

## CURRENT REPORT

As per:

- Law 297/2004 amended and completed by the provisions of L10/2015 and GEO 90/2014 and the regulations of the Romanian National Securities Commission (CNVM) issued in view of its application,
- The regulations of the National Securities Commission no. 1/2006 regarding the issuer and the securities-related operations, amended by the regulations of ASF no. 13/2014,
- The Regulation of CNVM no. 6/2009 on the exercise of certain rights of shareholders within the general meetings of trading companies,
- Measures no. 26/20.12.2012,
- GEO no. 109/2011 on the corporate governance of public enterprises,
- Law no. 31/1990 republished, with all subsequent amendments,
- Articles of Association.

Report date: **07.04. 2016**

Name of issuing company: **Antibiotice SA**

Headquarters: **Iași, str. Valea Lupului nr. 1, zip code 707410**

**<http://www.antibiotice.ro>**

E-mail: **[relatiicuinvestitorii@antibiotice.ro](mailto:relatiicuinvestitorii@antibiotice.ro)**

Telephone/fax no. : **0232 209000 / 0232 209633**

Unique registration code in the Trade Register Office: **RO1973096**

No. in the Trade Register: **J22/285/1991**

Subscribed and paid-up capital: **67,133,804.00 RON**

The regulated market trading the securities issued: **Bucharest Stock Exchange**

Number of shares: **671,338,040**

Number of votes: **671,338,040**

**Main characteristics of the securities issued by the company:** nominative shares, nominal value: 0.10 RON

### Important event to report:

- A. Amending the paragraph 7 of the Agenda - Amendment, updating and renumbering of the Articles of Incorporation - **Extraordinary General Meeting of Shareholders.**

#### *I. Art. 37 Initial content*

The Management Board elects from its members a President and a Vice President. The President and the Vice President of the Management Board can be also appointed by the Ordinary General Meeting of Shareholders. The President is appointed for a term not exceeding its mandate as an administrator.

The President and Vice President may be revoked only by the Management Board. If the President or the Vice President were appointed by the General Meeting of Shareholders they can be revoked only by it.

The President coordinates the activity of the Management Board and reports to the General Meeting of Shareholders there of. He supervises the proper running of the

company. The Vice-President replaces the President of the Management Board when the latter is not present. The Vice-President represents the Management Board in the relation with the third parties. The Management Board may delegate other duties to the Vice-President.

## II. **Art. 37 Amended content**

The Management Board elects from its members a President and a Vice President. The President and the Vice President of the Management Board can be also appointed by the Ordinary General Meeting of Shareholders. The President and the Vice President are appointed for a term not exceeding their mandates as administrators.

The President and the Vice President may be revoked only by the Management Board. If the President, the Vice President respectively were appointed by the General Meeting of Shareholders, they can be revoked only by it.

The President coordinates the activity of the Management Board and reports to the General Meeting of Shareholders thereof. He supervises the proper running of the company. The President represents the Management Board in the relation with the third parties. The Management Board may delagate other duties to the President. The Vice-President replaces the President of the Management Board when the latter is not present.

### B. Full notice of meeting after the amendment

#### CONVENING

#### The Ordinary General Meeting of Shareholders and Extraordinary General Meeting of Shareholders

The Managing Board of Antibiotice reunited in the meeting on 14.03.2016 as per art. 113, A, paragraph (1) a) of the CNVM Regulations no. 1/2006 **convenes** on 18.04.2016 the Ordinary General Meeting of Shareholders at 10<sup>00</sup> am, and the Extraordinary General Meeting of Shareholders at 12<sup>00</sup> am at the company's head office, with the following **agenda**:

#### I. Ordinary General Meeting of Shareholders

1. Approval of the company's financial statement for the fiscal year 2015, based on the Management Report and Financial Auditor Report.
2. Approval of net profit distribution on 2015, setting the gross dividend per share and setting the payment date on 15.09.2016.
3. Approving the discharge of administration for the activity conducted in the fiscal year 2015, based on reports submitted.
4. Approving the income and expenditure budget on 2016.
5. Approval of the degree of achieving the objectives and performance criteria on 2015 for the members of the Management Board.
6. Approving the objectives set in the administration plan for the members of the Management Board for 2016.
7. Setting the remuneration for the members of the Management Board as per GEO no. 109/2011 on corporate governance of public enterprises.
8. Approval of the following changes in the Management Board:

- a. Termination of the term contracts for three members of the Board, following their expiry;
  - b. Election of three new members of the Board, one of which according to the procedures laid down by the Government Emergency Ordinance no. 109/2011 on corporate governance of public enterprises;
- In accordance with Art. 117, paragraph 6 of Law no. 31/1990 on trading companies, the list with information about the name, domicile and professional qualifications of the persons proposed for the position of administrator is available to shareholders at the company headquarters, Investor Relations Office.

