

MANDATE CONTRACT

no.P 04.2020

CHAPTER I. THE CONTRACTING PARTIES

1. **Antibiotice S.A.** with the registered office in Iași, 1 Valea Lupului St., România, registered at the National Trade Register Office under no. J22/285/15.02.1991, with the tax registration code R01973096, hereinafter referred to as "the Company", represented by Mr. empowered in the General Meeting of Shareholders by the Supervisory Public Authority - Ministry of Health, as **Principal**

and

2. **DI. Ioan NANI**, Romanian citizen, domiciled in, St., holder of IC series no., PIN, hereinafter referred to as „**Executive Administrator**”

Whereas:

a. the provisions of the art. 28, para. 7 and art. 29, para. 14 of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises (GEO 109/2011), the applicable provisions of Law no. 31/1990 on the trading companies, the Articles of Incorporation of Antibiotice S.A. as well as the provisions of the Civil Code regarding the mandate;

b. The Supervisory Public Authority - the Ministry of Health, following the proposal of the Management Board and after evaluating the activity report of the executive administrator, approved the renewal of the mandate of the Mr. Ioan NANI as executive administrator;

c. in the General Meeting of Shareholders of 09.04.2020, based on the activity report submitted by the Executive Administrator, the shareholders of the company, through the GMS Decision no. 13 of 09.04.2020 expressed their willingness to renew his mandate,

the contracting parties concluded this Contract under the following terms and conditions:

CHAPTER II. DEFINITIONS

"**Articles of Incorporation** ": Articles of Incorporation of the trading company Antibiotice S.A. as registered with the Trade Register Office;

"Force majeure": is the notion defined in art. 1351 para. 2 of the Civil Code, meaning any external, unpredictable, absolutely invincible and inevitable event, such as earthquakes, floods, fires, epidemics, wars and other similar events;

"Accidental event": is the notion defined in art. 1351 para. 3 of the Civil Code, meaning an event that cannot be predicted nor prevented by the Executive Administrator; the change of the legal, regulatory frame and fiscal system in Romania are assimilated to the accidental event;

"Performance Indicators": tools for the quantitative and qualitative measurement of financial and non-financial performance that indicate the achievement of quantifiable objectives related to specific performance targets;

"Key performance indicators": performance indicators set out in the Annex to the Mandate Contract, hereinafter referred to as KPI,

"Financial performance indicators": performance measurement tools used to determine the efficiency of using the resources to generate revenue, cover costs and make a profit;

"Non-financial performance indicators": performance measurement tools which determine how well the company uses the resources, mainly for:

- a) making the internal activity more efficient;
- b) providing external services for customers;
- c) meeting the legal requirements.

The non-financial indicators are usually derived from the company's policy: customer satisfaction level, company share market, etc;

"Relevant legislation": all the normative acts applicable to the company, such as the Law no. 31/1990 of the trading companies, GEO no. 109/2011 on the corporate governance of public enterprises, Law no. 297/2004 on the capital market, as well as any legal provisions regarding the company or the Executive Administrator applicable at any given time;

"Conflict of Interests": any situation or determined / determinable circumstance according to the Relevant Legislation and Company Regulations, in which the personal interest, directly or indirectly, of the Executive Administrator contravenes the interest of the company, so that it affects or could affect its independence and impartiality in making business decisions or fulfilling in due time and with objectivity the duties entrusted to him in the exercise of his mandate;

"Confidential information": any information regarding the activity of the company that is classified as confidential / business secret / service secret / sensitive according to the laws in force, decisions of the General Meeting of Shareholders, Management Board, or of the Internal Regulations,

"Business decision": any decision to take or not to take certain measures regarding the management of the company;

"Remuneration": the remuneration due to the Executive Administrator consisting of a monthly fixed allowance and a variable component established according to art. 37 and 38 of GEO no. 109/2011, indicated in the current Contract and its annexes thereto;

"Management Plan": a working tool of the administrators and general director specified in a document drawn up to determine the company's roadmap during their mandate, structured on two components: the administration component prepared by the Management Board and the management component prepared by the General Director. This establishes the mission, objectives, actions, resources and financial and non-financial performance indicators for carrying out a specific activity during a future 4-year period;

