

INTERNATIONAL MARKET FOCUS

- Africa
- Middle East
- South America
- EU
- Asia

STRATEGIC FOCUS

- Accelerate market penetration
- Introduce new products
- Appoint new distributors
- Regulatory requirements in different countries
- Embassies

COMPANY PERFORMANCE: RESEARCH AND DEVELOPMENT

- Extended into technology Licensing & Strategic Partnerships
- Organized the first African Horsesickness workshop involving all national key players and international experts
- IP Audit and Management system

COMPANY PERFORMANCE: OPERATIONS

- Improved production planning system aimed at addressing customers' need and guarantee product availability
- Initiation of an integrated supply chain management system
- Facility Upgrade
 - Physical Infrastructure Audit
 - Upgrade of the vaccine bottling and packaging facility



COMPANY PERFORMANCE: OPERATIONS

- Embark on overall Facility Upgrade towards GMP compliance
 - Appointment of Consulting Engineers
 - Infrastructure Audit
 - Financial analyses
 - Scope of work document step 2
 - Facility Upgrade Plan



COMPANY PERFORMANCE: TOTAL QUALITY MANAGEMENT

- Experimental Animals
 - Animal Ethics
 - 2 x Audits by SPCA Clean audit report
 - Experimental work scrutinized by Committee
- Co-operation with other Government Departments for animal housing



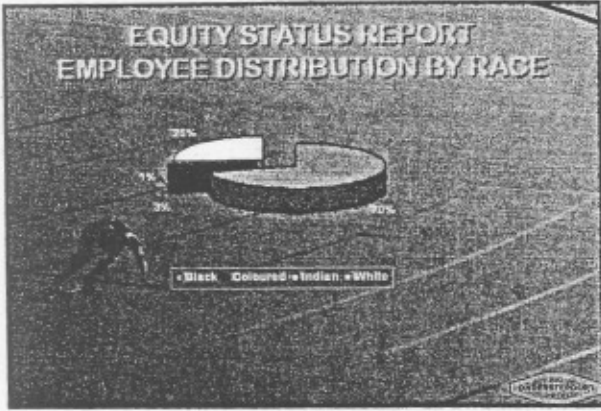
COMPANY PERFORMANCE: TOTAL QUALITY MANAGEMENT

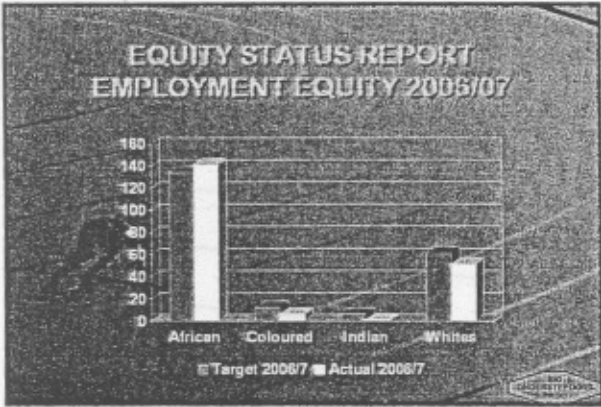
- Quality Assurance:
 - Supplier Quality and BEE Audits
 - Facility Quality Audits
 - First external ISO audit for certification
- Regulatory Office:
 - Review of current registered product dossiers
 - Registration of OBP products local and internationally