#### Management Board Candidates:

No.	Full name	Place of domicile	Specialization
<i>Candidate proposed by the majority shareholder, Ministry of Health, selected in accordance with the GEO 109/2011 art. 29:</i>			
1.	NANI Ioan	Iași	economist
<i>Candidates proposed by the shareholder SIF Oltenia</i>			
1.	STOIAN Nicolae	Craiova	economist
2.	CALITOIU Elena	Craiova	engineer

9. Approval of affiliation of Antibiotice at the International Committee of the International Chamber of Commerce, Romania, as well as the Romanian-American Chamber of Commerce;
10. Approving the registration date **01.09.2016** in order to identify the shareholders subject to the effects of the decisions adopted, as per the stipulations of art. 238 paragraph 1 of Law 297/2004 regarding the capital market, amended by provisions L10/2015 and setting the ex-date **31.08.2016**.

## II. Extraordinary General Meeting of Shareholders

1. Approval to extend by 12 months the validity period of the multicurrency multiproduct credit amounting to 60 million RON borrowed by Antibiotice from the Export Import Bank of Romania- Eximbank.
2. Aprobarea prelungirii cu o perioada de 12 luni a valabilitatii garantiei de stat in valoare de 10 milioane RON aferenta plafonului multiproduct multivaluta in suma de 60 milioane RON contractat de SC ANTIBIOTICE SA de la Banca de Export Import a Romaniei- EximBank S.A./ Approval for a 12 month extension of the state guarantee worth 10 million RON relative to the multiproduct multi currency credit amounting to 60 million RON borrowed from Eximbank.
3. Approval to maintain the guarantees relative to the multicurrency multiproduct amounting to 60 million RON throughout the entire term of validity resulting from 1 and 2 on the Agenda.
4. Issuing a decision-commitment of Antibiotice not to divide itself, not to merge and decide the anticipated dissolution throughout the entire validity period of the multicurrency multi-product in the name and account of the state issued by Eximbank without prior consent of Eximbank SA.
5. Empowering the General Manager Mr. Ioan NANI and Financial Director Ms. Paula COMAN to sign on behalf of the company all documents related to the credit facility extension and changes, under paragraphs 1 and 2 of the agenda, as well as

documents related to obligations assumed by the company in accordance with paragraphs 3 and 4 of the agenda.

6. Change in Annex 1 of the Articles of Association - Administrators of Antibiotice.

7. Amendment, update and și renumbering of the Articles of Association, as follows:

**The Articles of Association preamble will be completed and will look like this:**

Modified and updated according to Law no. 31/1990 on trading companies, amended and republished, GEO no. 109/2011 regarding the corporate governance of public enterprises, as amended, in conjunction with art. 59 of the Methodological Norms no. 608/1998, regarding the manner of keeping registers and making records.

**Art. 1, paragraph 1 will change to:**

The name of the company is Antibiotice S.A. Iasi.

**Art. 5 will be completed and will look like this:**

The purpose of the company is to develop products according to its object of activity and to implement initiatives relative to the biosynthesis and semi-synthetic drugs and other services.

**Art. 6 will be completed in as that the section referring to auxiliary activities will be completed with the following CAEN codes:**

0149 - growth of other animals

1089 - manufacture of foods.

**Art. 13 will be divided in three articles:**

**Art.13 General Meeting of Shareholders**

The General Meeting of Shareholders is the company's governing body which decides on its activity and provides its economic and commercial policy. The General Assemblies are Ordinary and Extraordinary, and will be held at the company or in the venue indicated in the convening notice.