"Internal Regulations": the regulations applicable in the company, based on the decisions issued or to be issued by the General Meeting of Shareholders, Management Board, General Director, including the Code of Ethics, Corporate Governance Code, Internal Regulations of the company issued in accordance with the provisions of the Labor Code, any internal decisions, rules or procedures applicable in the Company in relation to the organization of the activity carried out by the Company and the conduct of its personnel;

"Just causes" represent those situations in which the executive director, by his sole fault, fails to achieve his objectives and performance indicators in a higher percentage than 75% than that established by annexes to the contract, unless these failures are caused by circumstances independent of the executive administrator's will (e.g. issuance of some legal provisions on taxes, fees or other tax obligations with major impact on the financial results of Antibiotice SA, national, international, global or sectoral crises, epidemics, etc.). The just cause can be invoked for the dismissal of the Executive Administrator only if there is a direct causal relationship between the guilty act of the Executive Administrator and the damage created to the Company.

CHAPTER III. MANDATE OF THE EXECUTIVE ADMINISTRATOR

3.1. By the Decision no. 13 of 09.04.2020, the General Meeting of Shareholders of the Company approved the renewal of the mandate of Mr. Ioan NANI as Executive Administrator, for a 4-year period, according to the provisions of the current contract.

3.2 Mr. Ioan NANI expressly accepted his appointment as Executive Administrator of the Company for a 4-year period, in accordance with the provisions of this contract.

3.3 The Executive Director declares and guarantees to the Company that:

3.3.1 has the legal capacity needed for concluding the contract;

3.3.2 is not in any of the incompatibility situations specified by the Relevant Legislation regarding the position of Administrator;

3.3.3 shall comply with the requirements provided by the Relevant Legislation for holding such a position within the Company, during the entire period of applicability of the contract.

CHAPTER IV. OBJECT OF CONTRACT

4.1 The Executive Administrator is authorized to adopt together with the other administrators from the Management Board, all the decisions regarding the administration of the Company, under the conditions of the Relevant Legislation and the decisions of the present contract, within the limits of the Company's object of activity, remaining within the exclusive competences provided by the legislation in force, as well as of the recommendations contained in the applicable corporate governance guides and codes.

CHAPTER V. TERM OF CONTRACT

5.1 This Contract shall enter into force on 18.04.2020 and is valid for a 4-year period, until 17.04.2024.

5.2 The Mandate of the Executive Administrator can be renewed, following an evaluation process carried out according to the provisions of GEO no. 109/2011 on the corporate governance of public enterprises.

5.4 Throughout its validity term, the Contract cannot be affected in any way by the changes occurred in the structure of the shareholding or of the Supervisory Public Authority.

CHAPTER VI OBLIGATIONS AND RIGHTS OF THE EXECUTIVE ADMINISTRATOR

6.1 Obligations of the Executive Administrator

6.1.1 exercises his mandate with the loyalty, prudence and diligence of a good administrator in the exclusive interest of the Company;

6.1.2 achieves the objectives and performance indicators set by the General Meeting of Shareholders;

6.1.3 establishes, together with the other administrators, the main directions and strategies of the Company's activity and development and takes measures to ensure the financial and human resources necessary to achieve the Company's objectives;

6.1.4 approves, together with the other administrators, the accounting policies;

6.1.5 establishes, together with the other administrators, the necessary measures for implementing the Company's Management Plan and for meeting the performance objectives and criteria by the administrators;

6.1.6 analyzes and approves, together with the other administrators, the management plans drawn up by the Directors of the Company, as integrated parts of the management component of the Management Plan;

6.1.7 prepares rigorously the meetings of the Management Board, allocating a period of time of minimum 3 working days for this purpose, participates in the Board meetings, as well as in the specialized committees as appropriate;

6.1.8 adopts, together with the other administrators, policies and control systems of the Company;

6.1.9 approves the Company's budget which will be subsequently submitted to the General Meeting of Shareholders for approval;

6.1.10 participates in a training program with a minimum duration of one week / year on subjects as the corporate governance, legal field, as well as in any other areas chosen by the shareholders;

