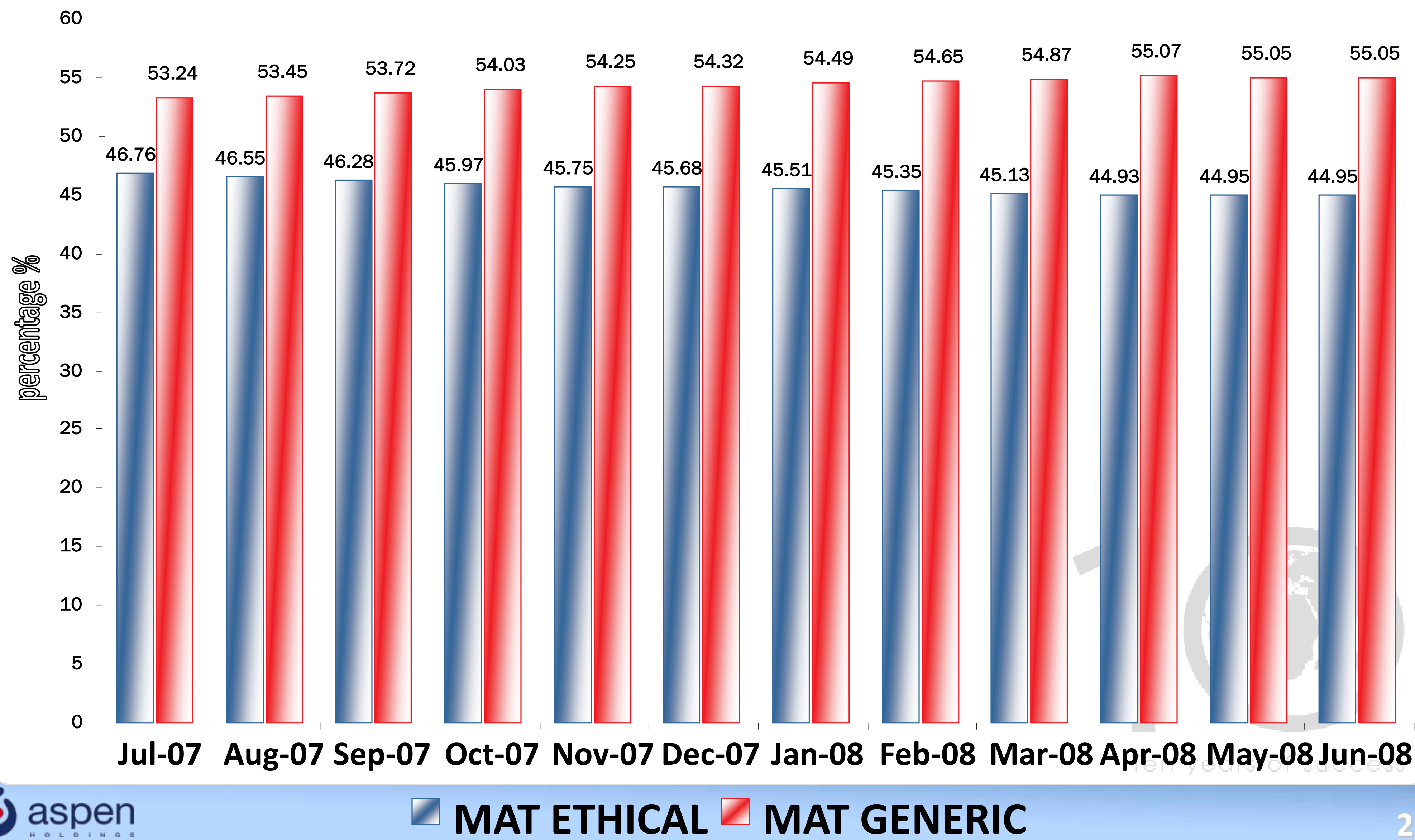
Total Pharma Market

MAT Rand Shares as at June 2008

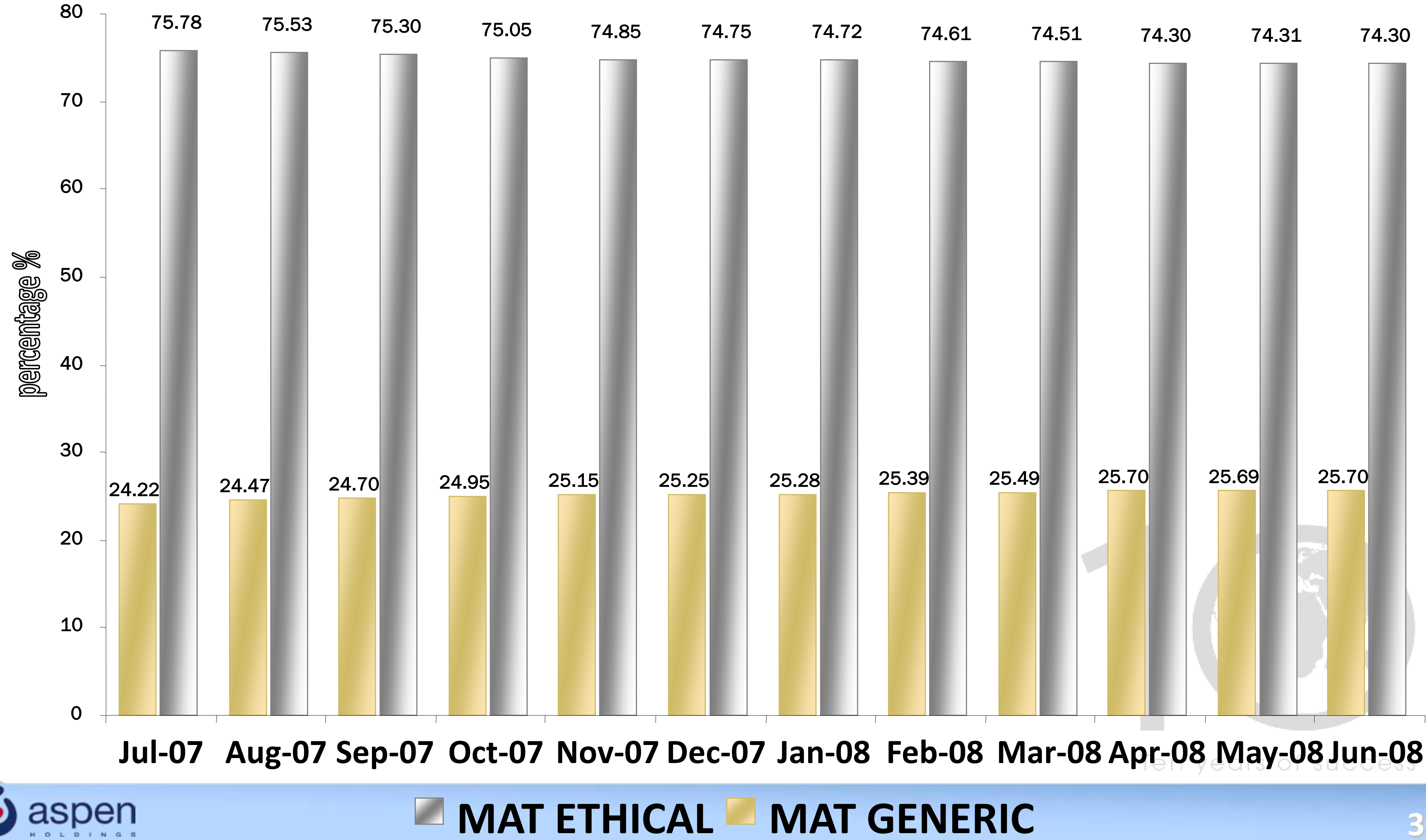


Ethical / Generic Split
MAT Market Share (Sch 3 – 7) as at June 2008



Ethical / Generic Split

MAT Value Market Share (Sch 3 – 7) as at June 2008



South African Market
What we anticipated?

- Legislative shadow hangs over industry:
  - pharmacists
  - doctors
  - benchmarking
  - hospitals
- Pricing:
  - 6.5% increase in May
  - late and methodology changed
- Volume:
  - demand buoyant
- Rand depreciation:
  - public sector under pressure
  - long term makes local players more competitive
- Intense import generic competition
- Generic shift
- P.I.C. compliance – impacts conversion

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South African Market
What we did not anticipate?

THE COMMODITY EFFECTS ON APIs

- Key inputs costs often include:
  - fuels and fuel derivatives e.g. solvents
  - sugar, starch, maize and other commodities
- Suppliers not prepared to honour contracts
- Supply on order-to-order basis:
  - no firm pricing
  - erratic supply, pressure on backorders
- Beijing Olympics:
  - chemical plants closed
    - demand greater than supply
    - export subsidies reduced
  - $ price increase
    - profound effect on public sector

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South African Market (continued)
What we did not anticipate?

- Government discontinuation of molecules:
  - no phasing out period for ephedrine
- MCC closure / suspension of many SA competitors:
  - pressure on supply chain from these unforecast volumes
- Conversion costs:
  - electricity
  - oil
  - PPI cost pressure
    - including wages

All of the above to be accommodated on a 6.5% (<5% annualised) price increase.

