

MANDATE CONTRACT NO/

1. THE PARTIES

This mandate contract (hereinafter referred to as „**the Contract**”) was concluded between:

- (1) **Antibiotice S.A.** based in Iași, Str. Valea Lupului nr.1, Romania, registered with the Trade Register Office under no. J22/285/15.02.1991, having the tax registration number RO1973096, hereinafter referred to as “**the Company**”, represented by as signatory of the majority shareholder - the Ministry of Health, as Principal, and
- (2) **Mr. Lucian TIMOFTICIUC**, citizen of Romania, with a residence in, holder of IC series no., PIN, hereinafter referred to as „**the Administrator**”,

In consideration of:

- (i) The provisions of art. 29 of the G.E.O. no. 109/2011, art. 137¹ paragraph 1 and 2 of Law no. 31/1990 on the trading companies,
 - (ii) The mandate no. / issued by the majority shareholder - the Ministry of Health - regarding the appointment as administrator of Mr. Lucian TIMOFTICIUC,
 - (iii) The decision no. from 16.09.2020 by which the shareholders voted for the appointment of Mr. Lucian TIMOFTICIUC as administrator of the company,
- have concluded this Mandate Contract, with the following clauses:

2. THE DEFINITIONS

Under this Contract, the terms below will have the following meanings:

<i>“The Articles of incorporation”</i>	Designate the Articles of Incorporation of the Company registered with the Trade Registry;
<i>The “General Meeting of Shareholders”</i>	Is the main deliberative and decisional body of the Company, as governed by the Articles of Incorporation and has the attributions provided by the Law no. 31/1990 on the Commercial Companies, GEO no. 109/2011 on the Corporate Governance of Public Enterprises and the Articles of Incorporation;
<i>The “Management Board”</i>	It consists of all the managers of the company appointed by the General Meeting of Shareholders, having supervisory and

control attributions of the company in accordance with the provisions of Law no. 31/1990 of the Commercial Companies, GEO no. 109/2011 on the corporate governance of public enterprises and the Articles of Incorporation;

The "Performance Objectives and Criteria"

designates the objectives and criteria set forth in Annex A of this Mandate Contract, which will measure and evaluate the performance of the Administrator in the implementation of the Management Plan;

"Force Majeure" and "Act of God"

Are the notions defined in Article 1351 of the Civil Code.

The "Relevant legislation"

Designates mainly the Government Emergency Ordinance 109/2011 on the corporate governance of public enterprises, Law no. 31/1990 of the commercial companies, Law 297/2004 on the capital market, the Articles of Incorporation as well as any relevant legal provisions in force at a given moment;

The "Internal Regulations"

Designate the codes, regulations and internal procedures applicable at Company level in relation to the organization of the Company's business and the conduct of its personnel.

3. THE APPOINTMENT OF THE ADMINISTRATOR

- (i) By the Decision no..... dated 16.09.2020, the General Meeting of Shareholders appointed Mr. Lucian TIMOFTICIUC as Administrator of the Company, for a period between the date of appointment and 18.04.2024.
- (ii) Mr. Lucian TIMOFTICIUC, present at the General Meeting of Shareholders, expressly accepted his appointment as the Administrator of the Company.
- (iii) The Administrator declares and warrants to the Company by signing this Contract that:
 - (i) He has the legal capacity to conclude the Contract,
 - (ii) He is not in any of the incompatibility situations under the Relevant Legislation with respect to the performance of the Administrator's position,
 - (iii) He will comply with the requirements of the relevant legislation, to hold such a position within the Company throughout the term of the Contract.

4. THE OBJECT OF THE MANDATE

- (i) The administrator is mandated to participate in the adoption by the board, as a whole, of decisions on the management of the Company, under the relevant legislation and those of this contract, within the scope of activity of the Company and in compliance with the exclusive powers provided by law, as well as the

recommendations contained in the applicable corporate governance guidelines and codes.

5. **THE DURATION OF THE CONTRACT**

- (i) This Agreement shall enter into force on 16.09.2020 and shall be valid until 18.04.2024. If the administrator duly fulfills his obligations, the contract may be renewed, as a result of an evaluation process, under the conditions established by the applicable legislation.

