

GEDEON RICHTER

**PROPOSALS
OF THE BOARD OF DIRECTORS
for
the Extraordinary General Meeting on
December 18, 2007**

The Chemical Works of Gedeon Richter Plc.
(Richter Gedeon Vegyészeti Gyár Nyilvánosan Működő Rt.)
(1103 Budapest, Gyömrői út 19-21.)

hereby notifies its shareholders that the Company shall hold its **Extraordinary General Meeting ("EGM") on Tuesday, December 18, 2007 at 5:00 p.m.**

The venue of the EGM shall be at 34. Stefánia út, H-1143 Budapest (MH. Művelődési Ház).

Agenda of the EGM

1. The approval and/or acknowledgement of the agreements entered into between the Company on the one hand and between Genefar BV and other sellers on the other hand
2. Report of the Supervisory Board
3. Increase of the Company's registered capital against in-kind contribution
4. Exclusion of the exercise of the eventual preferential subscription right.
5. Approval of the introduction on the Budapest Stock Exchange and the Luxembourg Stock Exchange of the new shares issued in the course of the increase of the registered capital
6. Changes in the composition of the Board of Directors
7. Changes in the composition of the Supervisory Board
8. Amendments to the Company's Statutes
9. Approval of the consolidated text of the Company's Statutes (including amendments)
10. Miscellaneous.

Every registered common share with a nominal value of 1,000 HUF (one thousand Hungarian Forint) shall entitle its holder to one vote at the EGM. The shareholders may exercise their rights at the EGM either in person or through an authorized representative with a voting card or other certificate or electronic voting equipment issued by the Board of Directors entitling its holder to exercise voting rights (collectively: the "**Voting Card**"). In accordance with Point 4 of Section 221 of the Companies Act, the proxy empowering its holder to representation shall be incorporated into a public legal document or a private deed having full probative effect (as described in Section 196 of the Code of Civil

Procedure) and shall be submitted prior to obtaining the certificate entitling its holder to the receipt of the Voting Card.

The Company hereby requests the **shareholders to indicate to the respective investment service providers their intention to attend the EGM**, and the investment service providers to provide the data of the shareholders within the deadline as set forth in the announcement of KELER Rt. The shareholders shall also, in person, by telephone or by e-mail, confirm their intention to attend the EGM to the Company's Shareholders Relations Department on **December 17, 2007, between 8.00 a.m. and 4.00 p.m.** ("registration"). (Shareholders' Relations Department (Részvényiroda): 1103 Budapest, Gyömrői út 8., telephone: 431-4027, 431-4028, e-mail: posta@richter.hu) The Company shall only issue a Voting Card to a shareholder who is registered by the Board of Directors (on the basis of the data provided by KELER Rt. relating to the identification of ownership) in the Share Register as the owner of the shares.

The Board of Directors shall hand over the Voting Cards at the venue of and before the commencement of the EGM, simultaneously to recording the name and the number of votes of the shareholder.

(In case of attending the EGM, the last trading day on the Budapest Stock Exchange is December 7, 2007.)

The GDR shareholders shall be entitled to instruct the Bank of New York as Depositary to exercise their voting rights, if any, pertaining to the number of Shares represented by their respective GDRs. The GDR shareholders, therefore, should contact the Bank of New York (One Wall Street, New York, N.Y. 10286). The GDR shareholders must prove their ownership interest in the GDR respectively. The Depositary will not issue voting proxies after **December 12, 2007**. The GDR shareholders respectively may not transfer their interests in the GDR during the period between the delivery to them of a voting proxy and the closing of the EGM, and shall provide a blocking confirmation to this effect as issued by their custodian bank.

In lack of a quorum, the date of the reconvened EGM held at the same location shall be December 18, 2007 at 6:00 p.m. The reconvened EGM shall have a quorum for the purpose of considering items on the agenda of the original EGM - except those items a resolution on which requires a higher quorum due to the percentage of votes provided for by Section 12.1 of the Statutes - if the shareholders representing more than 20% of the votes relating to the voting shares issued by the Company are presented in person or via proxy at the reconvened EGM and their shareholding or representation right has been duly evidenced.

The summary of the proposals and the draft resolutions for the EGM shall be available for review **from December 3, 2007** on the Company's website www.richter.hu

Board of Directors of Richter Gedeon Plc.