6.1.11 declares, in accordance with the Internal Regulations and Procedures, Code of Ethics and Relevant Legislation, any existing conflicts of interest and, if any conflict of interests occurs, he abstains from decisions within the Management Board / advisory committees in the exercise of the duties of administrator;

6.1.12 exercises the attributions provided by the Relevant Legislation;

6.1.13 approves the appointment and possible dismissal of the head of the internal audit and receives from him/her, whenever requested, reports on the activity of the Company;

6.1.14 verifies the running of the internal management control system;

6.1.15 negotiates the financial and non-financial performance indicators with the Supervisory Public Authority and the Company's shareholders;

6.1.16 monitors and manages, together with the other administrators, the potential conflicts of interest at the level of the administration and management bodies;

6.1.17 carries out any other duties expressly provided by the Relevant Legislation and internal regulations.

6.2 Rights of the Executive Administrator

6.2.1 a remuneration consisting of a fixed allowance and a variable component, according to this contract and its annexes thereto and the legislation in force;

6.2.2 a monthly fixed allowance and a variable component according to this contract and its annexes thereto;

6.2.3 reimbursement of his expenses justifiably incurred in the interest of fulfilling the mandate;

6.2.4 benefits, together with the other administrators, of specialized assistance to substantiate the decisions taken within the Management Board;

6.2.5 benefits from professional liability insurance;

6.2.6 receives, together with the other administrators, relevant reports and information from the management of the company for substantiating the decisions taken within the Board;

6.2.7 has access to the Company's acts and registers to the extent necessary to fulfill his obligations provided in this Contract, in accordance with the confidentiality obligations and the Internal Regulations;

6.2.8 upon termination of the Contract as a result of the expiry of the term for which it was concluded or upon termination of the Contract by agreement of the parties, the Administrator will receive from the Company a bonus for confidentiality, loyalty and non-competition;

6.2.9 provided that the Administrator fulfills its performance objectives and criteria in a proportion of at least 90% for each of the 4 (four) years of the Contract, at the expiration of its duration, the Administrator will receive from the Company a performance bonus (allowance for good performance of the Contract),

6.2.10 if the Administrator is revoked without a just cause, he will receive compensation from the Company according to this contract.

CHAPTER VII. REMUNERATION OF EXECUTIVE ADMINISTRATOR

7.1. According to the art. 37 and art. 38 of GEO no. 109/2011 on the corporate governance of the public enterprises, the Executive Administrator will receive during the validity period of this contract a remuneration consisting of a fixed monthly allowance, which will not exceed 6 (six) times the average over the last 12 (twelve) months of the monthly average gross salary for the activity performed according to the main object of activity registered by the company, in accordance with the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment and from a variable component. The variable component will be based on the financial and non-financial performance indicators, negotiated and approved by the General Meeting of Shareholders.

7.2 The Remuneration will be paid as follows:

a. the fixed allowance will be paid monthly on the 15th day of the month, for the month preceding the month in which the payment is made;

b. the quarterly variable component will be paid on the 15th day of the first month of the quarter following the one for which it is granted;

c. the annual variable component will be paid at the end of each financial year within 15 days from the approval of the financial statements by the General Meeting of Shareholders, subject to the fulfillment of the Performance Objectives and Criteria set out in Annex A to this Contract;

d. the variable component is reviewed annually, depending on the level of achievement of the objectives contained in the management plan and the degree of fulfillment of the financial and non-financial performance indicators approved by the General Meeting of Shareholders, annexed to the mandate contract;

7.3 The remuneration will be paid by transfer to the bank account of the Executive Administrator indicated by him, or in cash through the cashier of the Company.

7.4 Recovery of the variable component of remuneration

a) If situations arise that can significantly change the results and sustainability in the medium or long term or if the payment of the variable component of the remuneration endangers the capitalization of the public enterprise, then the public enterprise is entitled not to pay the part calculated for the previous years;

b) If all or part of the variable component is awarded on the basis of data that is subsequently found to be incorrect, public enterprises are required to request that part of the variable component be returned.