6. **THE RIGHTS AND OBLIGATIONS OF THE ADMINISTRATOR**

The obligations of the Administrator

- a. The exercising of the mandate with the loyalty, caution and diligence of a good manager, in the exclusive interest of the Company,
- b. The participation in a professional training program with a minimum duration of one week / year which involves training sessions in the field of corporate governance, legal, as well as in any other fields chosen by the shareholders,
- c. The rigorous preparation of the board meetings, with the dedication of at least 3 working days for this purpose, the participation in the meetings of the board, as well as in the specialized committees,
- d. The participation in one or more advisory committees set up at board level,
- e. The declaration, in accordance with the Internal Regulations and the Relevant Legislation, of any existing conflicts of interest and, in situations of conflict of interest, refraining from decisions within the board / advisory committees, in the exercise of administrator duties,
- f. The exercising of the attributions provided by the Relevant Legislation,
- g. The adoption of policies and control systems provided for by his duties,
- h. The approval of the Company's budget,
- i. The achievement of the objectives and performance indicators provided in Annex A to the Contract,
- j. The preparation, alongside the other managers of the half-yearly submission of reports on the Company's activity and the degree of achievement of the performance objectives, as well as information on the mandate contracts of the directors,
- k. The selection, appointment and dismissal of directors, the evaluation of their activity and the approval of their remuneration,
- l. The approval of the recruitment and possible revocation of the head of the internal audit and receiving from him, whenever requested and reports on the activity of the Company,

- m. The participation in a continuous professional development programs, in order to carry out an optimal activity within the board,
- n. the elaboration of the management plan in collaboration with the Directors of the Company,
- o. the checking of the functioning of the internal managerial control system,
- p. the negotiation of financial and non-financial performance indicators with the public supervisory body and the Company's shareholders,
- q. The monitoring and managing of potential conflicts of interest at the level of administrative and management bodies,
- r. Establishes, together with the other administrators, the main directions and strategies of activity and development of the Company and adopts measures to ensure the financial and human resources necessary to achieve the objectives of the Company,
- s. Establishes, together with the other administrators, the accounting policies,
- t. Establishes, together with the other administrators, the necessary measures for the implementation of the Company's Management Plan and for the fulfillment of the objectives and performance criteria by the administrators;
- u. Analyzes, approves and monitors, together with the other administrators, the Management Component of the Company's Management Plan, prepared and carried out by the Company's Executive Administrator – the General Manager,
- v. Analyzes and approves, together with the other administrators, the management plans prepared by the Specialized Directors of the Company, as integrated parts of the Management Component of the Management Plan,
- w. Performs any other duties expressly provided by the Relevant Legislation and Internal Regulations.

The rights of the Administrator:

- a. The receipt of remuneration consisting of a fixed allowance and a variable component under this contract, of additional documents containing performance indicators and the legislation in force,
- b. the monthly payment of the fixed allowance and of the variable component according to the contract and additional documents,
- c. the reimbursement of expenses incurred justified in the interest of fulfilling the mandate,
- d. the right to receive, together with the other administrators, specialized assistance to substantiate the decisions taken within the board,
- e. He benefits from professional liability insurance,
- f. He receives, together with the other administrators, relevant reports and information from the Directors of the Company for the substantiation of the decisions taken within the board,

- g. He has access to documents and information about the Company to the extent necessary to carry out the obligations under this Contract in accordance with the obligations of confidentiality and the Internal Regulations.
- h. In case the Administrator is revoked without just cause, he will receive from the Company compensations that will consist in the payment of an amount equivalent to the fixed indemnity and the variable indemnity due by the Company until the expiration of the term established in art. 5. The compensation will be paid within 10 (ten) days from the termination of the Contract without just cause or within 10 days from the date of the document establishing the absence of a just cause for termination (a court decision or a final decision of a state authority).