RESOLUTIONS OF THE EGM**CHEMICAL WORKS OF GEDEON RICHTER PLC.**

(registration no.: Cg. 01-10-040944, registered seat: Gyömrői út 19-21., H-1103 Budapest)
(the "**Company**")

Resolutions passed by the December 18, 2007 Extraordinary General Meeting
("**EGM**")

RESOLUTIONS
*(DRAFT)***Resolution of the EGM No.: 1/2007.12.18**

The Extraordinary General Meeting ("**EGM**") has approved the use of a computerised voting machine for the official counting of the votes during the EGM.

Resolution of the EGM No.: 2/2007.12.18

The EGM has approved that a sound recording shall be made of the proceedings of the EGM in order to assist in the preparation of the minutes of the EGM. The sound recording shall not be used for the purpose of the preparation of a verbatim version of the minutes.

Resolution of the EGM No.: 3/2007.12.18.

The EGM has appointed Dr. András Szecskay to chair the Extraordinary General Meeting held on December 18, 2007, Mrs. Figuly Józsefné to be the keeper of the minutes, Mr. László Godó, an individual shareholder, to confirm the minutes of the meeting, and Lajos Szisz, to be the chairman of the vote counting committee.

Resolution of the EGM No.: 4/2007.12.18.

The EGM **has acknowledged and approved** the report of the Supervisory Board of the Company regarding the approval of the resolutions proposed by the Board of Directors for approval by the EGM.

Resolution of the EGM No.: 5/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has approved, - taking into account and accepting the report submitted by the Board of Directors and the report submitted by the Supervisory Board -, the agreement entered into on November 14, 2007 by the Company and by Genefar BV (a company registered and existing in the Netherlands, registration no.: 33250246, with its registered seat at De Boelelaan 7, 1083HJ Amsterdam) ("**Genefar BV**") relating to the acquisition by the

Company of 99.65% of the shares of Zakłady Farmaceutyczne Polpharma S.A., a company registered and existing under the laws of Poland (registration no.: 127044), with its registered seat at ul. Peplińska 19, 83-200 Starogard Gdański, Poland ("**Polpharma**"), in exchange for the new shares issued in the course of the increase of the Company's registered capital (the "**Agreement**").

Resolution of the EGM No.: 6/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has acknowledged the information submitted by the Board of Directors to the EGM on the agreement entered into on November 14, 2007 with Genefar BV, Brinsmeadow Investments Limited, IESH Industrial Engineering Solutions Holdings N.V., and Interholdco Corporation N.V., as sellers relating to the acquisition by the Company of 80.62% of the shares of OAO "Akrihin Pharmaceuticals Co", ("**Akrihin Shares**") a joint stock company incorporated under the laws of the Russian Federation with its registered office at 29 Kirova Street, Staraya Kupavna, Moscow Region, 142450 the Russian Federation, registration number 1025003911570 ("**Akrihin**"), in exchange for the new shares to be issued in the course of the subsequent increase of the Company's registered capital by the Board of Directors in its own competence, after the closing of the agreement (the "**Akrihin Agreement**").

Resolution of the EGM No.: 7/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has approved the increase of the Company's registered capital from the current HUF 18,637,486,000 with HUF 6,212,497,000 to HUF 24,849,983,000 through the private issuance for Genefar BV (registration no.: 33250246; registered seat: De Boelelaan 7, 1083HJ Amsterdam, Netherlands) - on the basis of the preliminary subscription declaration made by Genefar BV in accordance with the provisions of the Companies Act, - of 6,212,497 new dematerialized series "D" registered common shares with a nominal value of HUF 1,000 and an issue value of HUF 37,154, that is thirty-seven-thousand one-hundred-and-fifty-four forint each, first entitled to dividends from the profits of the business year 2008, otherwise ranking pari passu with the existing shares of the Company ("**New Shares**"), against an in-kind contribution.

The in kind contribution to be provided by Genefar BV in exchange for the New Shares shall be 99.65% (ninety nine and sixty five hundredth per cent) of the shares in Zakłady Farmaceutyczne Polpharma S.A. ("**Polpharma Shares**" or "**Contribution**"), free of any encumbrance, on the basis of Polpharma being delivered on a cash-free and financial debt-free basis with the target working capital of PLN 250 million. In case Genefar BV holds less than 99,65% but more than or equal to approximately 99,3 % of all shares in Polpharma representing the in-kind contribution at the closing of the Agreement (that is on the Subscription Day) that was approved by the EGM resolution 5/2007.12.18, Genefar BV shall provide to the Company an additional value supplement of 88 EUR with respect to each missing number of Polpharma Share.