**Art.14 The General Meeting of Shareholders** gathers at least once a year, within 5 months of the financial year. The Ordinary General Meeting of Shareholders has the following main responsibilities:

- a) to discuss, approve or modify the annual financial statements on the basis of reports from the Board of Directors and the financial auditor, and to set the dividends;
- b) to select and dismiss the members of the Board, appoint and fix the minimum duration of the audit contract and to revoke the financial auditor;
- c) to set the remuneration of the Management Board members for the current fiscal year;
- d) to decide on the management of the Board of Directors;
- e) to establish the income and expenditure budget and, where appropriate, the work program for the following financial year;
- f) to decide the pledge, lease or closing down of one or more units of the company;
- g) to decide to initiate action for damages against the administrators, financial auditors and directors, with the majority provided by law.

**Art. 15 The Extraordinary General Meeting of Shareholders** shall meet whenever necessary to take decisions concerning:

- a) changing the legal form of the company;
- b) relocation of the company;
- c) change of the company;
- d) the creation or closing of some secondary units: branches, agencies, area offices or other such units without legal personality, unless the articles of incorporation provides otherwise;
- e) extension of the company;
- f) capital increase;

- g) reduction or restoration of equity by issuing new shares;
- h) merger with another company or division of the company;
- i) anticipated dissolution of the company;
- i<sup>1</sup>) conversion of registered shares into bearer shares or bearer shares into registered shares;
- j) conversion of shares from one class to another;
- k) conversion of a category of bonds into another or into shares;
- l) issuing bonds;
- m) any other amendment of the articles of incorporation or any other resolution requiring the approval of the Extraordinary General Meeting of Shareholders.

The provisions relating to the exercise of the powers referred to in the preceding paragraphs shall be filled in with the law on commercial companies.

**Art. 14 will divide into seven articles:**

**Art. 16 Convening the Generale Meeting of Shareholders**

The General Meeting of Shareholders is convened by the Management Board whenever necessary. The meeting term cannot be less than 30 days from the publication of the convocation in the Official Gazette of Romania, Part IV. The convocation is published in one of the newspapers prevalent in the town where company's headquarters are or the nearest place. The convening notice will be submitted to the Autonomous Official Gazette for publication within 5 days from the Board of Directors' decision of gathering the General Meeting of Shareholders.

**Art. 17 Agenda of the General Meeting of Shareholders**

The convocation will mention the place and date of the meeting and the agenda, expressly mentioning all matters that will be subject to Meeting proceedings. If the agenda includes the appointment of administrators, the notice shall state that the list with information on the name, domicile and professional qualifications of the persons proposed for the position of administrator is available to shareholders, can be reviewed and completed by them. When the agenda includes proposals to amend the articles of association, the notice shall include the full text of the proposal.

One or several shareholders representing individually or jointly at least 5% of the social capital have the right to require the introduction of new items on the agenda.

Applications shall be submitted to the Board, within 15 days of announcing the convocation, for publication and awareness of the other shareholders. If the agenda includes the appointment of administrators and shareholders wish to propose candidates, the application will include information about the name, domicile and professional qualifications of the persons proposed for those positions. The Agenda completed by the items proposed by shareholders must be published under the requirements of the law for convening the General Meeting at least 10 days before the General Meeting of Shareholders, the date mentioned in the original convening notice.

Annual financial statements, annual report of the Management Board and the proposal regarding the distribution of dividends are made available to shareholders at the company head office as of the date of convening the General Meeting of Shareholders. Upon request, shareholders will be issued copies of these documents.

The notification for the first General Meeting will set the day and time for the second meeting, in case the first one might not be held.

**Art. 18 Publication of convening notice on the Internet**

If the company has a website of its own, the convening and any other matter added to the agenda at the request of shareholders and the documents referred to in the previous paragraph shall also be published on the website, for the free access of shareholders. Each shareholder may submit written questions to the Board concerning the company's activity, shortly before the General Meeting of Shareholders and will be

replied within the meeting. The company may also be considered to reply if the information is published on the company's website.

**Art. 19 Convening of General Meeting of Shareholders at the request of shareholders**

The Management Board shall convene the General Meeting immediately at the request of shareholders representing, individually or together, at least 5% of the share capital, if the request contains provisions pertaining to the competence of the Assembly. The General Meeting of Shareholders shall be convened no later than 30 days and will meet no later than 60 days from receipt of the request.