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South African Market
The effects

- Control over API increases:
  - set up in Mumbai and China
  - cycle seems to be turning post olympics

- Private sector:
  - has margin
  - can sustain price ⇧ < ⇧ cost in absolute terms
  - process of testing extraordinary price ⇧

- State sector:
  - API increases cannot be passed on in year one
    - only effective in year two
    - from 1 October 2008 key pricing adjustments through

Although negative for the period - issues under control going forward.

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South African Market
Aspen & the market's prospects

Last year we said:

> "Radical legislative changes aside, our future in South Africa is in our own hands with our key focus on disciplines, customer needs, continually enhancing our pipeline and manufacturing capacities!
> We have momentum in South Africa – that is hard to challenge."

The above still holds true.

- In our hands:
  - pipeline
  - trust in Aspen
- We also need to review the South African market's prospects:
  - Aspen is a large player in the market
  - our future is inextricably interwoven with the market
  - we want to ensure that achievements in the market are not pyrrhic

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South African Market

In our Hands : Aspen Pipeline

	Dossiers Sourced	Development	Compilation	Registration	Product Launch for Registered Products	Total
Total no of molecules	101	25	11	103	6	246
Total IMS (Private Market) (R '000)	2,008,407	592,561	99,904	1,311,658	32,679	4,045,209
State (R '000)	245,733	34,308	32,921	592,980	14,584	920,526

Dossiers in Registration	Steriles	Solids	Liquids	Other	Total
No of molecules	36	54	10	3	103
Total IMS (Private Market) (R '000)	588,937	651,736	68,779	2,206	1,311,658
State (R '000)	209,940	380,932	2,108	0	592,980

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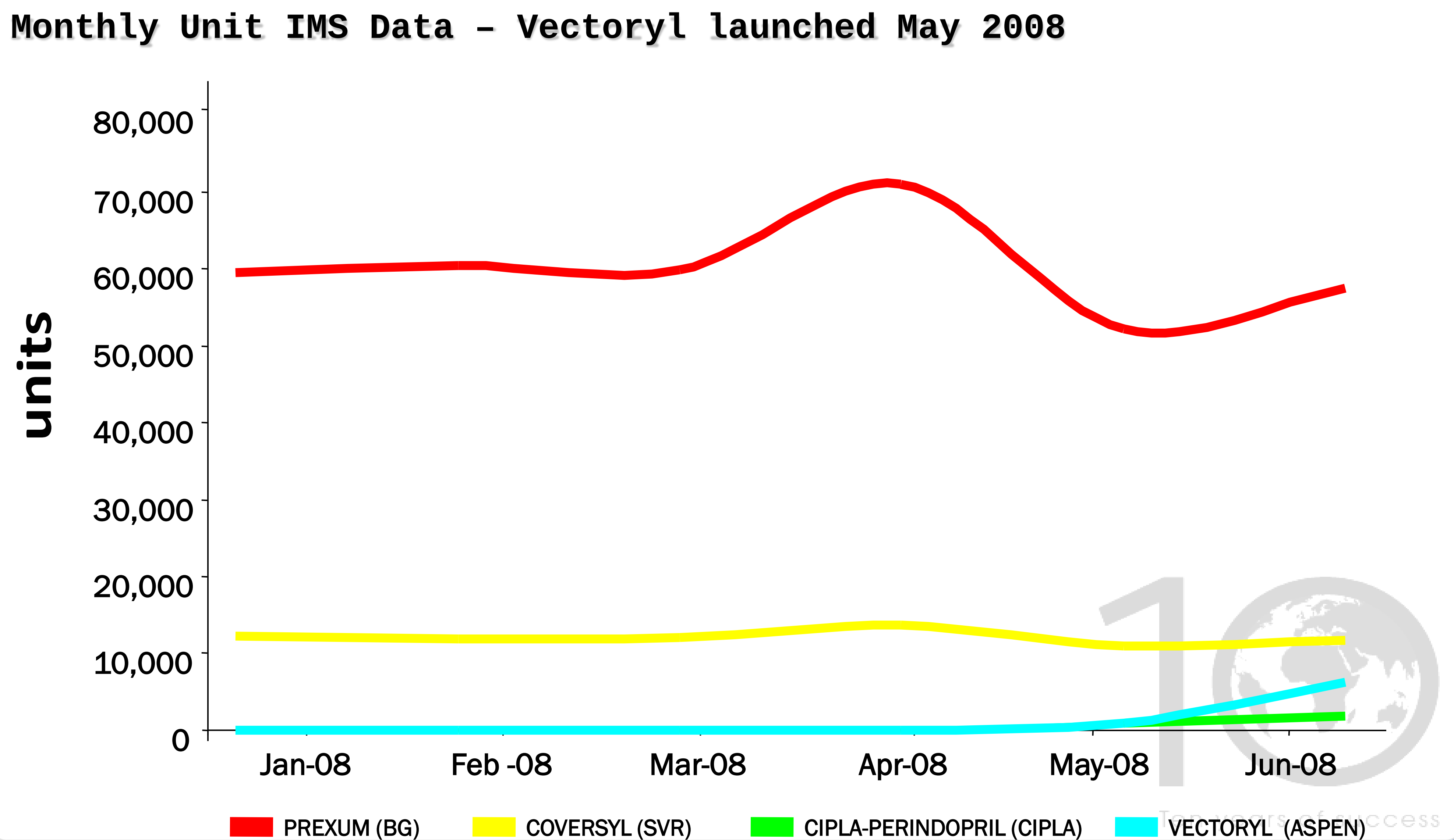
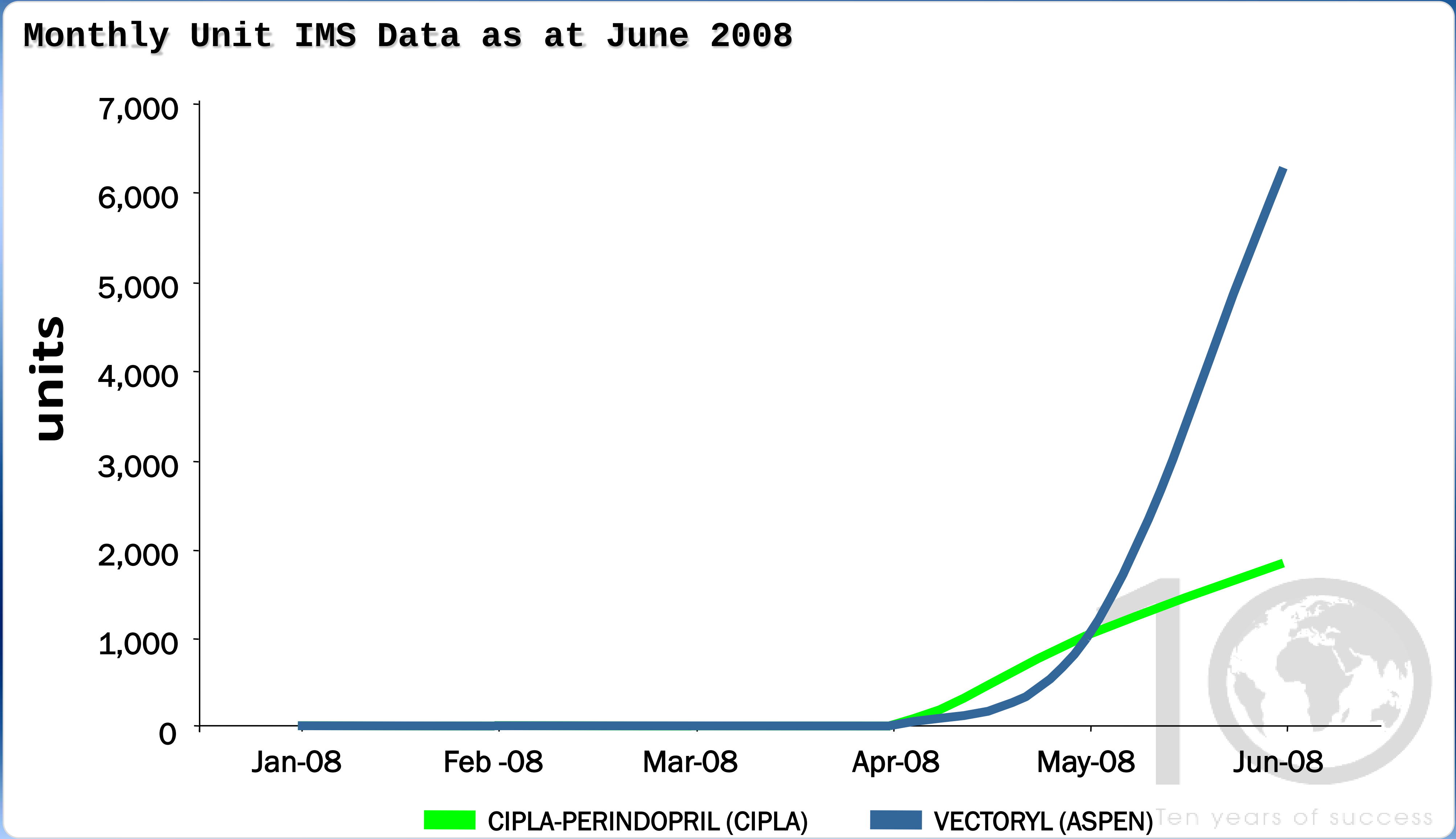
South African Market