The value of the Polpharma Shares is HUF 230,819,113,538, that is two-hundred-thirty-billion eight-hundred-nineteen-million hundred-thirteen-thousand five-hundred-and-thirty-

eight forint as confirmed by KPMG Hungária Kft. (registered seat: H-1139 Budapest, Váci út 99., registration nr.: 01-09-063183), the independent auditor conducting the preliminary assessment and the valuation of the Polpharma Shares. On the basis of § 209 (3) of the Companies Act, the Board of Directors shall arrange for the publication of the valuation of KPMG in the Company Gazette simultaneously to submitting to the Court of Registration the request to register the modifications.

The entire issue value shall be paid, that is the entire Contribution must be provided to the Company by Genefar BV, being designated for the subscription of the shares, simultaneously to the subscription to be made on the Subscription Day (which is the time limit for making the final subscription declaration), which shall be a business day designated by the Company in the subscription notice to Genefar BV, which day shall be within 10 days from the satisfaction of the conditions precedents set forth in sections 3.1 to 3.8 of the Agreement, including (but not limited to) the obtaining of the applicable merger control approval.

Resolution of the EGM No.: 8/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has decided to approve the proposal presented by the Board of Directors and to exclude the exercise of the preferential subscription rights of other shareholders with respect to the portion of the Contribution which is eventually to be paid by Genefar BV in cash, in case Genefar BV holds less than 99.65% but more than or equal to approximately 99.3% of all the shares in Polpharma on the Subscription Day, in which case Genefar BV shall provide to the Company an additional value supplement of 88 EUR with respect to each missing number of Polpharma Share. On the basis of § 313 (4) of the Companies Act, the Board of Directors shall arrange for the publication of an announcement regarding the contents of the present resolution in the Company Gazette simultaneously to submitting to the Court of Registration the present resolution of the EGM excluding the exercise of the preferential subscription rights.

Resolution of the EGM No.: 9/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has approved the listing of 6,212,497 new registered series "D" ordinary shares with a nominal value of HUF 1,000 each on the Budapest Stock Exchange and to the Luxembourg Stock Exchange subject to the closing of the Agreement and the preparation of the necessary documentation after the registration by the Metropolitan Court of Registration of the capital increase.

Resolution of the EGM No.: 10/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM - depending on the closing of the Akrihin Agreement and the increase of the Company's share capital by the Board of Directors within its competence - has approved the listing on the Budapest Stock Exchange and to the Luxembourg Stock Exchange of 593,684 new registered series "D" ordinary shares with a nominal value of HUF 1,000 each to be issued by the resolution of the Board of Directors, subject to the closing of the Akrihin Agreement

and the preparation of the necessary documentation after the registration by the Metropolitan Court of Registration of such capital increase.

Resolution of the EGM No.: 11/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has acknowledged the resignation of Dr. György Bíró as a member of the Board of Directors with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 12/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has acknowledged the resignation of Dr. Jenő Koltay as a member of the Board of Directors with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 13/2007.12.18

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has **elected Jerzy Starak** to the Board of Directors for a definite period of time expiring on April 30, 2011, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 14/2007.12.18

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has **elected Gabriel Wujek** to the Board of Directors for a definite period of time expiring on April 30, 2011, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 15/2007.12.18

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has **elected Markus Sieger** to the Board of Directors for a definite period of time expiring on April 30, 2011, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 16/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has **re-elected William de Gelsey**, the chairman of the Board of Directors to the Board of Directors for a definite period of time expiring on April 30, 2011, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 17/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has **re-elected Erik Bogsch**, the managing director to the Board of Directors for a definite period of time expiring on April 30, 2011, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 18/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM has **elected Piotr Bardzik** to the Supervisory Board for a definite period of time expiring on April 30, 2009, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 19/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM - conditionally to the subscription on the Subscription Day by Genefar BV to the New Shares - has approved the amendment of the Company's Statutes according to Annex 1 attached hereto, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Resolution of the EGM No.: 20/2007.12.18.

Subject to the approval of all other resolutions submitted to the EGM today, the EGM - conditionally to the subscription on the Subscription Day by Genefar BV to the New Shares - has approved the consolidated version of the Statutes including the amendments approved to date as attached under Annex 2 hereto, with effect as of the registration by the Metropolitan Court of Registration of the capital increase issuing the New Shares.