**Art. 20 Exercising the voting rights**

The shareholders exercise their right to vote in the General Meeting of Shareholders in proportion to the number of shares they own.

**Art. 21 Setting the reference date**

The Management Board will set a record date for shareholders entitled to be informed and vote in the General meeting, date that will remain valid if the General Meeting is convened again because of non-making quorum. The reference date will be established following the publication of such convening notice and shall not exceed 60 days from the date on which the General Meeting was assembled for the first time.

**Art. 22 Setting the deadline to identify shareholders which are to benefit from dividends**

The date to identify the shareholders who will benefit from dividends or other rights and who are affected by the decisions of the General Meeting of Shareholders shall be determined by the latter. This date will be at least 10 working days after the General Meeting of Shareholders.

**Art. 15 will be divided into five articles:**

**Art. 23 The proceedings of the General Meeting of Shareholders**

To validate the proceedings of the Ordinary General Meeting of Shareholders, the presence of the shareholders who own at least  $\frac{1}{4}$  of the total number of voting rights is necessary. The decisions of the Ordinary General Meeting of Shareholders are adopted with a majority of votes.

If the Ordinary General Meeting of Shareholders cannot take place due to a failure of the conditions under paragraph (1), the meeting that will convene the second time may deliberate on the points on the agenda of the first meeting regardless of the quorum taking decisions by majority of votes cast.

**Art. 24 The proceedings of the Extraordinary General Meeting of Shareholders**

To validate the proceedings of the General Meeting of Shareholders, the presence of the shareholders who own at least  $\frac{1}{4}$  of the total number of voting rights is necessary and for the following convocations the presence of the shareholders representing at least  $\frac{1}{5}$  of the total number of voting rights is necessary.

**Art. 25 Shares encumbered**

If the shares are subject to pledges, the voting rights belong to the owner thereof.

**Art. 26 Representation of shareholders in General Meetings**

Shareholders may attend and vote at the General Meeting of Shareholders by proxy, by law, under a power of attorney. The powers of attorney can be submitted as an original 48 hours before the Meeting or the right to vote in the Meeting is lost. The powers of attorney will be retained by the company, which will be mentioned in the minutes.

The members of the management Board, directors or officers cannot represent the company's shareholders, subject to cancellation of decision if without their vote the required majority would not have been obtained.

The shareholders who are members of the Board cannot vote in respect of the shares they own, neither personally or by proxy, their discharge from administration or an issue where their person or their administration would be in question.

The above mentioned people can vote the annual financial statements if the majority provided by law or by the articles of incorporation cannot be formed.

**Art. 27 The conduct of General Meetings**

The General Meeting of Shareholders is chaired by the President of the Board and in his absence by the Vice President of the Board. The General Meeting shall elect from among the shareholders present, two secretaries, who will check the attendance of shareholders indicating the share capital represented by each, the minute prepared by the technical secretary and all the formalities required by law and the articles of incorporation for the General Meeting.

The President of the Board designates among the company's employees, a secretary who shall draft the minutes of meeting.

The minutes of meeting will be written in a sealed and stamped register. The minute will be signed by the person chairing the meeting and the secretary who drew it up.

In the ordinary and extraordinary sessions of the General Meeting of Shareholders where issues are debated related to labor relations with staff of the company the employees' representatives may be invited.

**Art. 17 will be divided and 15 articles will result:**

**Art. 29 The structure of the Management Board**

The company is managed by the Board of Directors consisting of 5 members, individuals or legal entities having experience in administration / management of profitable public enterprises and / or profitable companies in the business activity of the company. At least one of the Board members must have economic studies and experience in accounting, economics, finance or audit of at least 5 (five) years. The majority of the members of the Management Board is composed of non-executive and independent administrators. For the appointment of an administrator to be legally valid, the person appointed must expressly accept. The Board members will conclude professional liability insurance within the limits and conditions established by the General Meeting of Shareholders.

**Art. 30 Interdictions concerning the Board members**

No more than two members can be appointed from among the civil servants or other staff categories of public authorities or institutions in the Board. No person can be selected on the Management Board who has held a leadership position within the company or used to be a manager and / or director and whose mandate has ceased as a result of non-fulfillment of objectives and performance criteria and / or management set in its task. No individual can be selected on the Board who simultaneously hold more than 5 mandates of administrator and/or member of the Supervisory Board in joint stock companies /public companies whose headquarters are in Romania.