7. THE RIGHTS AND OBLIGATIONS OF THE COMPANY

- (i) The Company has the following obligations:
 - a. To ensure the organizational and logistical conditions necessary for the Administrator to carry out his activity through full activity in the exercise of the mandate,
 - b. To pay to the Administrator the remuneration consisting of the monthly fixed allowance and the variable component, according to this Contract and in compliance with the legislation in force,
- (ii) The company has the following rights:
 - a. To request the Administrator and to receive from him periodic reports on the exercise of the mandate and the exercise of the mandate by the entire board;
 - b. To monitor and assess the Administrator's activity;
 - c. To reward or to sanction the administrator, by observing the Relevant Legislation;
 - d. To cancel and / or revoke the administrator's mandate, by observing the Relevant Legislation.

8. THE REMUNERATION AND PAYMENT TERMS

- (i) According to art. 37 of GEO no. 109/2011 on the corporate governance of public enterprises, the non-executive administrator will receive a remuneration consisting of a fixed monthly allowance and a variable component. The fixed allowance will be equal to twice the average for the last 12 months of the average gross monthly earnings for the activity carried out according to the main object of activity registered by the company, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior the appointment.
- (ii) On the date of signing this contract, the National Institute of Statistics communicated the average gross earnings for the activity - "Manufacture of basic pharmaceutical products and pharmaceutical preparations" for the period

- 2019 – 2020. The average gross earnings applicable to the calculation of the fixed allowance is lei.
- (iii) The gross fixed monthly allowance of the non-executive administrator is lei (2 x lei).
 - (iv) The variable component of the remuneration is determined according to the fulfillment of the company's objectives and performance criteria (they are established annually by the GMS and constitute annexes to the mandate contract), as follows:
 - a. For achieving the objectives and performance criteria in a proportion of less than 70%, no variable indemnity will be granted.
 - b. In order to achieve the objectives and performance criteria in a proportion equal to or higher than 70%, the Non-Executive Administrator will be granted a variable indemnity in gross amount equal to 12 fixed indemnities.
 - (v) The payment of remuneration will be made as follows:
 - a. The fixed allowance will be paid monthly on the 15th of the month for the month preceding that in which the payment is made;
 - b. The variable allowance will be paid at the end of each financial year within 15 days from the date of the financial statements approval by the General Meeting of Shareholders if the Objectives and Performance Criteria set out in Annex A to this Contract are met.
 - (vi) The remuneration shall be paid by transfer to the Administrator's bank account specified by the Administrator or in cash through the Company's cashier.

9. **THE PRIVACY**

- (i) The Administrator
- (ii) Undertakes not to disclose and keep confidential the Company's commercial secrets as well as the confidential data and information about the Company to which it has access in its capacity as Administrator.
- (iii) The obligations under this section do not apply to data and information in respect of which the Administrator can prove that:
 - a. Is or has become publicly disclosed without violating this Contract by the Administrator; or
 - b. Must be disclosed following a legal request received from a court or from competent state bodies.
- (iv) The obligation set forth in this clause continues to have effect for a period of 5 (five) years after the termination of the Contract, regardless of the reasons for such termination.

10. **THE LIABILITY OF THE PARTIES**

- (i) Attracting the civil, administrative or criminal liability, as appropriate of the Administrator, for the non-performance or the improper performance of his obligations under this Contract shall be in accordance with the Relevant Legislation and the provisions of this Contract.
- (ii) Attracting the civil, administrative or criminal liability of the Company, as the case may be, for the non-performance or improper performance of its obligations under this Contract shall be in accordance with the Relevant Legislation and the provisions of this Contract.

11. **THE CASES OF TERMINATION AND SUSPENSION OF THE CONTRACT**

- (i) This Contract will terminate in one of the following situations:
 - a. Upon the expiration of the Administrator's term of office; this Contract shall terminate ipso jure at the time of the Administrator's term if the General Meeting of the Shareholders fails to decide on the renewal of the mandate, in which case the Parties may conclude an addendum in this respect;
 - b. By agreement of the parties. The parties may jointly agree to terminate this Contract amicably by establishing, by written agreement, the terms of termination, the rights and obligations of each Party;
 - c. Upon the Administrator's initiative; the Administrator may at any time renounce his position by submitting his resignation, subject to a 45-day notice period;
 - d. (1) Upon the Company's initiative; the Company may revoke the mandate and terminate this Contract unilaterally in one of the following cases:
 - the failure by the Administrator, on his exclusive fault, to meet the performance indicators;
 - The breach by the Administrator of the ethical criteria set out in the Internal Regulations.
 - the repeated and unjustified absences from the sessions of the Company's Management Board; the validity of the justifications will be analyzed by the members of the Board;(2) The termination of the Contract at the initiative of the Company will be made by a decision of the General Meeting of Shareholders, based upon a report of the Management Board.
 - e. Any other reasons qualified under the law as termination causes of the Administrator's mandate.
- (ii) If the Administrator is revoked or the Mandate Contract ceases independently of his will, before the expiry of the period provided by Art. 5, he shall be entitled to receive the fixed allowance until the Contract's date of conclusion, to which the