Explanations to draft RESOLUTIONS of the Extraordinary General Meeting to be held on December 18, 2007

The reason for convening the EGM is to decide on the approval of the Agreement entered into by the Company and by Genefar BV, a company registered and existing in the Netherlands (registration no.: 33250246), with its registered seat at De Boelelaan 7, 1083HJ Amsterdam.

Subject matter of the Agreement

*The subject matter of the Agreement is the acquisition by the Company of **99.65%** (ninety-nine sixty-five hundredth percent) of Zakłady Farmaceutyczne Polpharma S.A., (the "**Polpharma Shares**") a company registered and existing under the laws of Poland (registration no.: 127044), with its registered seat at ul. Peplińska 19, 83-200 Starogard Gdański, Poland as in kind contribution in exchange for the issuance to Genefar BV of **6,212,497** (six-million two-hundred-twelve-thousand four-hundred-ninety-seven) new registered ordinary shares ("**New Shares**") with a nominal value of HUF 1,000 (thousand forint) each, and entitled to dividends from the profits generated after January 1, 2008, otherwise ranking *pari passu* with the existing shares. The New Shares will represent 25.00% (twenty-five per cent) of the registered share capital of the Company plus 1 (one) share as calculated after the capital increase.*

*Simultaneously with and subject to the completion of the Agreement with Genefar BV, the Company entered into another agreement with Genefar BV, Brinsmeadow Investments Limited, IESH Industrial Engineering Solutions Holdings N.V., and Interholdco Corporation N.V., as sellers relating to the acquisition by the Company of **80.62%** (eighty sixty-two hundredths per cent) of OAO "Akrihin", (the "**Akrihin Shares**") a joint stock company incorporated under the laws of the Russian Federation with its registered office at 29 Kirova Street, Staraya Kupavna, Moscow Region, 142450 the Russian Federation, registration number 1025003911570 ("**Akrihin**"), as in kind contribution in exchange for the issuance by the Board of Directors to the sellers of **593,684** (five-hundred-ninety-three-thousand six-hundred-eighty-four) new registered ordinary shares with a nominal value of HUF 1,000 (thousand forint) each, and entitled to dividends from the profits generated after January 1, 2008, otherwise ranking *pari passu* with the existing shares.*

All items on the agenda of the EGM serve the purpose of implementing the transaction contemplated by the Agreement, therefore the Chairman will propose to discuss all proposed resolutions as per the agenda of the EGM.

Reasons for the Transaction

The transaction values Polpharma at HUF 231 billion (US\$1,337 million), with the consideration to be settled in new Richter shares. Polpharma's owner is Genefar B.V., an investment company controlled by an investor group led by Jerzy Starak which includes the Starak family interests. Following completion of the Polpharma transaction (Subscription), Genefar will own approximately 25 per cent. of the Company and Jerzy Starak, who is currently President of the Supervisory Board of Polpharma, will become the Deputy Chairman of the Company's Board of Directors.

The Board believes that the combination has a strong and compelling strategic rationale, representing a significant opportunity to create substantial value for the Company's shareholders.

The combination will create the largest pharmaceutical player in CEE with a pro forma market capitalisation of HUF 923 billion (US\$5,350 million). The enlarged Company will have leading market positions in its key geographies, an expanded marketing network, an enhanced R&D platform and diversified geographical and product footprints.

Polpharma is the leading generics player in Poland and will significantly add to the Company's existing market position. Poland is one of the most attractive markets in the region and is the largest pharmaceutical market in CEE, being approximately 40 per cent. of the CEE market. The Company's enlarged Polish operations will also benefit from Polpharma's management experience and strong operational and financial track record.

The combination strengthens the Company's position in core therapeutic areas such as CNS, cardiovascular and gastrointestinal. The combined product portfolios are highly complementary and will enhance the Company's generics development capability. The increased scale of the Company will also make it a more attractive partner in CEE.

The Company currently expects that annual revenue and cost synergies will be in the order of US\$35 million. The Company will be undertaking a further detailed review of the potential synergies post completion as part of its ongoing integration planning.

The transaction will be earnings enhancing for the Company during the first full financial year following completion of the transaction¹. In addition, the Company will retain its financial flexibility with a strong balance sheet following the transaction.

Information on Polpharma

Polpharma, established in 1935 and privatised in July 2000, is the largest Polish manufacturer of pharmaceutical products and active pharmaceutical ingredients. With sales in approximately 50 countries serving a customer base of physicians, hospitals and pharmacies, Polpharma covers a number of therapeutic areas with a particular focus on cardiological, gastrological and neurological drugs, prescribed and used in patient healthcare. Polpharma is also one of the leading players in the Polish OTC market, enjoying a broad and well recognised OTC franchise.