**Art. 31 Administrators' mandate duration**

The administrators are appointed by the General Meeting of Shareholders for a maximum period of 4 years.

The mandate of the administrators who have properly fulfilled their duties shall be renewed for new periods of maximum 4 years each.

The mandate of the administrators appointed following the cessation of any form of the initial administrators coincides with the remainder of the mandate of the administrator who has been replaced.

**Art. 32 Remuneration of the administrators**

The remuneration of the administrators is determined by the General Meeting of Shareholders according to law directly related to the importance and profile of their business activities and results achieved by the company. The remuneration and other benefits offered to the administrators will be recorded in the annual financial statements and in the annual report of the Remuneration and Nomination Committee of the Board. The policy and criteria for remuneration of the administrators will be made

public on the website of the company through the Board of Directors, unless the law provides otherwise.

**Art. 33 The nomination of the administrators**

The candidates for the new administrator positions are nominated by current members of the Board or by shareholders, in compliance with the legal and statutory provisions.

**Art. 34 Mandates of the administrators appointed by the company employees**

During the performance of the mandates of the administrators who were appointed by the company employees, their individual employment contracts will be suspended.

**Art. 35 Revocation of the administrators**

The administrators can be revoked at any time by the Ordinary General Meeting of Shareholders. If an unjust revocation occurs, the administrator is entitled to the payment of damages.

**Art. 36 Vacancy of the administrator position**

In case of vacancy of one or more positions of administrator, the Board shall appoint provisional administrators until the Ordinary General Meeting of Shareholders. If the above mentioned vacancy determines the decreases the number of directors below the legal minimum, the remaining managers immediately convene the Ordinary General Meeting of Shareholders to complete the members numbers of the Management Board. If the administrators do not fulfill their obligation to convene the General Meeting, any interested party may appeal to the court to designate the person responsible for convening the Ordinary General Meeting of Shareholders, to make the necessary appointments.

**Art. 37 The President and the Vice President of the Board of Directors**

The Management Board elects from its members a President and a Vice President. The President and the Vice President of the Board can be appointed by the Ordinary General Assembly. The President is appointed for a term not exceeding its mandate as administrator.

The President and Vice President may be revoked only by the Board of Directors. If the President or the Vice President were appointed by the General Meeting could be revoked only by it.

The President coordinates the activity of the Management Board reports to the General Meeting of Shareholders. He watches the proper functioning of the company. The Vice-President replaces the President of the Management Board when he is not present. The Vice-President represents the Board in the relation with the third parties. The Management may delegate other duties to the Vice-President.

**Art. 38 President's and Vice-President's main responsibilities**

The President and Vice-President respectively convenes the Board, whenever it is necessary, at least once every three months; chairs the meetings of the Board, ensuring the compliance with the procedures provided for by law, Articles of Association and regulations of the Bucharest Stock Exchange; maintains a close and constructive relationship with the company's executive directors; makes proposals regarding the establishment of the Board's Committees, their composition and sets the agenda of the Board's meetings.

**Art. 39 Management Board's Committees**

The Management Board appoints committees made up of its members. The Board will compulsory establish the Nomination and Remuneration Committee and the Audit Committee with advisory role, at least one of its members being an independent non-executive administrator according to the law No. 31/1990 on the trading companies.

**Art. 40 Nomination and Remuneration Committee**

The members of the Nomination and Remuneration Committee will be elected at the President/Vice-President proposal. The President or the Vice-President will be included in this committee but not as a President of this committee.



the Nomination and Remuneration Committee has the following responsibilities:

- makes proposals for the positions of administrators, elaborates and submits to the Board the procedure for selecting the candidates for the post of Director or other management positions; recommends to the Board candidates for the above-mentioned positions, makes proposals for the directors' and other executives' remuneration.
- evaluates, at least once a year, the independence of Board's members;
- verifies the number of mandates of the Board's members within other companies;
- performs other tasks in relation to the appointment or revocation of the Board's members, at the Board's instructions;
- proposes to the Board candidates with a view to the their appointment, reappointment or revocation from the Board. The Committee may reject candidates who do not meet the criteria for a member of the Board;
- makes sure that the persons applying for the position of Board member have the necessary background and experience to fulfil his/her responsibilities;
- elaborates an annual report regarding the remunerations and other advantages granted to administrators and directors during the financial year; this report shall be submitted by the Management Board to the General Meeting of Shareholders which approves the annual financial statements.

