

Biofarm output number: 122 / 20.03.2024

CURRENT REPORT
According to F.S.A. Regulations no. 5/2018
Report date: 20.03.2024

Name of the commercial company: BIOFARM S.A.
Registered office: Bucharest, no. 99 Logofatul Tautu Street, 3rd City District
Telephone no.: 021/301.06.87
Fax no.: 021/316.52.48
Website: www.biofarm.ro
Tax registration number: RO 341563
Order no. with the Trade Register: J40/199/1991
Fully paid-up share capital: 98.537.535 lei
The market on which company securities are traded – Bucharest Stock Exchange, BIO symbol

Important event to report:

The Board of Directors of Biofarm S.A. gathered on 20.03.2024, decided the convening of the Ordinary General Meeting of Shareholders:

C O N V E N I N G

The Board of Directors of BIOFARM S.A. with tax identification number 341563 and order number with the Trade Register J40/199/1991, share capital LEI 98,537,535.00 fully subscribed and paid-up, website www.biofarm.ro, convenes, in compliance with the Companies Law No. 31/1990, republished, Law No. 297/2004 on capital market, Law No. 24/2017 on issuers of financial instruments and market operations, republished, the FSA Regulation No. 5/2018 on issuers of financial instruments and market operations, **the Ordinary General Meeting of Shareholders on 24.04.2024, at 12.00 o'clock p.m.**, at the company office in Bucharest, str. Logofatul Tautu, nr. 99, sector 3.

If the Meeting will not be able to be held due to quorum non-fulfilment, the second convening is on **25.04.2024, at the same time**, at the same place and with the same agenda.

At the Ordinary General Meeting of Shareholders the shareholders registered in the Shareholders' Register held by Depozitarul Central S.A. are entitled to attend and vote at the end of **15.04.2024 – considered as the reference date**.

On the date of convening of the Ordinary General Meeting of Shareholders, the share capital of BIOFARM S.A. is of lei 98,537,535.00, divided into 985,375,350 shares with a nominal value of lei 0.10/share.

Each share gives the right to one vote within the General Meeting of Shareholders.

There are no different classes of shares.

There are no voting rights suspended on the date hereof.

The Ordinary General Meeting of Shareholders will have the following items on the agenda:

- 1.** Approval of the election, based on Art. 129 of the Companies Law 31/1990, republished, of a secretariat for the Ordinary General Meeting of Shareholders.
- 2.** Approval of the individual financial statements for the year ended as at 31 December 2023, drafted in compliance with the IFRS adopted by the European Union, based on the reports presented by the Board of Directors and by the financial auditor.
- 3.** Approval of the discharge from administration for the period 01.01.2023 – 31.12.2023.



4. Approval of the Remuneration Report of the managers of Biofarm S.A. for 2023¹.
5. Approval of the net profit distribution realised in 2023 and of the gross dividend of lei 0,031 per share.
6. Approval of dividends distribution starting with **06.09.2024, which is the payment date** - in compliance with the provisions of Art. 87 (2) of Law No. 24/2017 Republished and Art. 178 (2) from the FSA Regulation No. 5/2018, shareholders bearing the distribution expenses, as well as setting the deadline for keeping the dividends at the shareholders' disposal (3 years from the date of payment).
7. Empowerment of the Board of Directors to choose the payment agent and to establish the dividends distribution procedure, in compliance with the legal provisions in force.
8. Approval of the income and expenses budget for 2024.
9. Approval of the additional remuneration limits of the B.D. members and of the General Manager:
 - a. Approval of a net budget of maximum 1% from the profit before tax to reward the members of the Board of Directors related to the fulfilment of the 2024 budget, as well as the approval of the delegation to B.D. of the competence to allocate the amounts.
 - b. Approval of a net bonus for the General Manager in the amount of up to EUR 65,000 for meeting the 2024 net profit target (versus 2024 budget), as well as a net bonus of 2% from the amount by which the realised annual gross profit exceeds the 2024 budgeted gross profit. The approval of the delegation to B.D. of the competence to establish the amount of bonuses within the established limits.
10. Approval of the management and investment program on 2024.
11. Empowerment of the Board of Directors to identify new opportunities for Company development through the acquisition of local pharmaceutical companies or local brands that would lead to an increase in market share and to the development of the Biofarm products portfolio and/or pharmaceutical companies/international brands for company development at international level.
12. Appointing the external financial auditor and establishing the minimum duration of its contract, following the expiry of the external financial auditor contract.
13. Approval of the date of **21.08.2024 as the registration date**, pursuant to the provisions of Art. 87 (1) of Law No. 24/2017, republished.
14. Approval of the date of **20.08.2024 as ex date** in compliance with the provisions of Art. 176 (1) from the FSA Regulation No. 5/2018 and Art. 2 (2) letter I from the FSA Regulation No. 5/2018.
15. Approval of the mandating of Andrei Hrebenciuc – Chairman of the Board of Directors for signing all the documents issued following the Ordinary General Meeting of Shareholders.

