

CURRENT REPORT

Pursuant to art. 108 of Law no. 24/2017R and FSA Regulation no. 5/2018

Report date: **16.10.2023**

Name of the issuing company: ROPHARMA S.A.

Headquarters: Braşov, 55 Iuliu Maniu Street, 500091, Braşov

Sole Registration Code: 1962437

Registration number: J08/2886/2007

Subscribed and paid capital: 51.126.741,30 RON

Regulated market: BVB Standard (symbol RPH)

Important event to be reported:

Reporting of transactions with affiliated parties in accordance with Art. 108 of Law no. 24/2017R

In Q3 2023, Ropharma SA entered into / carried out transactions with a single affiliated person that cumulatively exceed 5% of the company's net assets according to the individual financial statements of Ropharma SA as of June 30, 2023, as follows:

Purchase of goods

In Q3 2023, the transactions between Ropharma SA and Ropharma Logistic SA were in amount of **90.857.827 lei** (except VAT) representing the purchase of medicines, nutritional supplements and other products sold in Ropharma SA pharmacies.

The monthly evolution of the transactions is presented below:

Period	Monthly transactions	Daily average value	Number of invoices issued
July	29.407.489	1.470.374	29.012
August	28.562.426	1.241.845	31.969
September	32.887.864	1.566.089	36.232
Total Q3	90.857.779	1.419.653	97.213

Purchase of services/ re-invoicing

In Q3 2023, Ropharma's transactions with Ropharma Logistic were in amount of **323.346 lei** (except VAT) and represent the re-invoicing of expenses for which the contract holder is Ropharma SA.

The monthly evolution is presented below:

Period	Monthly transactions
July	114.407
August	110.782
September	98.157
Total Q3	323.346

The re-invoiced expenses represent a part of the specific costs for 3 buildings owned by Ropharma SA in which the logistics warehouses are active (running costs, depreciation, security, consumables used, taxes and duties related to buildings and insurance), direct costs related to the maintenance of Ropharma of some cars (vouchers, insurance, fuel, taxes and repairs) as well as a part of the rental of a headquarter where part of the activities of Ropharma Logistic support departments is carried out.

Receivables / mutual debts

At 30 September 2023, Ropharma's debts to Ropharma Logistic were in amount of **136.676.073 lei**. At 30 September 2023, Ropharma's receivables to be collected from Ropharma Logistic were in amount of **116.853 lei**.

Contractual basis

The transactions regarding the purchase of goods between Ropharma and Ropharma Logistic are carried out based on the Purchase Contract no. CM 356A0921 / 01.09.2021 and all of the addendums.

The transactions derived from the re-invoicing of some costs between Ropharma and Ropharma Logistic are carried out based on the Services Contract no. 64 /01.10.2015.

Commercial terms, prices and payment terms

The sales prices set by Ropharma Logistic in relation to Ropharma SA as part of this transaction were set at the level of the list prices that Ropharma Logistic practices both with affiliated customers and with third-party customers (i.e. pharmacies or stores outside the Ropharma Group).

For prescription drugs („RX”), Ropharma Logistic uses the maximum retail price allowed at the level of an RX drug distributor under Romanian law.

To all these list prices (i.e. both for RX and for the rest of the products) commercial discounts were added.

The drug prices have a regulated character and the maximum prices from the national price catalog published by the Ministry of Health apply for the prescription of human drugs that are approved for marketing.

The standard payment term is 120 days.

For a number of manufacturers, the payment term is different from the standard payment term and may depend on the value of the granted credit limit.

The payment terms are accepted by the parties and are also mentioned on each invoice.

Penalties for non-payment are set at the market level of 0.1% per day.

Given the above remarks, in the transactions carried out in Q3 2023, Ropharma's interests with regard to the offers of the same type available on the market at the time of the transactions were protected.

Guarantees

No collateral has been set for these transactions.

For the credit line contracted from ING Bank in the form of working capital, both companies have a collateral set in the form of a joint and several guarantee and real estate mortgages on the receivables, stocks and accounts opened with the bank.

CEO

Dr. pharm. Mihai Miron