The annual report will be made available to shareholders, including on the company's website and will contain at least the following information:

- structure of remuneration, explaining the share of the variable and fixed component;
- performance criteria that substantiate the variable component of remuneration, the ratio between the achieved performance and remuneration;
- reasons justifying any scheme of annual bonuses or non-pecuniary benefit;
- any schedules of supplementary or anticipated pensions;
- information on the duration of the contract, negotiated period of notification, amount of damages for revoking without a just cause.

The Nomination and Remuneration Committee performs any other duties set out by the present Articles of Association, by law or by the decision of the Management Board.

#### **Art. 41 Audit Committee**

The Audit Committee has mainly the duties provided by art. 47 of the GEO No. 90/2008, assuring that the company maintains appropriate and adequate systems of financial reporting, internal control audit, compliance and risk management. At least one member of the audit committee must have experience in applying the principles of accounting or in the financial auditing.

The President of the Management Board cannot be the President of the Audit Committee. The President of the Audit Committee must have the experience and necessary skills for monitoring the audit and risk management issues.

During exercising their mandate, the members of the Committee will not hold positions incompatible with the mission of the Committee.

The duties and responsibilities of the Audit Committee:

- will examine and verify the correctness of the annual and intermediate consolidated financial statements of the trading company and of any other financial reports, before their submission to the Management Board for approval;
- will examine and make recommendations to the Board on the appointment, reappointment or revocation of the external auditors;
- will assess periodically the effectiveness, independence and objectivity of the external auditor and monitor the relationship with it;
- will make proposals to the Management Board regarding specific areas where additional tests may be required to the external auditor;
- will analyse and approve the sphere of competence of the Internal Audit Department;
- will monitor and revise the activity of the Internal Audit Department;

- will monitor the changes occurring in the staff of the Internal Audit Department.

#### **Art. 42 Committees' operation**

The Management Board may establish other advisory committees responsible for conducting investigations and formulating recommendations for the Board in the fields of interest for the company's activity. At least one member will be a non-executive independent administrator.

The Advisory Committees shall submit to the Board on a regular basis, reports on their activities.

The decisions will be taken with the majority of votes within all the Advisory Committees. The Advisory Committees will meet at the company's headquarters whenever it is necessary, at least once every three months, at the request of any of its members.

A report will be drawn up during each meeting, containing the names of participants, order of deliberations, decisions taken, number of votes and separate opinions. For the validity of decisions taken by the advisory committees, the presence of at least half of the members is required. Members of the advisory committees can be represented at the meetings only by other members of the committees in question. One present member can represent only one absent member. The minutes shall be signed by the President of the meeting and by at least one other administrator, member of the committee.

Participation in the meetings of the Management Board, as well as the meetings of the Advisory Committees may also occur through the means of distance communication, by using the internet.

#### **Art. 43 Operation of the Management Board**

The Management Board shall meet at least once every 3 months or whenever necessary, the remuneration being made monthly.

The President or the Vice-President convenes the Management Board's meetings, sets the Agenda, ensures the proper information of the Board's members with respect to the items on the agenda and presides over the meeting.

The Management Board is also convened at the reasoned request of at least two of its members or at the General Director's request. In this case, the Agenda is set by the request's authors. The President is obliged to act on such a request.

A report will be drawn up during each meeting, containing the names of participants, order of deliberations, decisions taken, number of votes and separate opinions. For the validity of decisions taken by the Management Board, the presence of at least half of the members is required. The Board's members can be represented at the meetings of the Management Board only by other Board's members. One present member can represent only one absent member. The minutes shall be signed by the President of the meeting and by at least one other administrator.

In exceptional circumstances, justified by the urgency of the situation and the company's interest, the decisions of the the Board can be taken by the unanimous written vote of the members, without a meeting of the Management Board. This procedure cannot be followed in the case of decisions on the annual financial statements or the authorized capital.