variable allowance shall also be added, calculated proportionally to the actual duration in which the Contract has produced its effects.

- (iii) This Contract is suspended ipso jure if the criminal prosecution is commenced against the Administrator for one of the offenses referred to in Art. 6 of the Law no. 31/1990 on the commercial companies.

12. **FORCE MAJEURE. ACT OF GOD**

- (i) None of the Parties shall be held liable for the failure to perform in due time and/or for the improper performance – in whole or in part – of any obligations under this Contract if the failure to perform or the inadequate performance of that obligation was determined by the Force Majeure or an Act of God.
- (ii) The Party invoking the Force Majeure or the Act of God must notify the other Party within 5 days of the occurrence of Force Majeure or the Act of God and take all possible measures to limit the consequences thereof.
- (iii) If, within 30 (thirty) days of the occurrence of the Force Majeure or the Act of God, it does not cease, the Party receiving the Force Majeure or the Act of God notification shall be entitled to terminate this Contract by providing a written notice to the other Party. In such a case, the Contract shall terminate upon the expiry of a period of 45 (forty-five) days from the receipt of a notification to that effect by the Party to whom it is addressed, without the need for court intervention or other formalities. The Party invoking the Force Majeure or the Act of God will not be held liable for the payment of damages to the other Party as a result of its failure to perform its obligations under this Contract, if it is proven that such failure is caused by the Force Majeure or an Act of God.

13. **NOTIFICATIONS**

- (i) Any notification or other communications to be made in accordance with the provisions of this Contract shall be deemed to have been made in full if they are made in writing and are sent either personally, by fax, courier or by registered letter with acknowledgment of receipt.
- (ii) The communications shall be deemed to have been received upon 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 registered mail), to the extent that the receipt takes place between 9:00 AM and 5:00 PM of a business day in Romania. Otherwise, the communication will be deemed received at 9:00 AM of the following business day.

14. **THE GOVERNING LAW AND DISPUTE RESOLUTION**

- (i) The provisions of this Contract will be governed by the Romanian law.
- (ii) The disputes arising out of the conclusion, signing, modification, execution, application, termination or interpretation of this Contract and which are not settled

amicably shall be brought to the resolution of the competent courts of the territorial jurisdiction to which the Company's headquarters belong.

15. THE FINAL PROVISIONS

- (i) If one or more of the provisions of this Contract are, for any reason, considered null, unlawful or unenforceable in any respect, this shall not affect any other provision of this Contract or any other provision of any other document, act or instrument and they are lawfully replaced by the applicable legal provisions.
- (ii) If, any of the Parties breaches any of its obligations under this Contract, the failure by the other Party to exercise its rights to demand the fulfillment of the obligation or the adequate compensation for that failure shall not be construed as a waiver or acceptance of such a situation.
- (iii) This Contract and the obligations undertaken through it may not be assigned or transferred in any way by the Administrator.
- (iv) The amendment of this Contract shall be performed only by means of written addendum signed by the Contracting Parties and shall become an integral part of this Contract.
- (v) No provision in this Contract shall be interpreted as generating or regulating employment relationships between the Company and the Administrator.

This Contract was drafted and signed by the Parties in 3 (three) copies, today 16.09.2020, of which one for the Company, one for the Public Supervisory Body and one for the Administrator; each copy is equally legally binding.

for ANTIBIOTICE S.A.

The General Meeting of Shareholders,

Represented by

Empowered by the mandate no.

Administrator.....