In our Hands : Aspen Pipeline



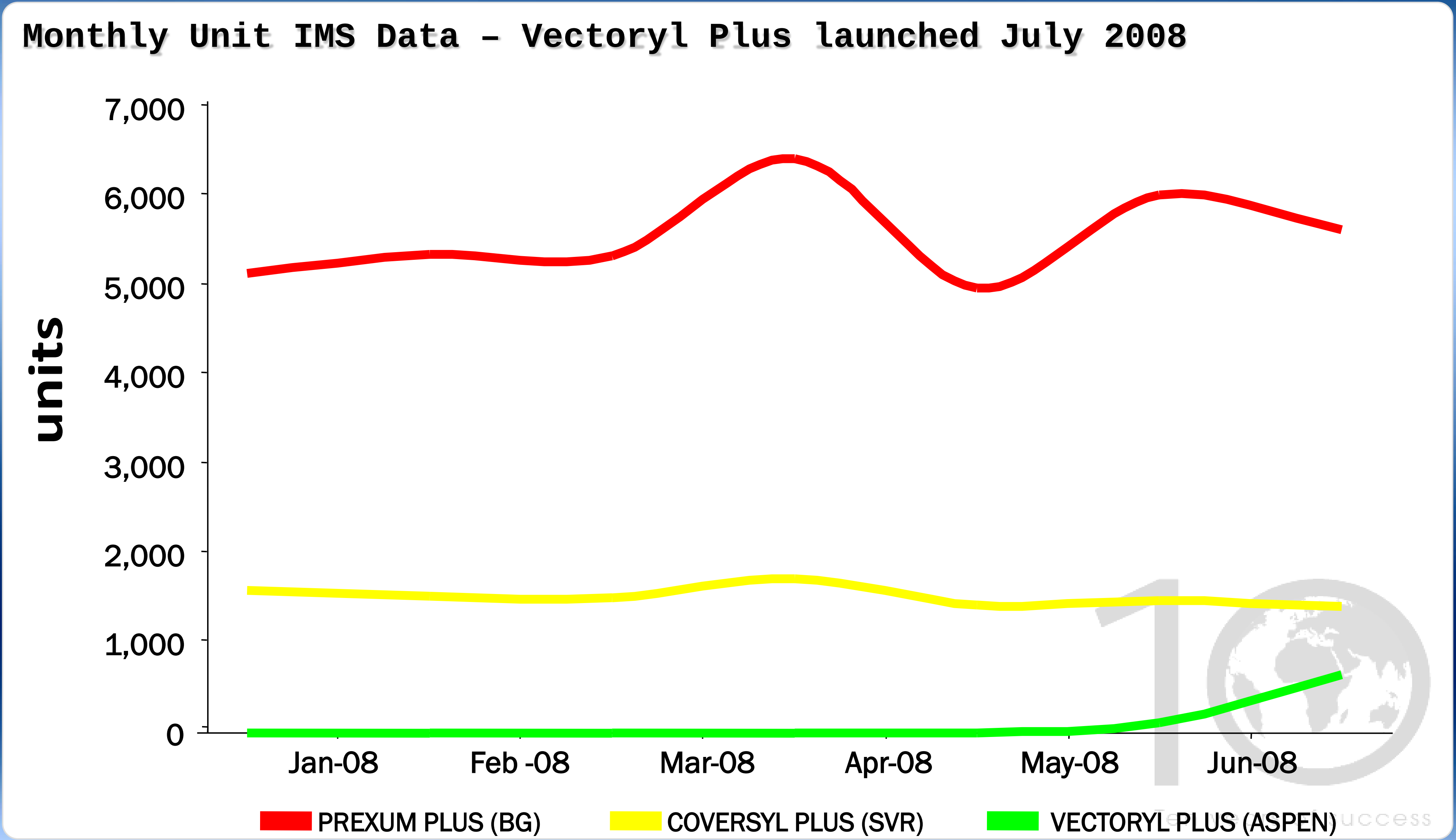
South African Market

In our Hands : Aspen Pipeline



South African Market

In our Hands : Aspen Pipeline



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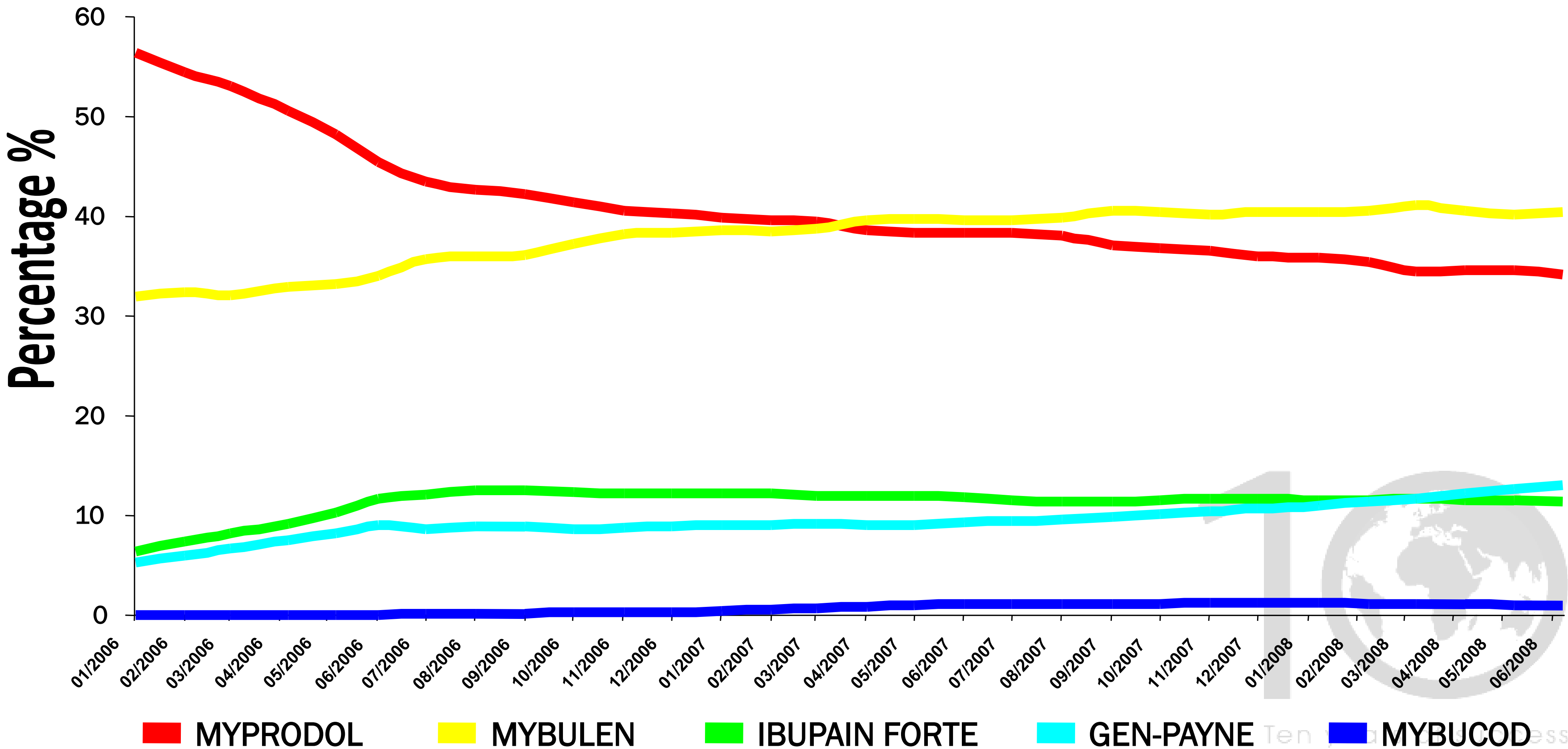
South African Market

Regional Strength : Trust in Aspen

Mybulen – IMS MAT Data

January 2006 – June 2008 MAT Unit Market Shares



South African Market
Prospects

- South African pharma market, like most pharma markets, is resilient
- Growth driven by factors seen in most emerging markets:
  - population growth
  - ageing population
  - growing middle class
  - in South Africa, a particularly high prevalence of infectious diseases
    - even the young are ill
- Double digit growth, given the above, is anticipated to continue
- Generic sector growth will be higher than the market:
  - affordability and a growing middle class
  - patent expirations in South Africa to 2011
- All the above factors support a bullish outlook for pharmaceutical sales

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South African Market (continued)

Prospects

Poor disciplines and management aside – what are the risks?