A. Introduction of new items on the agenda and presentation of draft resolutions for the items included or proposed to be included on the agenda of the O.G.M.S.

According to the provisions of Art. 117¹ para. (1) of Law No. 31/1990, republished, and of Art. 105 para. (3) of Law No. 24/2017, republished, one or more shareholders representing individually or together at least 5% from the share capital of the Company, may request the Board of Directors of the company to introduce new items on the agenda of the O.G.M.S. and/or to present draft resolutions for the items included or proposed to be included on the agenda of the O.G.M.S., within 15 days from the publication of the convening, in compliance with the following conditions:

i. In case of natural person shareholders, the requests must be accompanied by the copies of shareholders' identity documents, which must allow their identification in the company's shareholders' register held by the Depozitarul Central S.A..

ii. The quality of shareholder, as well as, in the case of legal person shareholders or of entities without legal personality, the quality of legal representative is found based on art. 194 (1) from Regulation No. 5/2018, based on the following documents presented to the issuer by the shareholder:

a) the account statement from which the quality of shareholder and the number of shares held result;

¹ *Opinia acționarilor din cadrul adunării generale privind raportul de remunerare, rezultată în urma votului, are un caracter consultativ, conform Art. 107 alin. (6) din Legea nr. 24/2017 Republicata.*

b) the documents certifying the information registration regarding the legal representative with the Depozitarul Central/respective participants.

In all cases, documents certifying the quality of legal representative drafted in a foreign language, other than English language, shall be accompanied by a translation performed by a sworn translator in Romanian or in English language.

iii. To be accompanied by a justification and/or by a draft resolution proposed for adoption;

iv. The proposals regarding the introduction of new items on the agenda and of draft resolutions proposed for the approval of the O.G.M.S. must be sent/submitted and recorded at the registered office of the company in Bucharest, str. Logofatul Tautu nr. 99, sector 3, cod poștal 031212, **until the end of 05.04.2024**, in original, signed by the shareholders or their legal representatives, mentioning on the envelope in print and in capital letters: « FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF 24/25.04.2024 ».

B. Asking questions, in compliance with Art. 198 from the Regulation No. 5/2018, on the items on the agenda of the O.G.M.S.

Each shareholder may ask questions to the company by a document that will be submitted/sent and registered at the registered office of the company from Bucharest, str. Logofătul Tăutu, nr. 99, sector 3, cod poștal 031212, **until the end of 22.04.2024**, in original, signed by the shareholder or its legal representative, mentioning on the envelope in print and in capital letters: « FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF 24/25.04.2024».

The same identification requirements specified in letter A from this notice to attend ("Introduction of new items on the agenda and presentation of draft resolutions for the items included or proposed to be included on the agenda of the O.G.M.S.") shall be also applicable to shareholders/the shareholders' legal representative who is asking questions regarding the items on the agenda of the General Meeting of Shareholders.

The company may formulate a general answer to the questions with the same content that will be available on the company website in the Frequently asked questions section, in question-answer format.

C. Voting

Shareholders may exercise their voting right directly, by a representative or by mail.

C.1. Direct voting within the O.G.M.S.

The access of shareholders entitled to attend the general meeting of shareholders is allowed by simply proving their identity, performed in case of natural person shareholders with the identity document or, in case of represented legal person shareholders and natural person shareholders, with the empowerment given to the natural person representing them – except for the legal representative (who also is to present the identity document), in compliance with the applicable legal provisions and with the provisions contained in this notice to attend.

In case of legal person shareholders or of entities without legal personality, the quality of legal representative is found based on the shareholders' list from the reference date received from the Depozitarul Central S.A.. In case the shareholders' register on the reference date does not contain data regarding the quality of legal representative or they are not updated, this quality shall be proved with a confirmation of company details issued by the Trade Register, presented in original or in a certified true copy, or any other document, in original or in a certified true copy, issued by a competent authority from the state in which the shareholder is legally registered, attesting the quality of legal representative.

The documents certifying the quality of legal representative of the legal person shareholder shall be issued no more than 3 months before the publication date of the notice to attend of the general meeting of shareholders.

Shareholders who do not have legal competence, as well as legal persons, can be represented by their legal representatives, who, in turn, may issue an empowerment to other persons.



C.2. Representation based on empowerment at the O.G.M.S.

Shareholders may be represented within the O.G.M.S. through other persons, based on a special empowerment (power of attorney) or of a general empowerment.

For this type of vote, the special empowerment forms must be used (in Romanian or in English language) in compliance with the provisions of the applicable legislation, which will be made available by the Board of Directors of the company or by a general empowerment drafted in compliance with the provisions of Art. 202 from Regulation No. 5/2018.