Polpharma reported revenue for the year ended 31 December 2006 of PLN1,052 million (US\$339 million) with EBITDA of PLN298 million (US\$96 million)² as stated under International Financial Reporting Standards (IFRS).

¹ Before the allocation of the purchase price on material (depreciated) assets and non amortised Goodwill under IFRS 3

² Adjusted to exclude non-recurring items

Expert valuation and subscription

According to the expert valuation on the basis of § 209 (1) of the Companies Act prepared by KPMG Hungária Kft., the independent auditor who assessed the value of the Polpharma Shares to be submitted to the Court of Registration to support the value of the in-kind contribution, the value of the Polpharma Shares amounts to HUF 230,819,113,538, (two-hundred-thirty-billion eight-hundred-nineteen-million hundred-thirteen-thousand five-hundred-and-thirty-eight forint) which is the aggregate issue value of the new shares.

The valuation, as confirmed by KPMG's expert valuation, was based on the assumption that Polpharma will be at the closing of the Agreement (that is on the Subscription Day) cash-free and debt-free, with adequate level of working capital amounting to the target of PLN 250 million, and net assets amounting to minimum PLN 785 million.

Genefar BV owns at present approximately 99.3% (ninety-nine three tenth per cent), and will use its best endeavors to own on the Subscription Day 99.65% (ninety-nine sixty-five-hundredth per cent) of the shares in Polpharma. In case Genefar BV holds less than 99.65% but more than or equal to approximately 99.3% of all the shares in Polpharma on the Subscription Day, Genefar BV shall provide to the Company an additional value supplement of 88 EUR (eighty-eight euro) with respect to each missing number of Polpharma shares.

The method of the valuation together with the adjustment mechanism set forth in the Agreement relating to cash, financial debt and working capital, as well as the additional value supplement of 88 EUR per missing Polpharma share, ensures that no re-evaluation or confirmation of the value of the Polpharma Shares will be necessary at the closing of the Agreement (that is on the Subscription Day), which is anticipated to take place sometime in March 2008 after the necessary merger control approval will have been obtained.

The issue value of each New Share will be HUF 37,154 (thirty-seven-thousand one-hundred-and-fifty-four forint), which is based on 3 Month Volume Weighted Average Price of the Richter shares prior to the signing of the Agreement, and thus the aggregate issue value of the New Shares will be HUF 230,819,113,538 (two-hundred-thirty-billion eight-hundred-nineteen-million hundred-thirteen-thousand five-hundred-and-thirty-eight forint). There will be no adjustment of the issue value at closing (that is on the Subscription Day).

Principal terms of the Agreement

The Agreement, thus the actual issuing of the New Shares is subject to various conditions precedents, from among one is the passing by the EGM of the resolutions proposed by the Board of Directors, including the amendment of the Statutes of the Company. The other main objective conditions precedent is the merger control approval for the acquisition by the Company of Polpharma.

The Agreement contains an extensive list of representation and warranties. All representations and warranties given by Genefar BV at the signing of the Agreement must be true at completion of the agreement (at the actual subscription for the new shares), at the end of the interim period.

The Agreement contains provisions that protect the Company during the interim period which passes between the signing of the Agreement and the granting of the merger control approval, which might take several months. Genefar BV must ensure that Polpharma refrains from certain actions and carries out the business within the ordinary course during the interim period. In addition, certain conditions precedent, such as that no material adverse change might occur during the interim period, serve to protect the Company.

In the event Genefar BV fails to fulfill by March 31, 2008 a condition precedent the non-fulfillment of which is attributable to the negligence or willful misconduct of Genefar BV, or to subscribe to the New Shares at the closing (that is on the Subscription Day), or to deliver the Polpharma Shares, Genefar BV shall pay the Company a break fee in the amount of US\$ 40,000,000 (forty million U.S. Dollars).

In the event the EGM would fail to approve the Transaction or adopt the resolutions proposed by the Board of Directors, the Company shall pay to Genefar BV a break fee in the amount of US\$ 40,000,000 (forty million U.S. Dollars).

In case of non fulfillment of the conditions precedent other than the merger control approval by March 31, 2008, the Agreement shall terminate.

No break fee shall be payable and the Agreement shall automatically terminate if the Transaction cannot be completed due to non-obtaining the necessary merger control approval (i) on the date of the receipt by the Parties of the final non-appealable judgment of competent court upholding the decision prohibiting consummation of the Transaction, or (ii) on the first anniversary of the signing of the Agreement, whichever is earlier.

