



PROKOM INVESTMENTS PRESENTATION

SciGen Limited Annual General Meeting

28 February, 2005



The business activity of Prokom Investments, Bioton's key shareholder, is essentially modelled on **private equity fund** with portfolio in a wide range of strategic sectors as well as significant real estate holdings. **Mr. Ryszard Krauze controls directly and indirectly 90% of shares in capital and votes on the GM of Prokom Investments.**

The total estimated value of Prokom Investments' assets exceeds \$450 mln.

PROKOM INVESTMENTS KEY BUSINESS AREAS

<p>PROKOM SOFTWARE GROUP <i>Largest IT organization in Central & Eastern Europe</i></p>	<p>BIOTON <i>largest Polish Biotech company</i></p>	<p>WILANÓW TOWN <i>Warszawa</i> <i>Prokom Investments' largest asset and at the same time the largest real estate development project in Central and Eastern Europe.</i></p>
<p>MAJOR EQUITY INVESTMENTS</p>		<p>MAJOR REAL ESTATE PROJECT IN PROGRESS</p>

Prokom' s key assets include:

- ◆ Prokom Software Group largest IT organization in Central & Eastern Europe
(capitalization exceeds \$1 bn)
- ◆ Bioton leading Polish biotechnology company / will be listed in March, 2005
(total equity value – \$57 mln)
- ◆ Wilanów Town one of the largest real estate projects in Central & Eastern Europe
(total value of project \$1.3 bn)

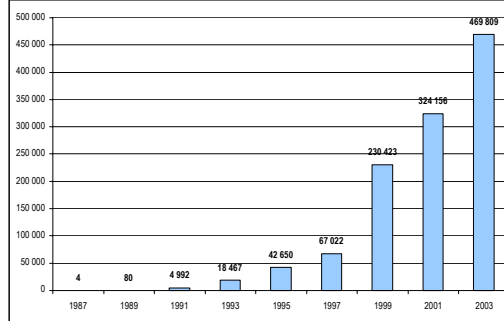


EQUITY INVESTMENTS – PROKOM SOFTWARE

INTRODUCTION

- ◆ The history of Prokom Software reaches back to 1987. The company was started by Mr. Ryszard Krauze. In the beginning it employed 12 people.
- ◆ The development of the company was rapid as the Polish market in the period of economical transformation was in great need of IT solutions supporting the core business of companies.
- ◆ Prokom's market success was based on the decision of developing Prokom towards a „software house” specializing in providing dedicated software solutions for its customers.
- ◆ Prokom's revenues grew constantly from \$3 thousand in 1987 to \$67 mln just ten years later when Prokom decided to go public.
- ◆ Since 1998 the Company is listed on the Warsaw Stock Exchange and London Stock Exchange, with a market cap of PLN \$575 mln, as on February 14, 2005. **The total capitalization of Prokom Group companies exceeds \$1 bn.**

PROKOM'S REVENUE GROWTH [1987-2004]



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EQUITY INVESTMENTS – PROKOM SOFTWARE

FACTS

- ◆ Prokom Software is the largest Polish IT company - a major provider of comprehensive IT solutions to large and medium-size companies and public institutions.
- ◆ Prokom Software Capital Group is also the largest IT organization in Central Europe.
- ◆ Prokom Group's consolidated revenues in 2003 exceeded \$468 mln with Operating Profit at \$50 mln and Net Profit at \$34 mln.
- ◆ Prokom Software Group employs over 4000 people.
- ◆ Prokom has developed state-of-art technology laboratories, which are intensively used for the development of IT systems and R&D projects.
- ◆ Prokom cooperates with the world's leading suppliers of advanced IT technologies, such as: Microsoft, IBM, HP, Cisco, SAP, Oracle and Sun Microsystems. The technology certificates received from these companies confirm Prokom's high qualifications, as they are granted only to those who fulfil strict quality requirements and offer the highest-quality products and services.
- ◆ In 2002 and 2003, Rzeczpospolita (the biggest Polish economical daily) and CASE (Center for Social and Economical Studies) recognised Prokom Software as the most innovative company in Poland.