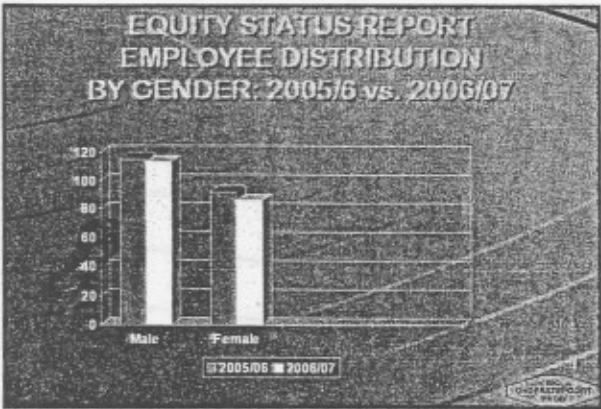
HUMAN RESOURCES REPORT: 2006/07

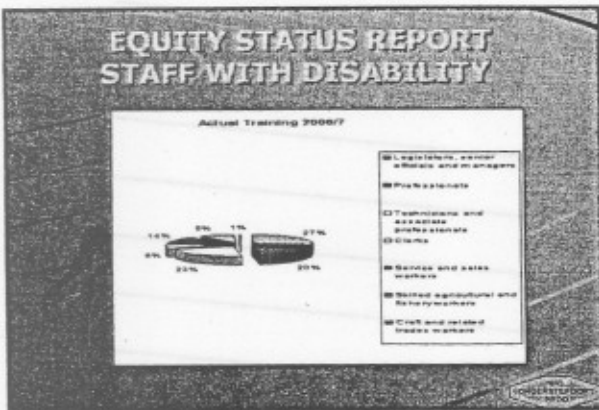
HUMAN RESOURCES

- Employment Equity Report
- Labour Relations
- Education, Training and Development
- Health and AIDS prevention
- Interaction with local communities









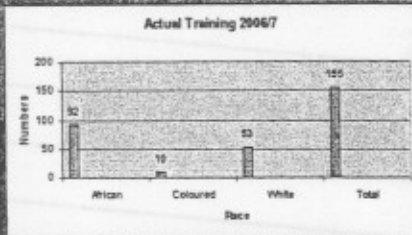
LABOUR RELATIONS

- Stable environment
- Successfully negotiated two-year salary agreement (until 31 March 2009)

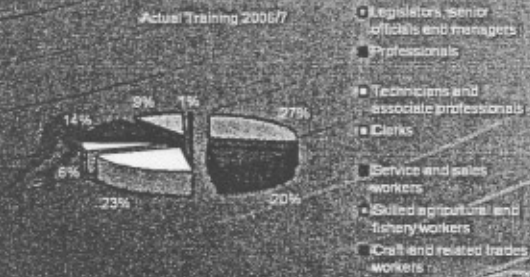
EDUCATION, TRAINING AND DEVELOPMENT

- Invested 2.4% of payroll in training and development of employees
 - 16 bursaries awarded to employees
 - Training at different NQF levels
- In-house training on GMP
- Supply Chain Management Training
- 12 Peer Educators trained
 - Obtained discretionary grant from SETA
 - Towards OBP's HIV / AIDS strategy
 - Work by the group commenced during the last quarter

TRAINING AND DEVELOPMENT



PERCENTAGE OF TRAINING COSTS PER OCCUPATIONAL CATEGORY



COMPANY PERFORMANCE 2006/07

(Mr M Dada)

FINANCIAL OVERVIEW

Details	2006/7 R000's	2005/6 R000's	% Change
Local Sales	54 723	47 181	+16%
Foreign Sales	9 980	24 928	-60%
Total Sales	64 703	72 119	-10%

OBP had an excellent year in local sales

FINANCIAL OVERVIEW (cont.)

Details	2006/7 R000's	2005/6 R000's	% Change
Cost of Sales	(45 366)	(40 396)	-12%
Operating Costs	(32 967)	(29 979)	-10%
Net Profit / (Loss) for the year	(5 074)	7 474	-168%

FINANCIAL OVERVIEW (Cont.)

Details	2006/7 R000's	2005/6 R000's	% Change
Cash Generated from Operations	(5 947)	11 913	-150%
Capital Expenditure	7 905	65 310	88%
Total Assets	84 226	88 016	-4%

BEE

- During the year OBP spent R 12 million on Black Economic Empowerment Companies out of R32 million total expend.
- OBP employs 74% PDI
- 43% of OBP work force are females

CONCLUSION

VALUE OF OBP TO SA

- Ensure national competencies in vaccine technology
- Farming community able to respond swiftly to disease outbreaks
- Establish economic viable vaccine business
- Develop and retain skills and expertise in vaccinology
- Establish strong Research and Development capability in vaccinology


**CONCLUSION
CHALLENGES / OPPORTUNITIES:**

- **Growing the Company:**
 - Domestic market
 - International markets
- **International Strategic Partners**
- **Funding for Upgrade**



**CONCLUSION
CHALLENGES / OPPORTUNITIES:**

- **Improve Product Line:**
 - New / improved products
 - New technology
- **GMP / ISO accreditation**
- **Intellectual Property management**



CONCLUSION

- **Company in operation for seven years:**
 - **Positive Growth: Financial, Human Resource, Operational Processes, Client Base (including export)**
 - **National Key Point: Improved Security**
 - **Significant role in NEPAD: Trans-boundary diseases**