MARGIN

- Consumer and non-regulated medicines:
  - pricing in your hands
- Public Sector:
  - provides for relief and pricing is under your control
  - period of exposure limited
- Private Sector:
  - pricing is not in your hands
  - has margin
  - more resilient to price pressure

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South African Market (continued)
Prospects

- Weathered unique challenges in this period

- Did not anticipate:
  - loss of key products without a phasing out period
  - commodity cycle effect on cost of goods
  - olympic effect on chemical prices
  - extent of backorder
    - API suppliers and competitor closures

- Have addressed these issues:
  - huge focus on cost and procurement
  - anticipate more realistic price increases
  - will pass cost increases onto public sector
  - seeing a reversal of commodity cycle / Beijing effect
  - improved performance from our product pipeline
  - raised sell prices on non regulated businesses

Although not pleasant, we have emerged more resilient for the experience.

South African Market (continued)

Prospects

- South Africa following lead of other emerging markets:
  - heavy focus on local manufacture
  - ARV tender awarded to local producers
  - government delivered on their promises
- The South African landscape not able to accommodate all the current multinational players:
  - Aspen's professionalism and standards makes us the logical partner
- Particularly difficult half:
  - unprecedented landscape shifts
  - improvements already evident
  - forecasting real growth in both sales and earnings in 2009
  - confirmed by quarter to date performance

Price controls are a worldwide phenomena.

Healthcare is a necessity, not a commodity. No nation can be without it !


Antiretrovirals

Antiretrovirals

- Aspen is a leading global player:
  - turnover has reached R1 billion
  - the South African public market is the world's largest
- In South Africa, Aspen has made a profound impact on both public and private markets
- Private:
  - over 30% market share
  - sustained profitability
  - +/- 80 000 lives under cover
- Exports:
  - performing with new molecules
  - tender driven – order-to-order
  - registering new generation of NCE's for Africa with multinationals

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Antiretrovirals
Public Sector

PRODUCT	% WON
Efavirenz 600mg tablets	30%
Lamivudine 150mg tablets	80%
Lamivudine 240ml syrup	100%
Lamzid tablets	100%
Nevirapine suspension	100%
Nevirapine tablets	100%
Stavudine 15mg tablets	100%
Stavudine 20mg tablets	100%
Stavudine 30mg tablets	80%
Tenofivir tablets	100%
Zidovudine 100mg capsules 100’s	100%
Zidovudine 200ml syrup	100%
Zidovudine 20ml syrup	100%
Zidovudine 300mg tablets 60’s	100%

This award is testimony to Aspen’s historical performance and cost competitveness

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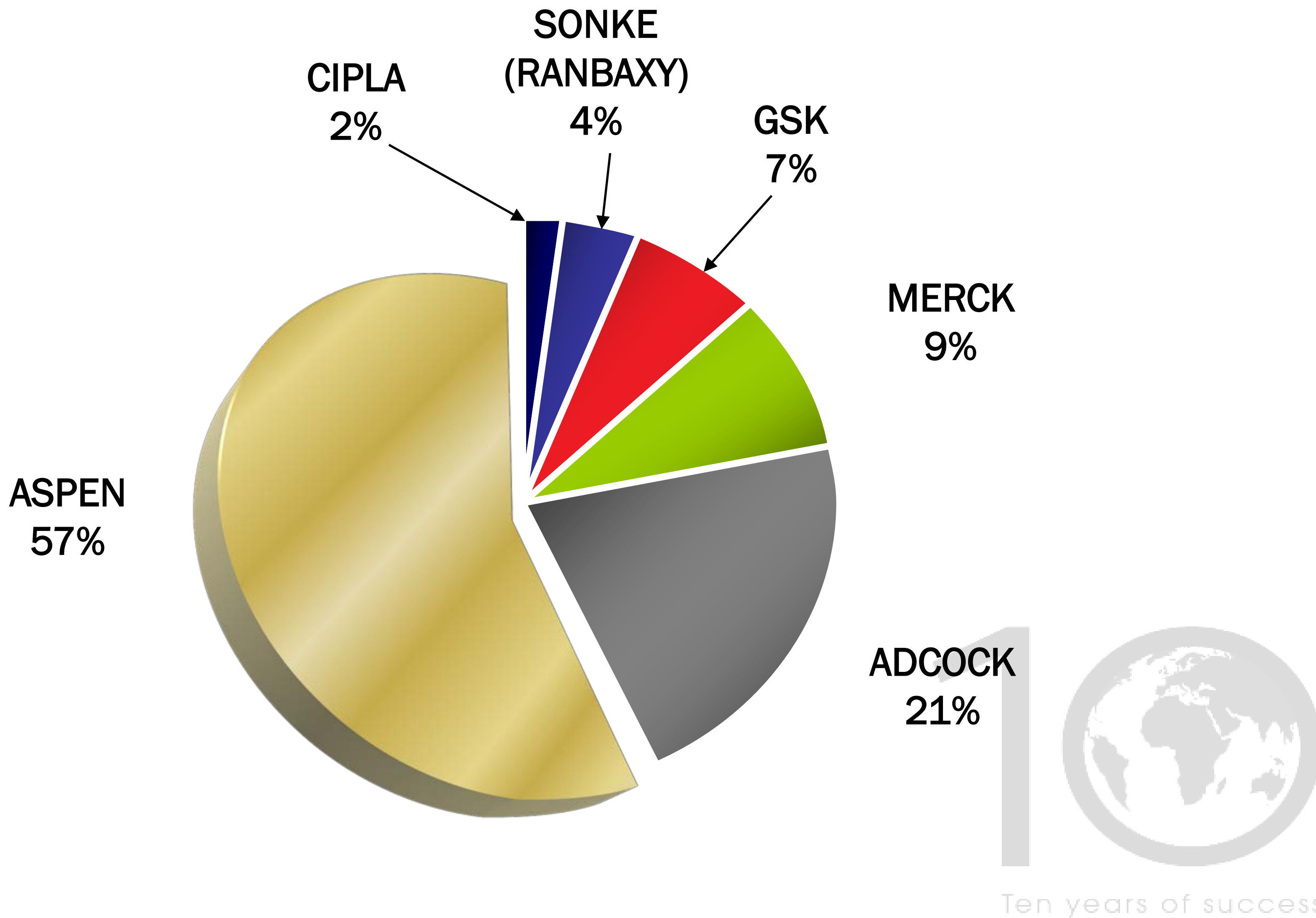
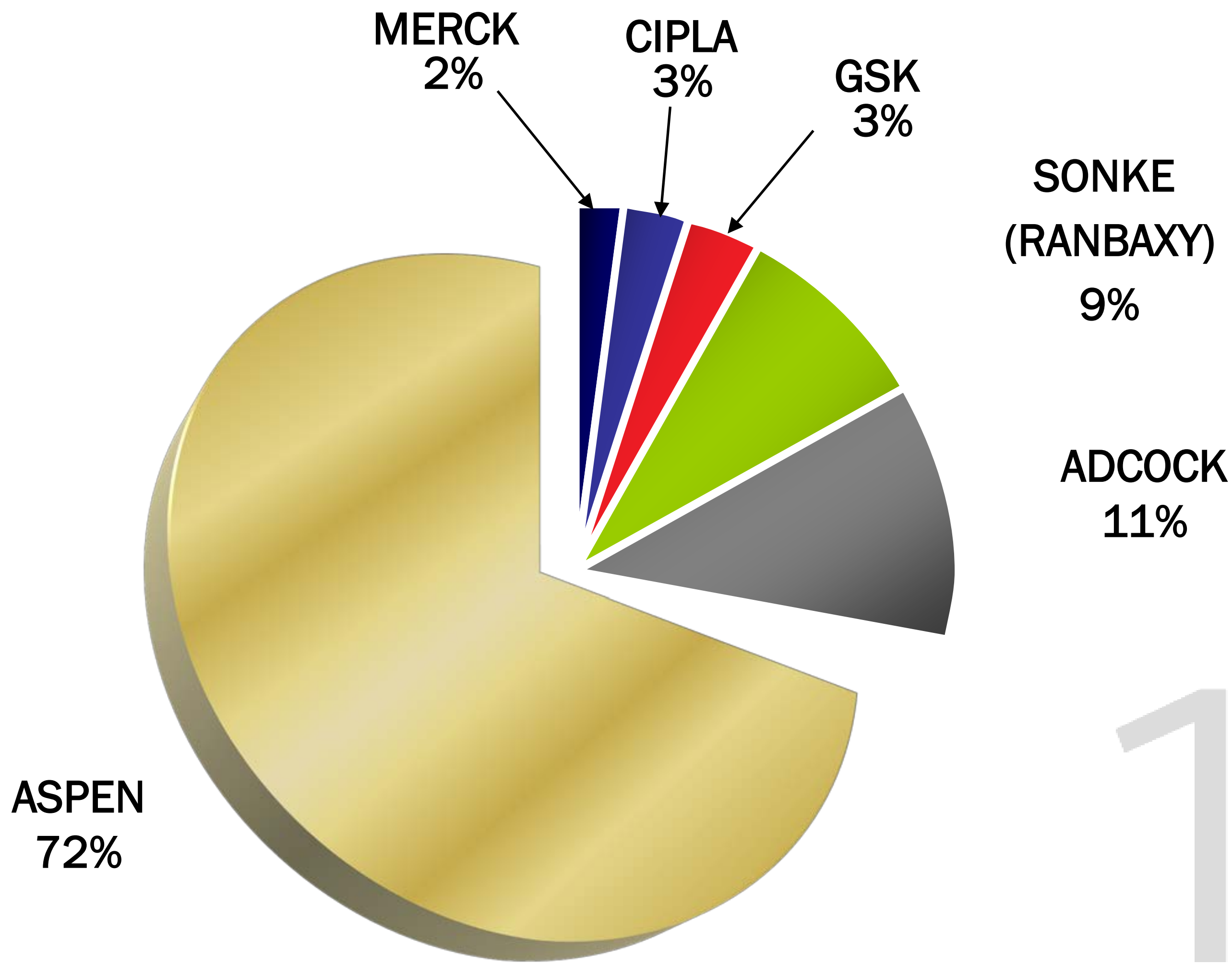
2008 SA ARV Tender Contract Results (RT 71-2008 MF)