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EQUITY INVESTMENTS – PROKOM SOFTWARE

STRATEGIC CUSTOMERS/PROJECTS

Prokom's customer list includes the largest state-owned and private blue chip companies and major public institutions:

- ◆ **Polish State Social Security Administration (ZUS)**
 - the biggest and the most sophisticated IT system in Poland.
 - enables current recording in books and settling premiums of payers and beneficiaries accounts according to all requirements of social security reforms.
 - the system settles on an ongoing basis \$32 bln per annum in accounts of 20 mln people covered with the social security system and 2 mln contribution collectors.
- ◆ **PZU - the largest Polish insurance company**
 - dedicated solution designed and implemented by Prokom.
 - system supports the core business of Poland's largest insurance company, **which issues each year over 16 mln insurance policies.**
- ◆ **PKO BP – the largest Polish retail bank**
 - largest-scale IT project delivered in the banking sector in Poland
 - system supports over 17,5 mln bank accounts.
- ◆ **Telekomunikacja Polska (part of the France Telecom Group) - Polish national and largest telecom**
 - the system at the Polish telecom is a dedicated solution designed by Prokom and at the same time – largest IT system in telecommunications in Poland.
 - Prokom's solution covers the following areas: Financial, Human Resources, and Payroll, Billing and Customer Relationship Management.
- ◆ **Integrated Administration and Control System**
 - system's implementation was essential for Poland's membership in European Union (EU).
 - it is servicing direct subsidies for agricultural producers (2,4 mln), in accordance with the terms specified by the EU
 - allows identification and registration of farm animals (8,6 mln) in accordance with the veterinary requirements of the EU.
 - over 25 mln documents (in 214 types) are being processed by the system each year.



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FINANCIAL RESOURCES FOR NEW PROJECTS

FINANCIAL RESOURCES FOR NEW PROJECTS

The market success of Prokom Software combined with the success of Prokom Software's stock market enlisting in 1998 and successes in other stock market transactions provided Prokom Investment with substantial financial resources exceeding \$200 mln and allowing the company to invest in new business areas as f. ex. Bioton and real estate projects (Wilanów Town).



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REAL ESTATE PROJECT – WILANÓW TOWN

INTRODUCTION

The Wilanów Town project, started by Prokom Investments in 2001, is one of the most modern, unique and large-scale construction projects in Central Europe, which will provide up to 24.000 apartments, entertainment and business space for people appreciating modern and peaceful living place.

Prokom Investments owns a 169 hectare site in the prestigious Warsaw district of Wilanów in the direct neighborhood of the historical Royal Palace and its surrounding formal gardens. Prokom is not only the land owner but also in this project acts as a developer and lead arranger.

The Wilanów district is the most distinguished area in Warsaw. The Wilanów Town architectural concept respects the historical environment and refers to XVIII century prime residential neighborhoods in Paris and London (Knightsbridge district). Thanks to the green plazas, fountains, water canals, parks and gardens the area will constitute a friendly, walking neighborhood.

The total value of the whole project exceeds \$1,3 bn.

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EQUITY INVESTMENTS – BIOTON – SCIGEN COOPERATION

BENEFITS FOR SCIGEN SHAREHOLDERS

Bioton sees it's vital role as SciGen's shareholder in the process of building sustainable value of SciGen.

The objective of acquiring SciGen's shares was to facilitate access to new markets for both companies and to develop a broader scope of collaboration and networking between them.

Cooperation between Bioton and SciGen will focus on the following areas:

- ◆ acceleration of registration of biotechnological products in the Asia Pacific region
- ◆ know-how transfer in the area of technology of manufacturing biopharmaceuticals, both with respect to Bioton's and SciGen's products. SciGen's Contract Manufacturer, Shreya Biotech will also collaborate with Bioton.
- ◆ establishment of a joint venture company whereby both companies will have equal shareholding for the purposes of setting up a manufacturing facility in Singapore for the formulating, filling and packaging of biopharmaceutical products.