The Management Board, by the unanimous vote of the administrators, can empower some administrators for concluding some operations or certain kinds of operations. The Board can employ experts and advisors to study and solve certain problems.

**Art. 18 The article 18 will be divided, resulting in three articles:**

#### **Art. 44 Main duties of the Management Board**

The Management Board is responsible for elaborating all the necessary and useful documents to achieve the company's object of activity, except for those reserved by the law for the General Meeting of Shareholders.

The Management Board has the following basic responsibilities that cannot be delegated to the directors:

- to establish the main directions of the company's activity and development;
- to establish the accounting and financial control system policies as well as to approve the financial planning;
- to take loans and make refinancing, securing them with goods of the company up to 20 % of the value of heritage (20 % of the total fixed assets, less the receivables) ; to elaborate addendas to the credit agreements, all of these decisions being submitted for ratification at the first GMS meeting;
- to appoint and revoke the directors and set their remuneration;
- to supervise the directors' activity
- to prepare the annual report, organize the general meeting of shareholders and implement its decisions;
- to submit the request to open the insolvency proceedings, according to the Law no. 85/2014 on the insolvency procedures or procedures for preventing insolvency;
- other tasks as required by law, Articles of Association and Operation Regulation of the Board.

#### **Art. 45 Other duties of the Management Board**

The Management Board approves, if appropriate, monthly, quarterly or annual policies on marketing strategy, depending on the peculiarities of the internal and external market.

The Board's President or Vice-President represents the company in relation to third parties and in court. The Board retains the right to represent the company in relations with the directors.

Management Board records at the Trade Register the names of persons authorised to represent the company. They submit their the signature specimens to the Trade Register.

The Board's members will exercise their mandate with loyalty, in the company's interest, according to the law.

The Administrators are responsible for fulfilling all the obligations under the law.

#### **Art. 46 Disposal/acquisition of the company's assets by the administrators**

The Board's members may, in their own name, dispose of, respectively, acquire goods to or from the company, having a value of over 10% of the net asset value only after approval of the Extraordinary General Meeting.

The Board's members will be able, in their own name, to dispose of, respectively, acquire goods for them from the company only after the approval of the Extraordinary General Meeting. These provisions shall also apply to renting or leasing operations.

#### **Art. 19 The article 19 will be divided, resulting in three articles:**

##### **Art. 47 Company's management team**

The General Meeting of Shareholders elects the Management Board. The Management Board delegates the management to one or more directors, appointing one of them as a General Director on the basis of a contract of mandate. Only a person to whom powers have been delegated for managing the company can be a Director. Any other person, regardless of technical designation of the job in the company, is excluded from the application of legal norms, with respect to the joint-stock company's directors.

The General Director shall be appointed exclusively by the Board's members, becoming an executive administrator. In any event, the selection of directors will be made in

compliance with the legal provisions in force and the specifics of the scope and complexity of the company's business will taken into account.

The directors with duties for managing the company appointed by the company's employees, have their individual labour contracts are suspended during the mandate.

**Art. 48 The directors' activity**

The Directors are responsible for taking all the measures related to the company's management within the limits of the company's object of activity and respecting the exclusive powers reserved by law or by the Management Board and General Meeting of Sahereholders. Organization of the directors' work is decided by the Management Board.

The directors shall regularly and comprehensively inform the Management Board on the operations undertaken and those taken into account.

The Management Board records in the Trade Register the name of persons empowered the represent the company, stating whether they act together or separately. These persons submit signature specimens at the Trade Register.

Persons who, by law, cannot be founders, can neither be administrators nor executives.

**Art. 49 Remuneration Of Directors**

Remuneration of the directors is established by the Management Board. Remuneration of the directors is established according to the law directly related with their activity and importance of their activity and results of the company.

Remuneration and the other advantages offered to the directors will be reported in the annual financial statements and in the annual report of the Committee for Remuneration and Nomination within the Management Board. The remuneration policy and criteria will be made publicly available on the company's website through the care of the Management Board if the law does not provide otherwise.

**Annex no. 1 of the Articles of Association, containing information on the name, place of domicile and the professional qualification of the Antibiotice's administrators shall be re-elaborated in accordance with the changes occurred in the membership of the Management Board**

8. Establishment of a representative office in Vietnam

9. Approval of the date of **01.09.2016** as the registration date for identifying the shareholders who are affected by the decisions adopted, according to the provisions of the art. 238, para. 1 of Law 297/2004 on the capital market, amended and supplemented by the provisions of Law 10/2015 and the establishment of the ex-date for 31.08.2016.