Contract Value Market Share



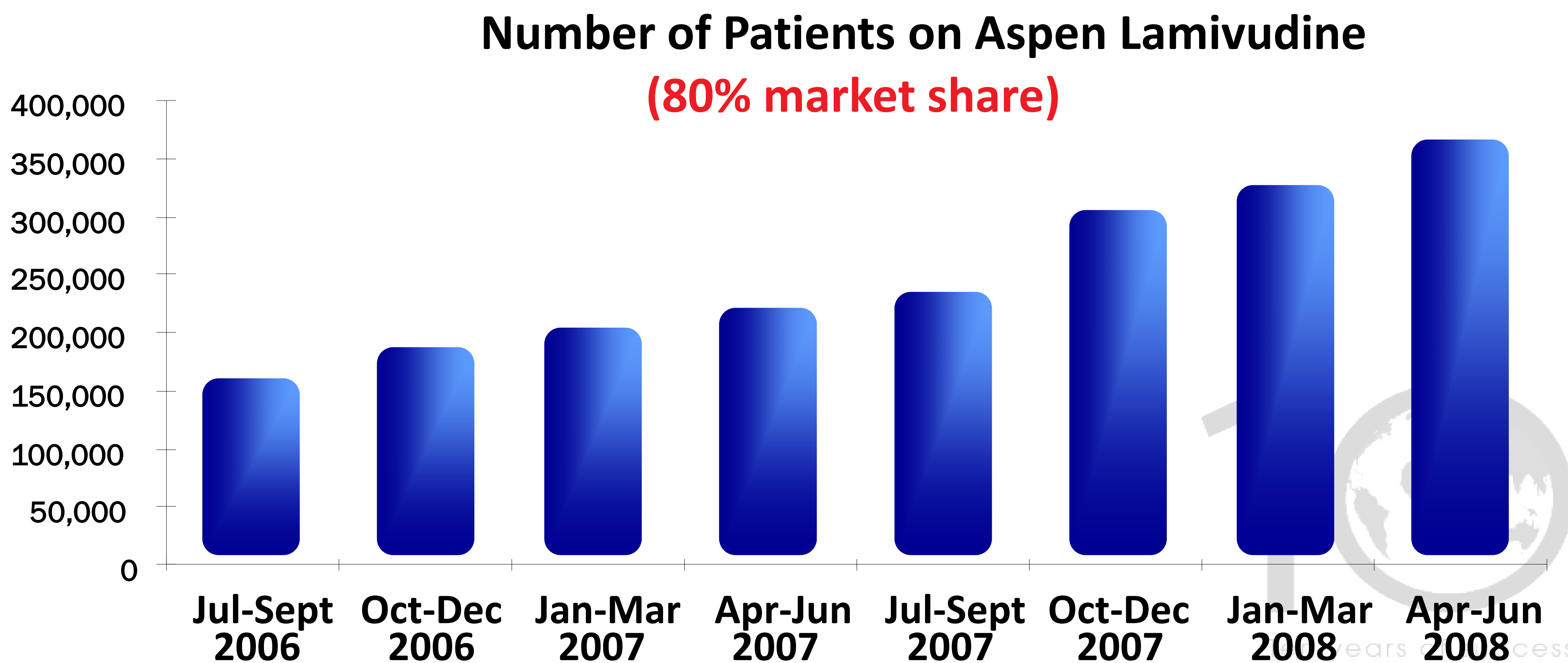
2008 SA ARV Tender Contract Results (RT 71-2008 MF)

Contract Volume Market Share



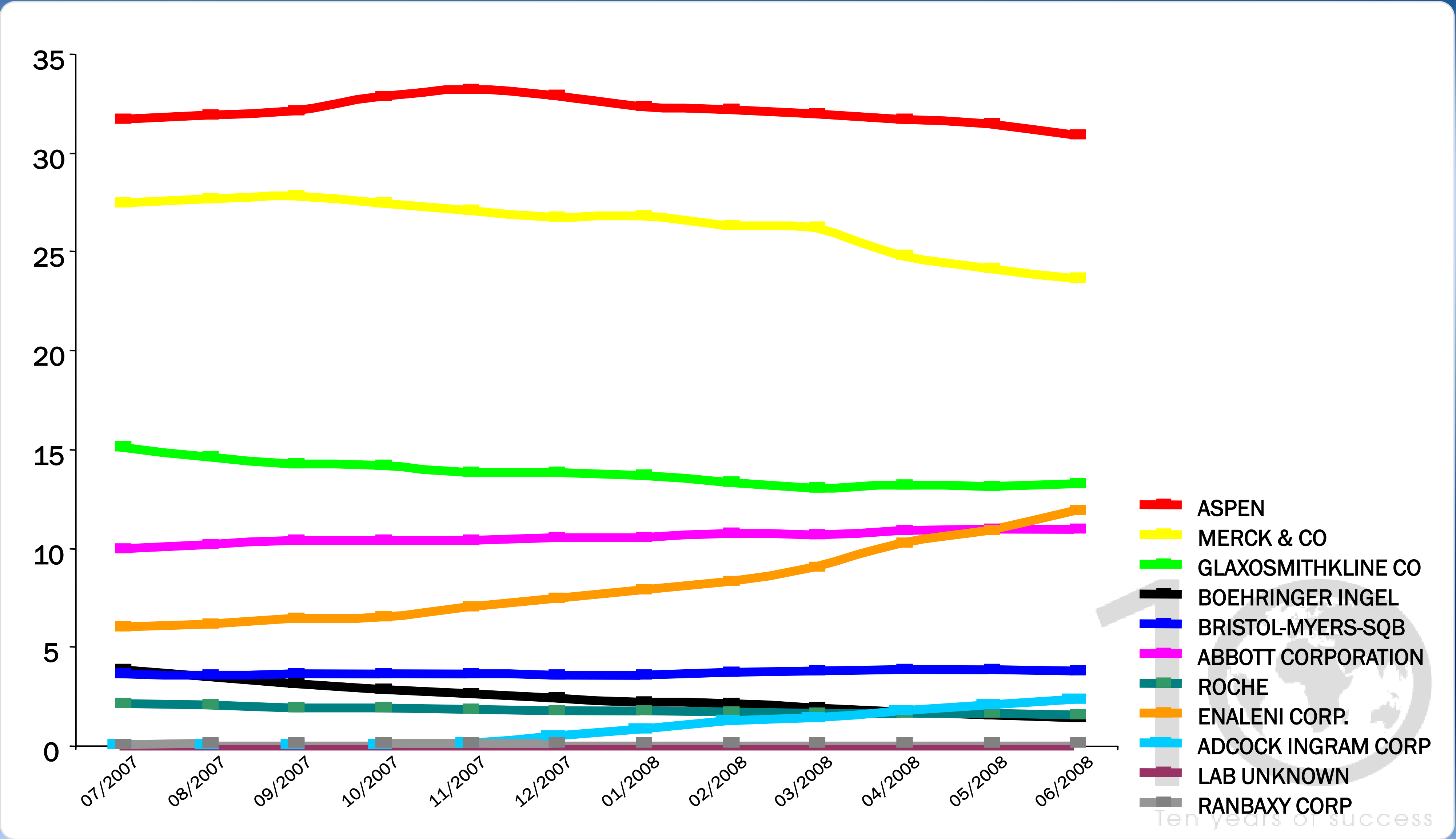
Antiretrovirals

- ARV Tender:
  - 2 years: >70% in volume and >50% in value
  - Significant growth in number of patients treated



Antiretrovirals

Products Per Company as at May 2008 Rand Value



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Manufacture

We took the risk, we invested in ourselves and our infrastructure – it's payback!

Manufacture

If Bafana Bafana don't perform, we have someone else to support!