*Once the conditions precedents set forth in sections 3.1 to 3.8 of the Agreement are satisfied, the Company will issue a subscription notice to Genefar BV, designating the closing or subscription day, which shall be a business day designated by the Company within 10 days from such satisfaction ("**Subscription Day**").*

Once the fulfillment of all the conditions precedents, on the Subscription Day Genefar BV shall subscribe for the New Shares in one installment, and shall execute a deed of transfer to the Company of title to the Polpharma Shares and shall hand over to the Company the Polpharma Shares certificates duly endorsed for the Company's name, as in kind contribution covering the aggregate issue value due for such New Shares; and evidence with a bank certificate the payment of the cash contribution to the Company's bank account for the missing Polpharma Shares, if any. Subject to the fulfillment by Genefar BV of these obligations, the Company shall promptly take all necessary actions to register the New Shares and the changes to the Company's Statutes as required by applicable law.

Within a period of 2 months from the crediting of the dematerialized New Shares to the securities account of Genefar BV, the Company shall prepare the necessary documentation and take all necessary actions to list the New Shares on the Budapest Stock Exchange as soon as practicable.

Within 60 days after the Subscription Day, Genefar BV shall prepare financial statements of the Polpharma Group together with an audit certificate confirming the accuracy of the calculations relating to the adjustment of the working capital, the cash and the financial debt. The adjustment so calculated shall be paid by the respective party.

Main terms of the indemnity are the following: in the event of breach of any of the representation and warranties given by the Company or Genefar BV, or breach by any party of its obligations under the Agreement, the breaching party shall indemnify, defend and hold harmless the non-breaching party - if the direct losses, damages and expenses arising out of a particular individual occurrence exceeds USD 50,000 (fifty-thousand US dollars) and the aggregate amount of such individual losses exceeds USD 1,000,000 (one-million US Dollars), - for the entire amount in excess of USD 1,000,000 up to a limit of USD 500,000,000 (five-hundred-million US Dollars). No such upper limitation of liability shall apply to claims relating to breach of warranties with respect to (i) good title to the Polpharma Shares, (ii) the value of the Contribution in kind on the basis of mandatory provisions of applicable law, and (iii) taxes.

*As security for the indemnity obligations of Genefar BV, and in order to ensure a smooth post transaction cooperation and the maximum utilization of the synergies between the Company and Polpharma, Genefar BV shall hold at least 20% (twenty per cent) of the shares of the Company for a period of at least 4 (four) years from the registration of the New Shares by the Metropolitan Court of Registration, and in the 5th (fifth) year after the registration of the New Shares by the Metropolitan Court of Registration, the aggregate number of the Company's shares held by Genefar BV shall not be less than 15% (fifteen per cent) ("**Lock-Up**"), which 15% shall also be pledged as financial collateral (óvadék, Section 270 of the Civil Code) for the benefit of the Company.*

The Lock-Up obligation shall not be applicable if a public offer is made by a third party to purchase the Company's shares that is recommended by the Board of Directors and accepted by more than 50% (fifty per cent) of the Company's remaining shareholders; or if Genefar BV dilutes by 10% (ten per cent) as a result of one single capital increase for in kind contribution or 20% (twenty per cent) in the aggregate as a result of capital increase(s) for in-kind contribution.

Governance

For 5 (five) years from the registration of the New Shares, Genefar BV, its affiliates and any other party acting in concert with either of them shall not own or acquire directly or indirectly additional shares of the Company in a number that would increase their aggregate shareholding to more than the applicable statutory threshold for a mandatory public purchase offer less 0.5% (five-tenths per cent). In the event any independent third party would make a public purchase offer for the acquisition of the Company's shares, Genefar BV shall have the right to launch a counter public offer and increase its aggregate shareholding above the above standstill threshold.

In the event Genefar BV decides to reduce its stake in the Company in compliance with the Lock-Up obligation, this may be effected through sale of shares on the Budapest Stock Exchange, provided that the sale of shares on any one day does not exceed 10% (ten per

cent) of the prior three month average daily traded volume of the shares. After the expiration of the Lock-Up, Genefar BV may dispose of any or all of the Company's shares, provided that it notifies the Company of its intention and provided it follows the following orderly marketing procedures: In case of private placements with institutional investors, the process will be carried out together with the Company. In case of disposal to a party other than an institutional investor, the Company will be notified of either the identity of the acquirer and the indicative terms of the disposal, in which event the Company shall have a right of first refusal; or of the intention to dispose, in which event the Company together with Genefar BV will organize a competitive bidding process for the stake.