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EQUITY INVESTMENTS - BIOTON

GENERAL OVERVIEW

- Bioton has been the first Polish public company established in the biotechnology sector.
- The company has a portfolio of 32 products – among them the key product: Recombinant Human Insulin.
- Bioton is currently the only manufacturer of Biopharmaceuticals in Poland and one of a few in the world that produce Recombinant Human Insulin.
- Human Insulin is the first recombinant protein to be manufactured in Poland.
- Bioton is one of the largest Polish manufacturers of Cephalosporin and Aminoglycoside injection antibiotics.
- Bioton employs advanced production technologies and has created an effective quality assurance system.
- The Bioton Group employs highly qualified research and management team.
- Bioton is focused on development of new biotechnological products and internationalization of its core business activities. Therefore Bioton foresees natural synergies in cooperation with SciGen.
- Bioton will be listed on the Warsaw Stock Exchange as of March 15, 2005.

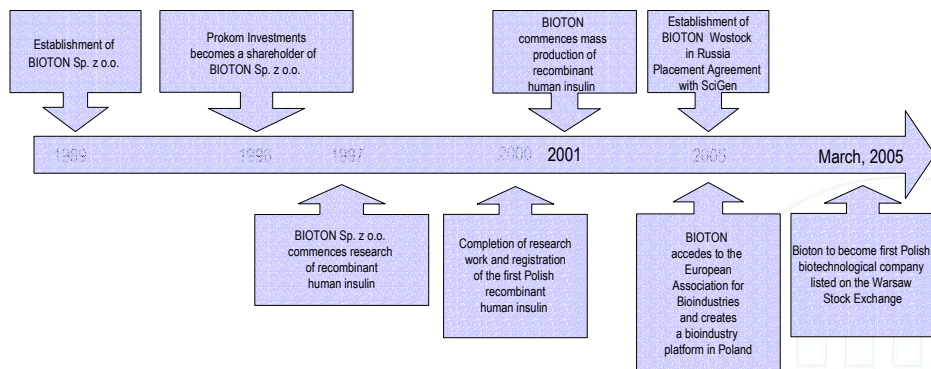


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EQUITY INVESTMENTS - BIOTON

HISTORY



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EQUITY INVESTMENTS - BIOTON

BIOTON'S PORTFOLIO

The majority of Bioton's products are manufactured at its own facilities, while others either are, or will be, manufactured by its partners on a contract basis.

Bioton's core products are:

- ◆ **Recombinant Human Insulin** (final product – Gensulin and substance) which, in the first nine months of 2004, constituted 46% of total sales of the BIOTON Group.
- ◆ **Cephalosporin Antibiotics** which constitute 33% of sales of the BIOTON Group in the same period.

The licence to manufacture, distribute and sell recombinant Human Insulin was obtained from BTG on an exclusive basis for Poland and on a non-exclusive basis in the former Soviet Union (excluding Lithuania, Latvia and Estonia) and Albania, Armenia, Azerbaijan, Bulgaria, Hungary, Rumania, the Czech Republic and Slovakia.

In 2000, Bioton registered recombinant Human Insulin in Poland. Poland has joined the EU and as a result all new products must be registered through EMEA in London for all EU countries.

Bioton collaborates with two other companies that are BTG licence holders in other countries, i.e. SciGen in the Asia Pacific region and Diosynth B.V in the US, Western Europe and others.



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EQUITY INVESTMENTS - BIOTON

DOMESTIC DISTRIBUTION

The Bioton Group sells its products through two distribution channels:

- ◆ direct distribution channel to health care entities (about 20%-30% of sales)
- ◆ wholesale distribution channel (about 70%-80% of sales)

In 2004, about **329.6 thousand units** were sold domestically which corresponds to about 14-15 kg of insuline substance.