7.5 The Company will also grant the following benefits to the Executive Administrator:

- a. daily allowances for travel within the country and for travel abroad and reimbursement of expenses (travel costs, travel insurance and other expenses incurred with accommodation, meal, protocol, etc.) related to delegation in the interest of the Company;
- b. a professional liability insurance, according to the applicable legislation, with the costs incurred by the Company;
- c. a mixed life insurance, whose costs are incurred by the Company;
- d. the logistics necessary to fulfill the obligations stipulated in this Contract (individual office, telephone, fax, computer, office supplies, secretarial services, service car with paid driver and fuel, etc.).

7.6 The Executive Administrator is entitled to 2 (two) complete annual medical investigations.

7.7 The Executive Administrator has the right to benefit, as a contract holder, of assistance and specialized legal representation regarding the protection of his rights, as well as his reputation and dignity in relation to third parties, in litigations of any kind, arising from / or in connection with the exercise of the duties of this Contract, all costs being borne by the Company based on the supporting documents.

CHAPTER VIII. OBLIGATIONS AND RIGHTS OF THE COMPANY

8.1. The Company has the following obligations:

- a. to pay the Remuneration according to the art. 7.1 and 7.2 of the present contract;
- b. to pay the allowances established in the chapter XII of the present contract;
- c. to withhold and pay in accordance with the Relevant Legislation, the amounts representing the income tax due by the Executive Administrator in relation to the Remuneration received under this Contract;
- d. to withhold and pay in accordance with the Relevant Legislation, the amounts representing the social contributions as well as any other taxes due in connection with the Remuneration received under this Contract;
- e. to submit to the competent bodies and institutions any statements and situations related to the fulfillment of the above-mentioned obligations, within the terms provided by the Relevant Legislation.

8.2. The Company has the right to request the Executive Director to exercise the attributions entrusted to him and to fulfill the obligations assumed by this Contract. The company is entitled to request and receive activity reports and detailed

information regarding the degree of implementation of the Management Plan, the financial situation of the company, any other relevant information.

CHAPTER IX. CONFIDENTIALITY. LOYALTY. NON-COMPETITION

9.1. The Executive Administrator undertakes:

- a. not to disclose and to keep confidential the business secrets, sensitive information and information of the Company to which he has access as Executive Administrator;
- b. to keep in mind that all information regarding the Company, except those that are publicly available, acquired during its term of office are confidential and can be used only for the purpose of fulfilling the duties of Executive Administrator. The Executive Administrator will not use this information for its own benefit, directly or indirectly, or for the benefit of third parties. The Executive Administrator will not disclose this information to any third party unless he has to do so in accordance with a legal obligation;
- c. to carry out his activity in such a way as to protect the Company's image; not to communicate publicly and not to present confidential information, so as to mislead the public opinion, the contractual partners and to create an adverse situation for the Company.

9.2. The obligations assumed under this section do not apply to the data and information on which the Executive Administrator can prove that:

- a. are or have become public information without the violation of this Contract by the Executive Administrator; or
- b. they must be disclosed as a result of a legal request received from a court or from some competent state bodies.

9.3. The obligations stipulated in art. 9.1 of the current Contract continues to have effects for a period of 5 (five) years after termination of the Contract, regardless of the reasons for the termination.

9.4 The Executive Director will avoid the conflicts of interest in relation to the Company and will inform the Management Board as soon as such a situation occurs or the premise of being involved in a conflict of interest is created. The Executive Director will refrain from making any decisions in cases where he is or could be involved in a conflict of interest and will respect the internal procedures of the company established to avoid conflicts of interest, the provisions of the Company's Code of Ethics and the decisions adopted by the Management Board in this regard.

9.5 During the mandate granted by this contract, the Executive Administrator has the obligation of loyalty to the Company not to act as an administrator, director, member of the directorate, auditor, employee, agent or representative of a company that is a competitor of the Company or which has a similar object of activity. In fulfilling this obligation, the Executive Administrator will notify the Management Board whenever the Company has commercial relations with other companies in which his wife / relatives up to the fourth degree inclusive have interests.