In accordance with the Corporate Governance Recommendations of the Budapest Stock Exchange, a Nominations Committee shall be established by the Board of Directors the main task of which shall be to prepare informed and objective proposals (through the Board of Directors) to the shareholders about the nomination for membership in the Board of Directors.

Genefar BV will have the right to propose to elect 3 members of the Board of Directors as long as Genefar BV owns 25% (twenty-five per cent) or more, 2 members if Genefar BV owns less than 25% but not less than 18% (eighteen per cent); and 1 member if Genefar BV owns less than 18% but not less than 10% (ten per cent) of the total number of the Company's issued shares. Genefar BV will also have the right to propose to elect 1 member to the Supervisory Board if its aggregated shareholding is equal to or greater than 20% (twenty per cent). Election of any nominee to the Board of Directors or the Supervisory Board is of course subject to the respective approval of the General Meeting.

Genefar BV, its shareholders (investors) and affiliates and any other party acting in concert with either of them shall undertake a non-compete obligation with respect to the current businesses and its logical extensions of Polpharma and the Company (except for producing herbal products, including herbal products used as medicine) for a period of 5 (five) years or as long as Genefar BV's stake in the Company is in excess of 10% (ten per cent) of the then outstanding share capital of the Company, whichever is longer.

Exclusion of preferential subscription right

In case Genefar BV holds less than 99.65% (ninety-nine sixty-five-hundredth per cent) but more than or equal to approximately 99.3% (ninety-nine three tenth per cent) of all the shares in Polpharma on the Subscription Day, Genefar BV shall provide to the Company an additional value supplement of 88 EUR (eighty eight euro) with respect to each missing number of Polpharma shares. The Agreement could only be fulfilled and the acquisition of Polpharma carried out, if Genefar BV received the agreed number of new shares representing 25% (twenty-five per cent) of the registered capital of the Company plus 1 share as calculated after the capital increase. Therefore for the implementation of the transaction it is essential that no other shareholder would exercise preferential subscription rights with respect to the portion of the capital increase which is eventually to be supplemented in cash. Therefore the Board of Directors proposes to the EGM to **exclude** the exercise of the preferential subscription rights of shareholders with respect to the portion of the Contribution which is eventually to be supplemented by Genefar BV in cash.

Acquisition of Akrihin by Gedeon Richter

The Board informs the EGM that it has entered into an agreement to acquire 80.62% of OAO Akrihin for 593,684 new Richter shares from a group of investors, including Genefar B.V., conditional on customary regulatory and governmental approvals and the completion of the combination with Polpharma. As part of this transaction, Genefar will acquire from the other investors their Gedeon Richter shares. Following completion, Genefar would then own 26.75 per cent. of the enlarged Company, including the shares to be issued for the Polpharma shares.

The transaction values Akrihin at HUF 22 billion (US\$128 million) and is not subject to shareholder approval.

The acquisition of Akrihin will further enhance the Company's operations and strong market position in Russia. Akrihin is a strong established brand in Russia having been present in the market for over 70 years. Sales of Akrihin were approximately US\$63 million in 2006.

Curriculum vitae

Jerzy Starak

Born:

December 12th, 1947 in Cieszyn, Poland.

Education:

- graduated as Master of Science from Szkoła Główna Gospodarstwa Wiejskiego (Central School of Farming and Agriculture) in Warsaw, at the Faculty of Food Technology.

Foreign educations:

Switzerland, United Kingdom, Italy

Carrier:

- Nestlé UK
- until 1973 he worked for the engineering company Camex SRL in Italy as sales manager for Poland
- in 1978 he founded his own company COMINDEX SRL in Bologna, Italy, focusing in the field of processing and packaging lines for different markets mainly in Central and Eastern Europe.
- in 1982 established COMINDEX Poland

In the food, pharmaceutical and cosmetics sectors he facilitated joint ventures with the following majors:

Colgate Palmolive Inc., USA,
Baxter Inc., USA,
Sanofi, France,
Numico N.V., the Netherlands,
Bols/Rémy Cointreau, the Netherlands/France,
Mautner Markhof, Austria

- In 2000 Jerzy Starak through Spectra Holding acquired Zakłady Farmaceutyczne POLPHARMA S.A. in a privatization procedure and successfully transformed POLPHARMA S.A. into the biggest pharmaceutical company in Poland. POLPHARMA S.A. specializes in production of three therapeutic classes: cardiovascular, gastrointestinal and central nervous system disorders.