Manufacture (continued)

- Our manufacturing infrastructure is the glue / backroom that holds our operation together and has given us front end opportunities
- Iroko deal demonstrated the above, and without this asset, no GSK deal would have been possible
- Heritage Facility:
  - December 2009 – bulk / packing of solids
  - will be at a standard to support our international business operation
- East London Facility:
  - December 2009 – largely liquids, semi-solids and suppositories
  - hormonals / potent products
- Other Finished Dosage Form Plants:
  - Campos – Brazil
  - Vittoria – Brazil
  - Solara – Mexico
  - Onco – Bangalore
  - Shelys – Tanzania
  - Beta – Kenya
  - OSD – Port Elizabeth
  - Steriles – Port Elizabeth
  - Hormonal injectables – Port Elizabeth
  - IMF - Clayville
- Our focus on manufacture, although capital and time intensive – is now paying dividends

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International Operations

International Operations

- We achieved over R1 billion in non-South African turnover last financial year
- We also said:

"
⇛ internationalisation would be focus area

⇛ Africa and emerging markets would be a focus area

⇛ no deals would or need to be done unless they made sense for our shareholders
"

- We have delivered on the above and are proud to present our progress report on delivery

International Operations (continued)

- GSK:
  - transaction covered earlier
  - deals although announced separately – linked
  - quid pro quo
- For GSK:
  - Aspen product range and pipeline
    - suitable for emerging markets
    - meets GSK stringent quality requirements
    - catalysts for growth in emerging markets
- For Aspen:
  - will share in GSK success
  - selected products acquired from GSK to underpin foundations for success of Aspen's internationalisation

A successful partnership with GSK will further transform Aspen.

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International Operations (continued)
Distribution divided into following geographic regions

- **Asia Pacific:**
  - Australia / New Zealand / Asia
- **Latam:**
  - Brazil
  - Spanish speaking Latam
- **Sub-Saharan Africa**
- **EMENA (Europe / Middle East / North Africa):**
  - will be headquartered in Dubai from January 2009
  - initial products from Iroko and GSK

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Asia Pacific

- Strong management team
- Well positioned in the market – low exposure to commodity generics
- Overview of the Australian market:
  - pressure on Australian pharma companies from PBS
  - price decreases of up to 25% passed (August 2008)
  - will have material effect on commodity generic business
  - Aspen's product mix consisting of both PBS and non-PBS products will mean limited impact
- Showing growing profitabilities:
  - +39% sales +34% EBITA
- Expecting good organic growth from pipeline:
  - first products registered in June 2008
  - Teva to yield significant value particularly with biogenerics
- Committed to growing presence in region:
  - Australasia developed as a launch pad for a greater role in Asia Pacific
  - Asia Pacific has GSK / Iroko base turnover and will benefit from Aspen pipeline

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Australia

AUSTRALIA – PRESCRIPTIONS GENERATED		
RANK	MANUFACTURER	PRESCRIPTION
1	Sanofi-Aventis	10,786,346
2	GlaxoSmithKline	10,167,926
3	Alphapharm	7,405,544
4	Pfizer	7,320,423
5	Sigma Pharmaceuticals	7,187,444
6	**Aspen Pharmacare**	**5,754,376**
7	AstraZeneca	5,561,584
8	Schering Plough	3,344,637
9	Merck Sharp Dohme	2,877,036
10	Bristol Myers Squibb	2,803,690
11	Servier	2,577,093
12	Boehringer Ingelheim	2,536,572
13	CSL	2,296,151
14	Novartis	2,125,247
15	Bayer Schering	2,058,857
16	Roche	2,039,355
17	Mundipharma	1,698,514
18	Wyeth	1,560,606
19	Hospira Australia	1,448,033

- Sales teams generating excellent script support:
  - Aspen generated ± 5.8 million scripts
  - 6th by volume of scripts generated
    - generics excluded
  - 1 in 3 Australians receive an Aspen script per annum

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Australia Pipeline

AUD $ '000

	Dossiers sourced	Compilation	Dossiers in Registration	Total
Total number of molecules	18	6	8	32
Total IMS	95,062	28,170	9,789	133,021

The TEVA pipeline is not included in the above.

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Sub-Saharan Africa

- South Africa:
  - springboard into Africa
  - ready acceptance of Aspen
  - preference to support us
- Acquisition of Shelys Africa:
  - strong presence in East Africa
  - reaching into Central Africa
- Currently reviewing further partnering opportunities in Africa:
  - distribution footprint across West Africa

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Shelys Africa
Rationale for Transaction

- Acquired 60% May 2008 – $39 million
- Shelys Africa – Tanzania - established in 1979:
  - Tanzania's leading pharma company
- Beta – Kenya - origins with Boots International, joined group in 2003:
  - long-standing relationship with leading multinationals
  - an exclusive distributor for Novartis
- Strong brand presence in East Africa supported by an effective distribution network
- Manufacturing facilities in Dar-es-Salaam and Nairobi

No. 1 generics pharmaceutical company in East Africa (incl. Tanzania, Kenya & Uganda)

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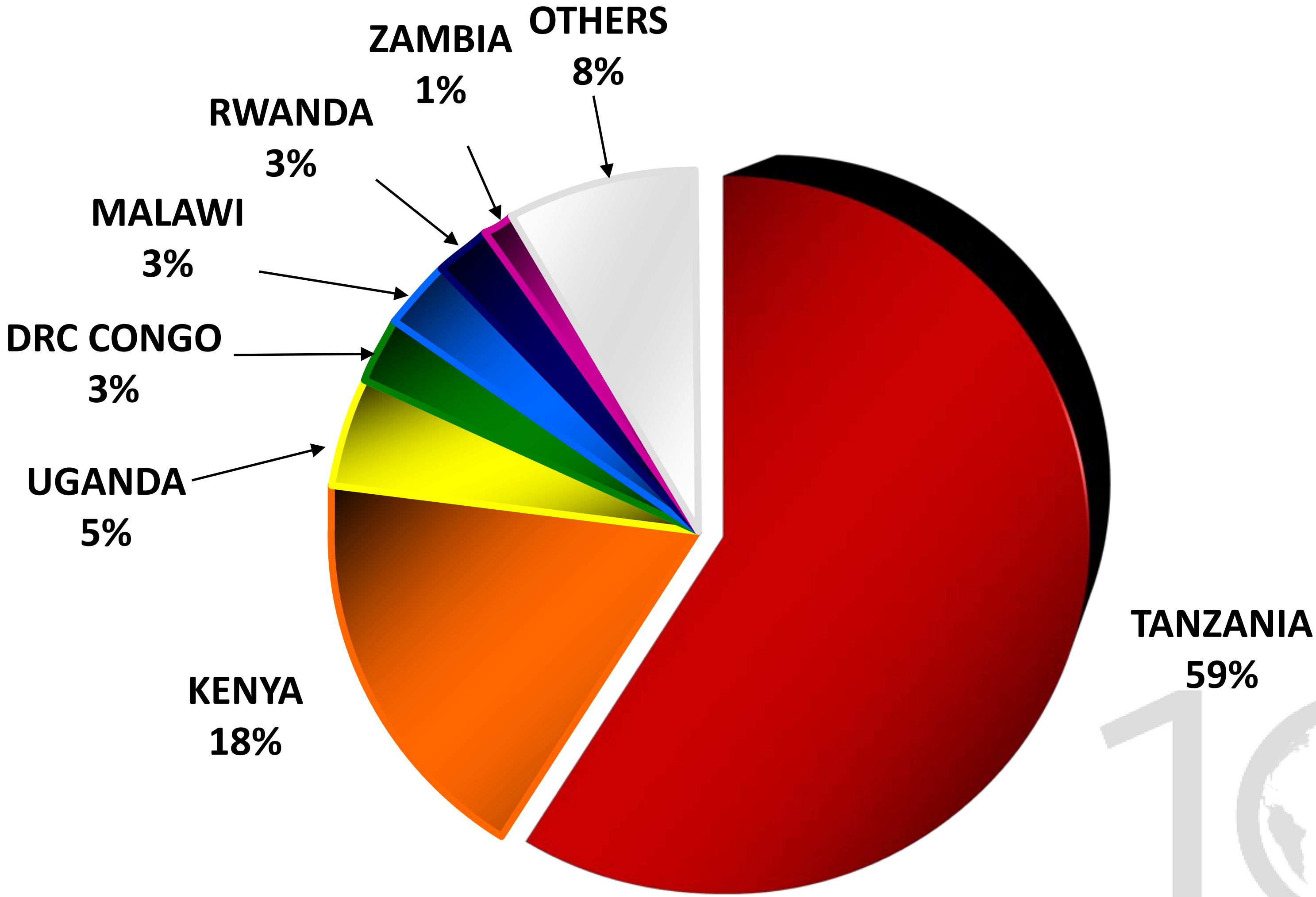
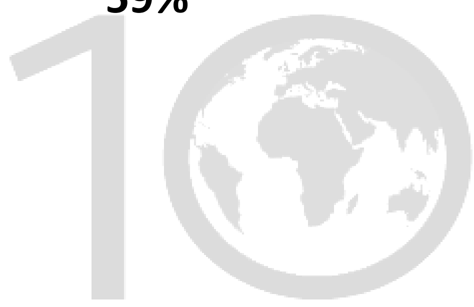
Shelys Africa – Business Overview

Revenue by Territory



Strong presence in East Africa.