The shareholders registered at the reference date can exercise their right to attend and vote at general meetings directly, by mail or by a representative with special or general power of Attorney, according to the article 243, Law 297/2004 amended and supplemented by the provisions of the Law 10/2015. The access of shareholders is allowed based on the identity card, Special Attorney, Special Attorney authenticated or mandate, for the legal representatives.

The original vote by mail form together with a copy of the identity card for the individual shareholders or any document attesting the capacity of legal representative for the corporate shareholders or an account statement shall be sent to the company headquarters until **16.04.2016, 10:00 a.m..**

Starting with **15.03.2016**, the special or general powers of attorney, mail voting form in Romanian and in English, decision draft, as well as the materials and documents which will be the subject of deliberations can be obtained from the company's headquarters (Investitors Relations - phone: 0232.209.570 / 0372.065.583, fax: 0372.065.633, e-mail: [relatiicuinvestitorii@antibiotice.ro](mailto:relatiicuinvestitorii@antibiotice.ro)) and on our company website ([www.antibiotice.ro/Investitors](http://www.antibiotice.ro/Investitors) / Shareholders Information / GMS 18/19.04.2016).

Until **16.04.2016, 10:00 a.m.**, the special or general powers of attorney in English and Romanian shall be submitted in original form, together with a copy of the identity card or registration certificate of the shareholder represented, at the company's headquarters or sent via e-mail, with extended electronic signature. In the event that a shareholder mandates a credit institution which provides custody services, to attend and vote in the general meetings, only the original special power of attorney is needed accompanied by an original affidavit issued by the credit institution [ according to the Disposal of Measures no. 26/20.12.2012, Art. 2 (1) i), ii) and iii)].

One or more shareholders representing individually, or together, at least 5% of the share capital are entitled to introduce new items on the agenda of the general meetings and submit decision drafts for those items, until **31.03.2016, 4:00 p.m.**

The company's shareholders can ask questions on the items of the agenda of the General Meeting from **16.03.2016** until **15.04.2016, 10:00 a.m.**([relatiicuinvestitorii@antibiotice.ro](mailto:relatiicuinvestitorii@antibiotice.ro)).

In all the above cases, with the exception of the special or general power of attorney given by a shareholder to a credit institution which provides custody services, the corporate shareholders prove their capacity of legal representative with a confirmation of company details issued by the trade register submitted in original or certified true copy thereof, or any other document, in original or certified true copy thereof, issued by a competent authority from the country in which the shareholder is legally registered, attesting its capacity of legal representative. The documents attesting the capacity of legal representative of the corporate shareholder shall be issued with not more than 3 months before the publication date of the convening notice of the general meeting of shareholders. These documents attesting the capacity of legal representative elaborated in a foreign language, other than English, shall be accompanied by a translation made by an authorized translator, in Romanian or English, without being notarized or apostilled [according to the Disposal of Measures no. 26/20.12.2012, Art. 4 (1), (2) and (3)].

In accordance with the Disposal of Measures no. 26/20.12.2012, Art. 5 and Disposal of Measures no.3/2012, Art. 1, in the case of shareholders who put questions or make proposals for completing the agenda, they may also prove their identity with the statement of account which attests the capacity of shareholder and the number of shares owned, issued by the Central Depository or, where appropriate, by the indirect participants who provide custody services [according to the art. 168 para. (1) letter b) of Law no. 297 amended and supplemented by the provisions of Law 10/2015].

More information on the rights of the shareholders will be available on the company website ([www.antibiotice.ro](http://www.antibiotice.ro)).

In case of non-statutory quorum for the validity of the proceedings in the first meeting, the general meeting is rescheduled on **19.04.2016, at 10:00 a.m.** (Ordinary Meeting), at the same address and with the same agenda.

At this General Meeting of Shareholders, all the shareholders registered in the Shareholder Register by the end of **05.04.2016**, established as reference date are entitled to attend and vote.

*Vicepresident of the Management Board,*  
*Ec. Ioan NANI*