Positions and club memberships:

- **Chairman of the Supervisory Board POLPHARMA S.A.**
- Polish Business Roundtable – Founding Member
- Business Centre Club
- Polish Union of Employers in the Pharmaceutical Industry - Chairman of the Supervisory Board
- Center for Strategic & International Studies (CSIS), The Polish-American Commission,

Curriculum vitae **Gabriel Wujek**

Born:

1952, Łódź, Poland

Education, carrier:

- 1973 - Master of Law, graduated with distinction /Faculty of Law and Administration, Warsaw University/
- 1975-76 - Diploma with distinction - completed course in legal aspects of the European Integration /Europa Institute of University of Amsterdam /
- 1978 - Doctor of Law, doctoral thesis on Legal aspects of activities of multinational enterprises / Faculty of Law and Administration, Warsaw University /
- 1973 -1999 - Member of the Faculty of Foreign Affairs Warsaw School of Economics
- 1980-1985 - Legal advisor of on commercial section of Polish Embassy in New York City
- 1986-1990 - Deputy director and director of Legal Department at the Ministry of Foreign Economic Relations of the Republic of Poland. /in which capacity negotiated many international trade agreement, agreement on investment promotion and protection and agreement on avoidance of double taxation /
- 1990- 2003 - Partner in the Chicago based U.S. law firm Altheimer & Gray and managing partner of the Warsaw office Altheimer & Gray
- From 1 January, 2004. - Partner in a New York based law firm Chadbourne & Parke LLP and Managing Partner of Chadbourne & Parke's Warsaw office

Specialties', positions, membership:

- In legal practice concentrates on mergers and acquisitions, international capital markets, complex debt restructuring transactions and formation of joint ventures, as well as privatization transactions.
- Arbitrator at the Arbitration Court of the Polish National Chamber of Commerce and at the Arbitration Court at the Polish Confederation of Private Employers Lewiatan
- Supervisory Board member of Multimedia Polska S.A., a company listed on Warsaw Sock Exchange

Curriculum vitae **Markus Sieger**

Born: 5 July 1965., Zurich

Education:

Degree in *Economics* – University of Applied Sciences for Business and Administration, Zurich

1981-1984 *Insurance Commercial apprenticeship*

Languages:

German, English, French

Summary:

In 1994 he joined to fincoord, and is today Managing Partner of fincoord and iscoord. He has a track record of negotiating and closing complex Merger and Acquisitions transactions and to successfully build up, strategically reposition and reorganize companies both in Emerging Western markets. He is a director of various companies such as CEDC, ITI Holdings S.A., Grupa Onet.pl S.A., Nutricia Poland, Proceq, Vektor, Mageba, BBR etc.

Carrier:

Zurich Insurance Group, Zurich, Switzerland

1984-1986 Analyst/Programmer IBM S/390 Systems
Programming in COBOL under CICS, DB/2

1986-1988 Project leader IT Development Projects
Leader of several projects for the LUK product line

1989-1992 Manager Education Section Group
Part of the core team to build-up the internal Information Systems School for the Zurich Insurance Group

Maryland Insurance Group, Baltimore, U.S.A.

1992-1993 Development of group-wide (Zurich Group) networking standards (WAN/LAN, Client-server, Imaging, Office Automation, Groupware) implementation of the first Lotus Notes project

Zurich Insurance Group, Zurich, Switzerland

1993-1994 Manager IS Planning and IS Concepts
Responsible for the long-term strategic planning of the IT systems and standardization

Curriculum vitae **Piotr Bardzik**

Born:

2 June, 1962

Education,

1989	M.Sc. in Management Sciences	Lancaster University
1988	B.Sc. in Economics	University of Stockholm

Carrier:

2004 -	I.E.S. International B.V.	Group Controller
2000 - 2004	Bols Sp. z o.o.	Finance Director
1994 - 1999	Tricon Restaurants (formerly Pepsi Co)	Finance Director
1990 - 1994	Management Systems Unit Ltd.	Consultant
1989 - 1990	Middle Seal Insurance Ltd.	Systems Analyst

Languages:

Native	Polish
Good	English; Swedish
Fair	Italian

Supervisory Board membership:

2004 to date	ZF Polpharma S.A.	Supervisory Board Member
2006 to date	ZPT Warszawa S.A.	Supervisory Board Member