9.6 The Executive Administrator will not hold administration or management positions in a public enterprise competing with the Company, for a period of 5 (five) years from the date of termination of this mandate contract.

9.6 The current Contract is confidential, its content, in whole or in part, cannot be made known to third parties in the absence of a written agreement of the other party, subject to the payment of compensation for the incurred damages.

CHAPTER X. EVALUATION OF THE ADMINISTRATOR AND LIABILITY OF THE PARTIES

10.1 The Executive Administrator will be evaluated by:

a) internal self-assessment of the Management Board, its committees and each member of the Board. The purpose of this evaluation is to enable the Board to identify the strengths and potential for collective and individual development, in order to fulfill the functions of the Board, as well as the auxiliary conditions, but also of the processes and competences necessary for these functions;

b) evaluation of the collective performance of the Board as a whole compared to the matrix of the profile of the Board performed by the Supervisory Public Authority. The results of this evaluation provide information on the variable component of remuneration in the mandate contract, the key performance indicators used, as well as on the development activities that will inform the future members of the Board and the criteria used for this purpose.

10.2 Failure and / or improper fulfillment of the obligations assumed by either party entails the civil or criminal liability of the guilty party.

10.3 The Executive Administrator shall exercise his mandate with the loyalty, prudence and diligence of a good administrator, in the exclusive interest of the public enterprise. The Executive Administrator does not violate the obligation of due diligence and prudence and will not be liable if at the time of making a business decision, he is reasonably entitled to consider that he is acting in the interest of the Company and based on appropriate information.

10.4 The party that will cause the termination of this contract without a just cause is responsible to the other party by covering all the damages generated since the termination of the mandate contract.

CHAPTER XI. FORCE MAJEURE. ACCIDENTAL EVENT

11.1. Neither Party shall be held liable for the failure to perform in due time and/or improperly - in whole or in part - any obligations incumbent upon it under this Contract, if the failure to perform or the improper performance of the respective obligation was determined by a Force Majeure or a Accidental Event.

11.2. The Party invoking the Force Majeure or Accidental Event must notify the other Party within 5 days of the occurrence of the Force Majeure or Accidental Event and take all the possible measures to limit its consequences.

11.3. If the Force Majeure or the Accidental Event does not cease within 30 (thirty) days from its occurrence, the Party receiving the notification regarding the Force

Majeure or the Accidental Event shall be entitled to terminate this Contract by sending a written notification to the other Party. In such a case, the Contract shall cease after a 45-day period from the receipt of a notification to this effect by the Party to which it is addressed, without the intervention of the court or requiring other formalities. The Party invoking the Force Majeure or Accidental Event shall not be held liable for the payment of damages to the other Party as a result of the breach of its obligations under the Contract, if it is proved that the mentioned failure is caused by the Force Majeure or Accidental Event.

CHAPTER XII. TERMINATION OF THE CONTRACT

12.1. The current Contract will be terminated in one of the following situations:

a. if the Executive Administrator resigns his mandate; The Executive Administrator will be able to resign his mandate at any time, pursuant to art. 2034 Civil Code, if he considers that this decision is appropriate, regardless of reasons and even unmotivated, by resigning to the Management Board, provided that a 45-day notice period is observed; The resignation of the Executive Administrator to the mandate does not represent a termination of the contract without just cause;

b. revocation of the mandate by the Company for just cause reasons;

c. expiration of the term of office of the Executive Administrator; this Contract will cease to be lawful at the expiry time of the mandate of the Executive Administrative, if the General Meeting of Shareholders does not decide to renew the mandate until the time of expiry,

d. if the Executive Administrator fails, due to his exclusive and proven fault, to fulfil the performance indicators;

e. if the Executive Administrator violates, with proven intent, the ethical criteria established in the Internal Regulations;

f. if the Executive Administrator is repeatedly and unjustifiably absent from the meetings of the Company's Management Board; the soundness of the justifications will be appreciated by the members of the Board;

c. by the written agreement of both Parties;

d. any other qualified reasons, according to the law or the provisions of the present Contract, as causes for termination of the Executive Administrator's mandate.