INTERNATIONAL DISTRIBUTION

- ◆ Export sales in Bioton are performed on the basis of agreements signed with foreign or domestic contractors.
- ◆ In 2004, about 95.8 kg of insulin in the form of substance and ready made forms was exported.
- ◆ At present, Bioton in co-op with its partners is registering insulin as substance and as ready made forms in the following countries: Africa (Algeria, Syria), the Americas (Argentina, Bolivia, Ecuador, Columbia, Mexico, Peru, Venezuela), Asia (China, the Philippines, Hong Kong, Indonesia, Jordan, Kazakhstan, South Korea, Malaysia, Pakistan, Singapore, Thailand) and Europe (Bulgaria, Rumania).
- ◆ In December 2004 Bioton registered its JV in Russia. In the first half of 2005, this company shall be responsible for registration of insulin and other BIOTON products in the countries of the former USSR, while in the second half of 2005 the sale of products in the former USSR countries will commence.
- ◆ The insulin market in the Russian Federation in 2002 was valued at \$122 mln. The value of the insulin market in 2005 is estimated at \$268 mln.



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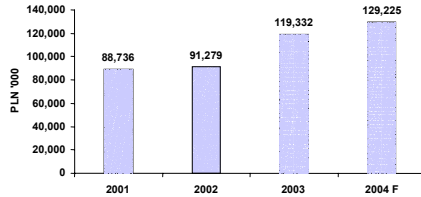


EQUITY INVESTMENTS - BIOTON

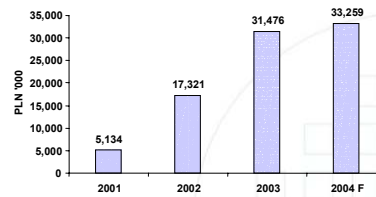
BIOTON'S FINANCIAL RESULTS

- ◆ Over 2001-2004, taking into account the 2004 forecasts, the revenue of the BIOTON Group rose by 46% in absolute terms (13% CAGR).
- ◆ During the same period, the Group recorded an over fivefold increase in EBITDA, with CAGR at 86%. The increase is attributable to launching the sale of high-margin products (insulin).

BIOTON Group's revenue (2001 – 2004E)



BIOTON Group's EBITDA (2001 – 2004E)



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EQUITY INVESTMENTS – BIOTON – SCIGEN COOPERATION

COOPERATION WITH SCIGEN – PLACEMENT AGREEMENT

- ◆ On January 24, 2005 Bioton entered into a placement agreement with SciGen defining the terms and conditions of Bioton's proposed acquisition of up to 24% of SciGen shares.
- ◆ The transaction will be concluded in two tranches. In the first Bioton is obliged to purchase 8,29% of SciGen share capital and in the second, which will be concluded after SciGen EGM approval, Bioton will acquire additional shares resulting in Bioton securing 24% equity in SciGen.
- ◆ The issue price is A\$0,07 cents for both tranches.
- ◆ After completion of the first tranche SciGen will appoint to its Board of Directors two representatives of Bioton.



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COOPERATION WITH SCIGEN – SUPPLY AGREEMENT

- ◆ On January 26, 2005 Bioton and SciGen executed an amendment to the Supply Agreement existing between both companies.
- ◆ Basing on the amended Supply Agreement:
 - Bioton and SciGen extended SciGen's purchasing rights for recombinant human insulin from Bioton. SciGen will market the insulin in the Asian countries under its own trademark: SciLin
 - Bioton agreed to cooperate with SciGen for SciGen to implement production of the finished product of recombinant human insulin and to commence cooperation with Shreya Biotech to commence the manufacturing of bulk recombinant human insulin
- ◆ Furthermore, Bioton and SciGen undertook to enter into a joint venture agreement, which would regulate the cooperation for the joint production in Singapore of the finished insulin product and other medical products, including human growth hormone and a hepatitis B vaccine. The joint venture will be connected with establishing a company where both Bioton and SciGen will hold 50% of shares.
- ◆ SciGen agreed further in the agreement to grant Bioton the exclusive right to distribute the hepatitis B vaccine in the territory of Central and Eastern Europe.