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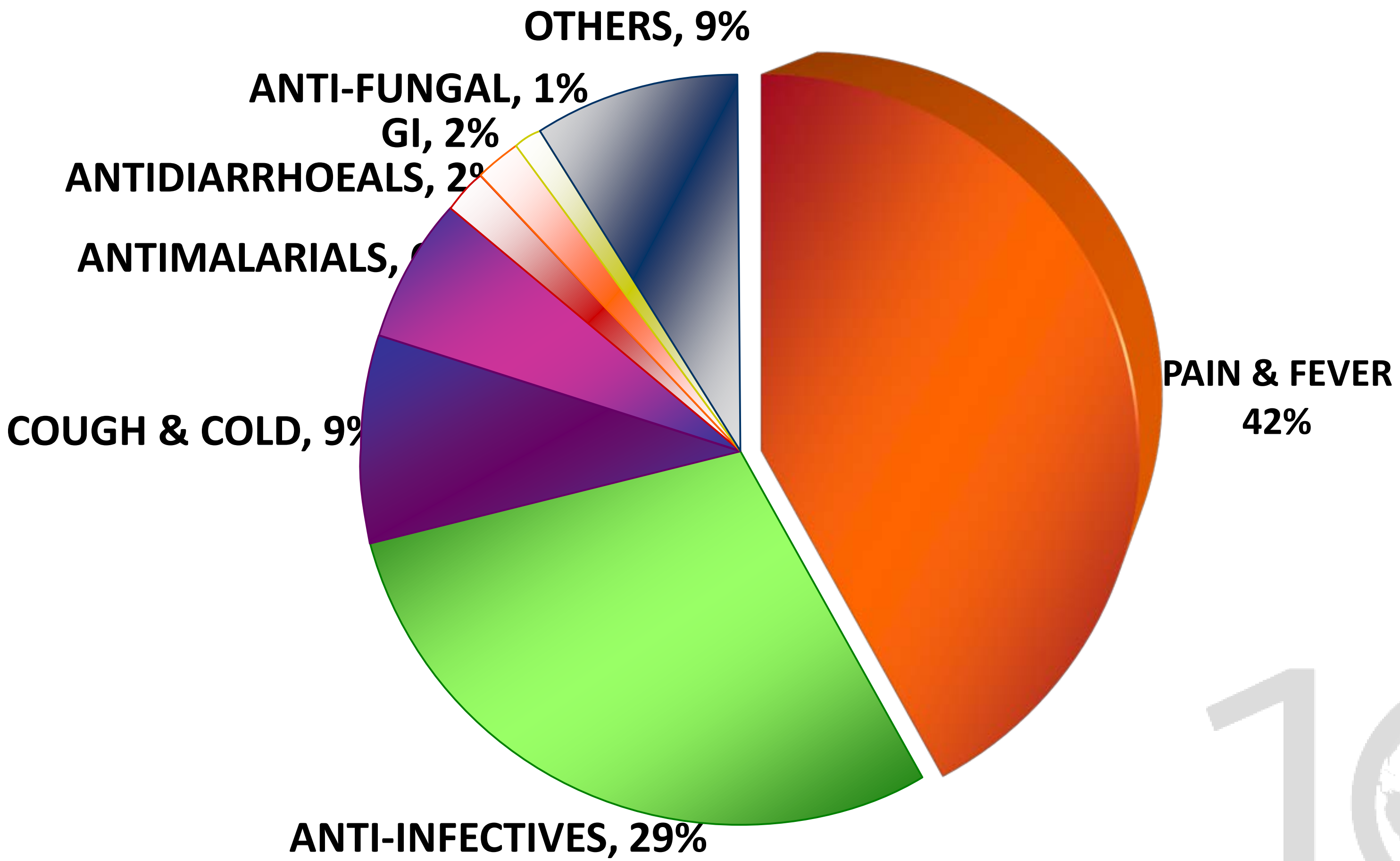
Shelys Africa – Business Overview

Analysis of Revenue



Product portfolio compliments Aspen's pharma and OTC basket.

Antibiotic

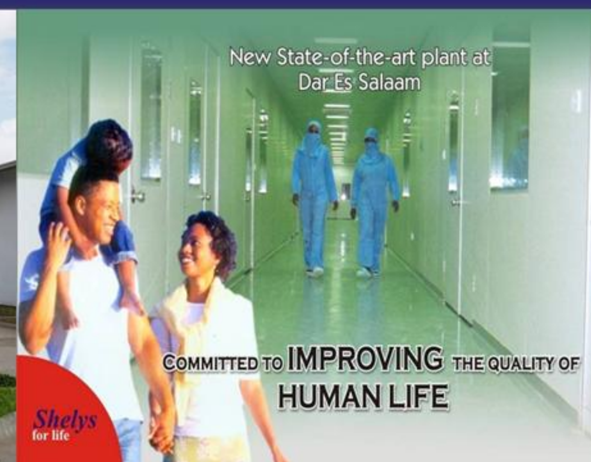
Pain & Fever

Anti-Malarials

Shelys for life

BEST Manufacturer

Shelys awarded 2008 Tanzanian President's award for best manufacturer in chemicals industry



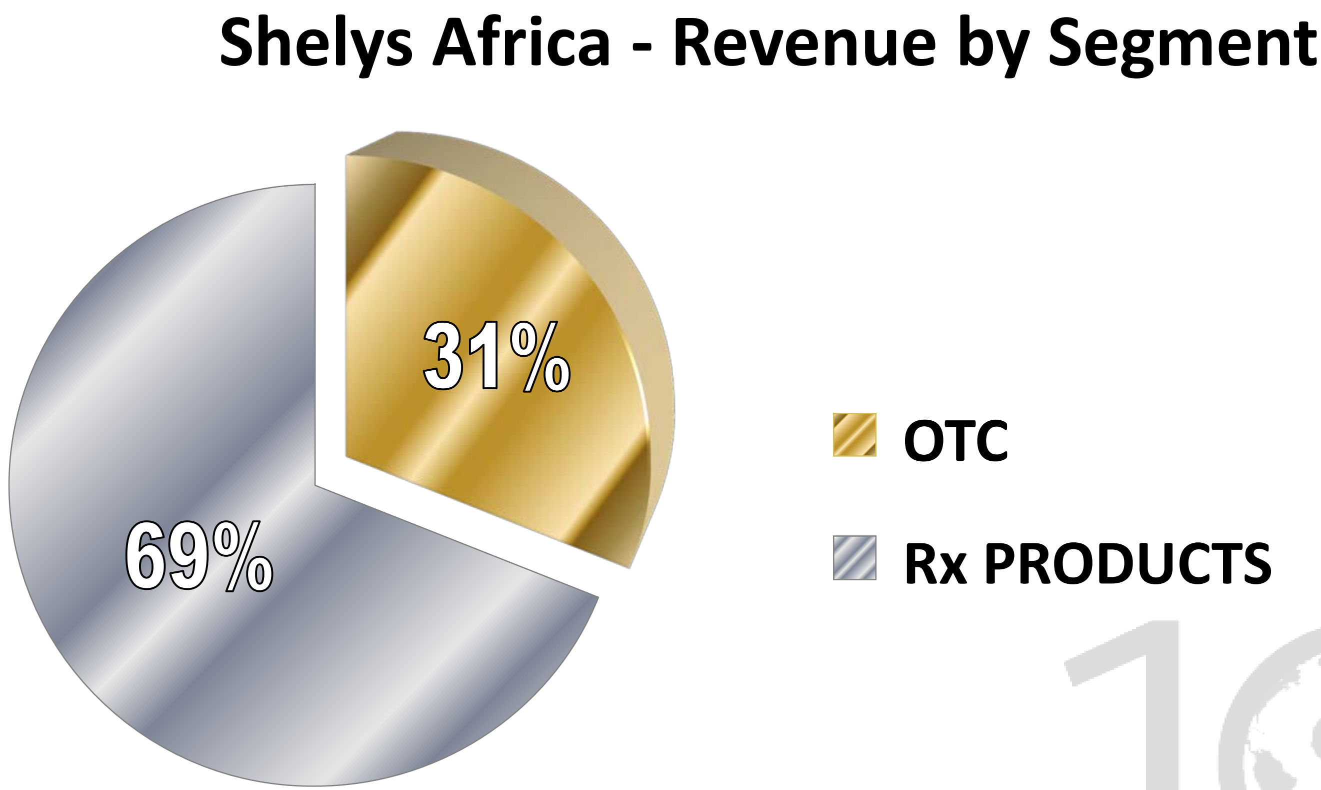
Cough & Cold

Nutra-ceuticals

Shelys Africa

Rationale for Transaction

- Credible base in East Africa:
  - Leverage Aspen IP and commercial ability



Opportunities to entrench Aspen brand in East Africa, within both generic and OTC markets.