The termination of the Contract at the initiative of the Company can be made only by a decision of the General Meeting of Shareholders, based on a report of the Management Board.

12.2. If the Executive Director is revoked without just cause, as this notion is defined in the Chapter II, or the Mandate Contract ceases independently of his will, before the expiry of the term provided in art. 5.1, he will have the right to receive the fixed allowance due until the date on which the contract would be terminated by law, to which the net amount of the variable allowance will be added, calculated in proportion to the effective duration in which the Contract produced its effects, with the proper application of the provisions of art. 7.1 of the contract and those of the Annexes to

the Contract, as well as a compensation that will represent 0.2% of the turnover of the company achieved during the last ended financial year. These amounts, calculated at the net value, will be paid within 10 (ten) days from the termination of the Contract. In case of delay, a penalty rate of 0.1% for each day of delay will be applied.

12.3. By Contract, the Executive Administrator is liable for the non-fulfillment or inadequate fulfillment of its obligations, including the loyalty, non-competition, confidentiality obligations during the contract and for a 5-year period after the conclusion of the Contract. If the Executive Administrator fulfills these obligations, upon termination of this contract, regardless of the cause and date of termination, the he will receive from the Company a loyalty allowance.

12.3.2 Upon termination of the term contract, if the Executive Director has fulfilled his performance indicators in a proportion of at least 90% in each of the 4 (four) years of the mandate contract, he will receive from the Company a good performance allowance of the contract (performance bonus).

If the mandate contract ends before the deadline, due to the renunciation of the Executive Administrator to the mandate or by agreement of the parties, the Executive Administrator will receive from the Company the good performance compensation of the contract (performance bonus) in an amount proportional to the period mandate.

12.3.3 The loyalty allowance as well as the good performance allowance of the mandate contract, will be paid within 10 (ten) days from the termination of the Contract, regardless of the reason for the termination, in case of delay applying a penalty rate of 0.1 % for each day of delay.

CHAPTER XIII. NOTIFICATIONS

13.1. Any notification or other communications that will be made in accordance with the provisions of this Contract, will be considered fully made if they are made in writing and are transmitted either personally, or by fax, courier, or by registered letter, with acknowledgment of receipt.

13.2. The communications will be considered received on the date indicated in the positive transmission report (in the case of fax communications) or in the acknowledgment of receipt (in the case of communications by courier or recommended letter), to the extent that the reception takes place between 9:00 AM and 4 PM of a working day in Romania. Otherwise, the communication will be considered received at 9:00 AM on the next business day.

CHAPTER XIV. APPLICABLE LAW AND SETTLEMENT OF DISPUTES

14.1. The provisions of this Agreement shall be governed by the Romanian Law.

14.2. Disputes resulting from the conclusion, signature, modification, execution, application, termination or interpretation of this Contract and which are not amicably resolved, will be submitted for settlement to the competent courts in the territory in where the Company's headquarters are located.

CHAPTER XV. FINAL DISPOSITIONS

15.1. If one or more of the provisions of this Contract are considered, for any reason, void, illegal or inapplicable in any respect, this shall not affect any other provision of this Contract or any other provision of any other document, act or instrument, they being replaced by law with the applicable legal provisions.

15.2. If either Party breaches any of its obligations under this Contract, the non-exercise by the other Party of its rights to request fulfillment of the obligation or appropriate compensation for such failure shall not be construed as a waiver or acceptance of such situation.

15.3. The modification of this Contract will be made only by additional written documents, signed by the Contracting Parties, thus becoming an integral part of this Contract.

15.4. No provision of this Contract shall be construed as generating or regulating employment relationships between the Company and the Executive Administrator.

This Contract contains the following Annexes: Annex A - Annual performance objectives and indicators; Annex B - Quarterly performance objectives and indicators, Annex C - Methodology of calculation and payment of remuneration.

Prepared and signed by the Parties in 3 (three) copies, today, 09.04.2020, of which one for the Company, one for the Public Supervisory Authority and one for the Executive Administrator, each having the same legal force.

for,
Antibiotice S.A.

General Meeting of Shareholders,

Represented through

Executive Administrator,

Mr. Ioan NANI