Latin America

- Represented in three countries:
  - Brazil – pharma market = USD R13bn (11th largest)
  - Mexico – pharma market = USD 14 billion (10th largest)
  - Venezuela – pharma market = similar to South African market
- Low levels of generic penetration
- Growth in generics market in excess of 10%
- Large populations, developing economies
- Benefits to local manufacture
- Similarities to South Africa
- Introduce the Aspen pipeline
- Leverage multi-national relationships:
  - brands acquired from GSK
  - Iroko licensed products

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Brazil

- Cellofarm:
  - operations commenced in 2001
  - strength in hospital market
  - two manufacturing sites
- Hospital market largely tender driven
- Campos site to be fully functional before end of 2008:
  - Penicillins
  - Penems
  - will improve margins
- Moving to a branded strategy
- USD 40 million spent on branded generics business and OTC products
- 170 sales personnel being taken on board to promote brands

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Spanish Latin America

MEXICO

- Solara: public tender business
- Mexicana: private hospitals
- Solid dose manufacturing facility
- Critical mass required

VENEZUELA

- Sumifarma: 20% owned by local partner:
  - examining opportunities to expand coverage
  - regulatory requirements less onerous

BRANDED PRODUCTS

- Will provide added substance in Mexico and Venezuela:
  - GSK brands performing well in Mexico
- Distributor network established for other territories
- Aspen pipeline to provide impetus

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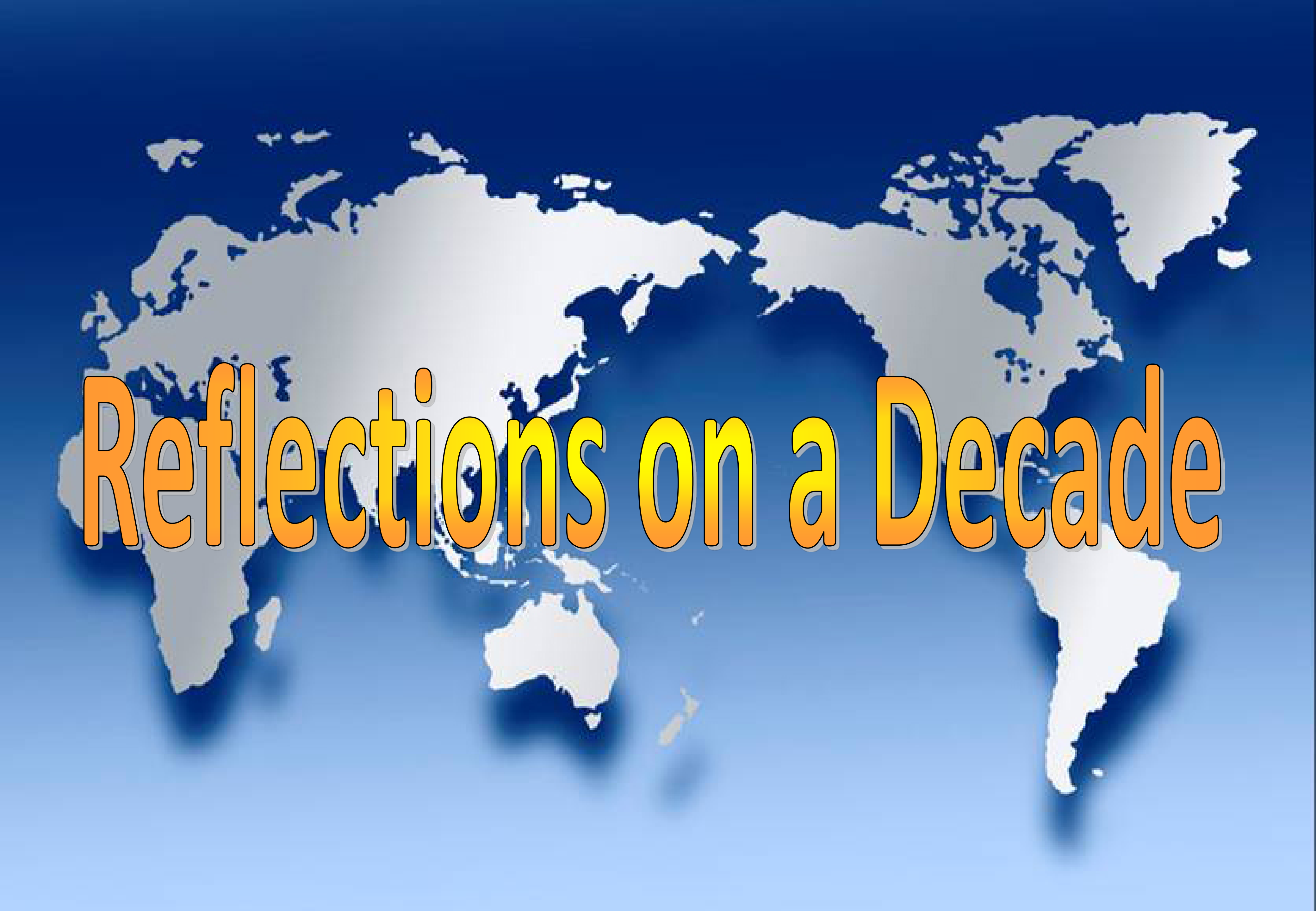
Reflections on a Decade

Reflections on a Decade

- Review June 1999 accounts to see what has changed

- There were three key areas:
  - income statement
  - transformation – our understanding then
  - appearance – what we looked like

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Reflections on a Decade (continued)

Income Statement 1999

	30 June 1999 R'000
Turnover	522,406
Earnings before interest and tax (EBIT)	83,853
Earnings per share	19.2
Headline earnings per share – continuing operations	19.5

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Reflections on a Decade (continued)

Transformation

The financial year ended 30 June 1999 saw the transformation of the Group from Medhold Limited to Aspen Healthcare Holdings Limited (Aspen) – a transition from a collection of diverse businesses to a leading pharmaceutical company, returning substantial profits.

Even transformation has changed.

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Reflections on a Decade (continued)

What we looked like back then...

From Left to Right: Stephen Saad, Steve Sturlese and Gus Attridge

Reflections on a Decade (continued)

Extract from speech to South African Management at Strategic Conference

- For a decade I have worked with many of you:
  - we have faced up to all challenges
- Most of you started with sales at R500m and R84m of operating income
- We started with a share price of 53c it is now over R40
- We had a capacity utilisation of just 19%
- We had more debt than turnover
- The Financial Mail referred to us as "whipper snappers in the shadow of Adcock Ingram. At about 10% of their size could we ever be a real threat"?
- We started a business in Australia, structured with just two people and two computers – because people were so sure we would fail. We had an inauspicious start – wrote off fixed assets on day one. We now generate the sixth most scripts in the region.

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Reflections on a Decade (continued)

Extract from speech to South African Management at Strategic Conference (continued)

- With limited development expertise and sheer will you produced a world-first FDA approved generic ARV
- You were accused by our trade union of being “asset-strippers”, they now your biggest shareholder
- You have created thousands of jobs
- You had a facility that battled to meet a regulated standard – you have met a FDA standard and beyond
- Multinationals are clamouring to access Aspen’s IP and manufacture
- You have grown yourselves
- From these humble beginnings – “Aspen is the largest generic manufacturer in the Southern Hemisphere and the number one player in both the public and private sector in South Africa

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Reflections on a Decade (continued)

Extract from speech to South African Management at Strategic Conference (continued)

- You have been responsible for providing access to quality medicines to so many South Africans
- You have provided an unbelievable return to all stakeholders and can honestly say you have saved so many lives in the process
- You can look in the mirror everyday and be proud
- You have rallied to this country and the continent's needs:
  - you have done yourselves and South Africa proud
- When the continent needed ARV's you were first in line:
  - you have already licensed tomorrow's ARV's today
  - you are here to stay

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Reflections on a Decade (continued)

Extract from speech to South African Management at Strategic Conference (continued)

- When MDR TB hit you were there again:
  - we now moving into new drug delivery technology in TB which will facilitate compliance
- You achieved all this with limited resources
- You alone are responsible for all we have achieved to date
- You have engaged positively and transparently with the regulators:
  - winning both their respect and trust
- You are world-class
- You have put us on the path to greatness

Ten years of success

Reflections on a Decade (continued)

Extract from speech to South African Management at Strategic Conference (continued)

All that I ask of you over the next decade:

- Stay focused on the basics
- Never forget the teamwork that got us here
- Never forget our humble beginnings

Finally, remember we can rely on Ricky Januarie once every decade, for the other nine years we can rely on each other only.

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Prospects

Prospects

- Aspen has a leadership position within South African pharmaceuticals:
  - this sector will continue to prosper
    - generic shift
    - trust in Aspen brand
    - multinationals will need a partner
    - population growth
    - growing middle class entering the private sector
- This has been a tumultuous period with upheaval throughout the world:
  - the cost increases has effected even defensive pharma stocks
  - weathered the shocks and have taken the appropriate action to ensure sustainable growth in our core South African businesses
- Aspen has maintained a global leadership role in ARV's

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Prospects (continued)

- Single-minded determination to invest in our South African manufacturing infrastructure vindicated:
  - secured domestic sustainability
  - platform and catalyst for international expansion

- We have broadened our non-South African reach:
  - driven by continued performance of Australia
  - alliance with GSK
    - both immediate and future returns
  - increased presence in Latam
  - increased presence in Africa and Middle East

- We warned two years ago we needed to consolidate – we have done that. Its now pay back and our next expansionary period is upon us and can be launched off solid foundations

CAGR achieved since 1999 budgeted to be sustained until 2010.

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Final thought

Although a decade has passed,
nothing much seems to have changed.

Ten years ago, we were a small pharma company in South Africa,
BUT we had a plan for South Africa.

Ten years later, we are a small pharma company in the World,
BUT we have a plan !

Ten years of success