Legal person shareholders or entities without legal personality attending the O.G.M.S. through another person than the legal representative, shall necessarily use a special or a general empowerment, under the conditions specified above.

a. Representation based on special empowerment (power of attorney)

The forms of special empowerment will be available in Romanian language and in English language **starting with 22.03.2024, until 4 o'clock p.m.**, at the Company office, and on the Internet page of the company, www.biofarm.ro. If a shareholder assigns, by special empowerment, as a proxy, another person, the form of special empowerment for natural persons or legal persons shall be used, as the case may be.

i. In case of natural person shareholders, special empowerments shall be accompanied by the copies of the identity documents of shareholders, who must allow their identification in the company's shareholders' register held by the Depozitarul Central S.A.

ii. The quality of legal representative of the person who signed the empowerment (power of attorney) is found based on the shareholders' list from the reference date received from the Depozitarul Central S.A.. If the shareholders' register does not contain data regarding the quality of legal representative or they are not updated, this quality is proved with a confirmation of company details in original or in a certified true copy, issued by the Trade Register or any other document, in original or in a certified true copy, issued by a competent authority from the state in which the shareholder is legally registered, with a period of maximum 3 months in relation with the date of publication of the notice to attend of the General Meeting, which would allow the identification of the legal representative.

Shareholders shall fill in and sign the special empowerments (powers of attorney) in three original counterparts: one for the shareholder, one for the representative and one for the company. The copy for the company, filled-in and signed, as well as the accompanying documents, are submitted in person or are transmitted to the office of BIOFARM S.A. of Bucharest, str. Logofătul Tăutu, nr. 99, sector 3, cod poștal 031212, **until 22.04.2024, at 12 o'clock p.m.**, in a sealed envelope, with the mention in print and in capital letters: « FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF 24/25.04.2024» or sent to the e-mail addresses: daniel.constantin@biofarm.ro or roxana.stanciu@biofarm.ro until the same date and time, with the embedded extended electronic signature, pursuant to Law No. 455/2001 on electronic signature - republished, under the sanction of losing the voting right.

A shareholder is forbidden to express different votes based on the shares held by him/her at the same company.

A shareholder gives, within the special empowerment (power of attorney) form specific voting instructions to the person representing him/her, for each item on the agenda of the General Meeting of Shareholders.

If by the empowerment, several alternate representatives are appointed, the order in which they will exercise their mandate will be established as well.

A person acting as the representative may represent several shareholders, the number of shareholders thus represented being unlimited. If a representative holds different empowerments conferred by several shareholders, he/she is entitled to vote for a shareholder differently as compared to the vote for another shareholder. The person representing several shareholders based on empowerments expresses the votes of the represented persons by summing up the number of votes "for" and "against" without compensating them (for example, in item x from the agenda, I am representing "a" votes "for" and "b" votes "against"). In the case of special empowerments, the votes thus expressed are valid based on copy 3 of the special empowerment.



Special empowerments (powers of attorney) shall be updated depending on the existence of the proposals to complete the agenda by shareholders.

In all cases, natural persons empowered by a special power of attorney will be identified with the identity deed at the O.G.M.S.

b. Representation based on general empowerment (power of attorney)

Shareholders may issue a general empowerment (power of attorney) valid for a period of time that must not exceed 3 (three) years, allowing the assigned representative to vote in all the aspects under the debate of the Company's General Meeting of Shareholders, provided that the general empowerment (power of attorney) is granted by the shareholder, as the client, to a defined intermediary, pursuant to Art. 2 para. (1) point 19 of Law No. 24/2017, republished, or to an attorney-at-law.

In the case of general empowerments, the person acting as the representative shall not present in the general meeting of shareholders any proof regarding the vote of the represented persons. The general empowerment must contain at least the following information:

- a. shareholder's name/designation;
- b. representative's name/designation (the person whom the power of attorney is granted to);
- c. date of the empowerment, as well as its validity period, complying with the legal provisions; empowerments bearing a later date have the effect of revoking the powers of attorney previously dated;
- d. specifying that the shareholder authorizes the representative to attend and vote on his/her behalf by the general empowerment at the General Meeting of Shareholders for the entire holding of the shareholder on the reference date, with express specification of the company(ies) for which the respective general empowerment is used.

The general empowerment shall terminate by:

- (i) a revocation written by its principal shareholder sent to the issuer no later than the deadline for submitting the empowerments, applicable to an extraordinary or ordinary general meeting, held within the mandate, drafted in Romanian language or in English language; or
- (ii) losing the quality of shareholder of the principal on the reference date applicable to an extraordinary or an ordinary general meeting of shareholders, organised within the mandate; or
- (iii) losing the quality of intermediary or of attorney-at-law of the proxy.

The general empowerment shall be signed by the shareholder and accompanied by a statutory declaration given by the legal representative of the intermediary or by the attorney-at-law who received the power of representation by the general empowerment, showing that:

- (i) the empowerment is granted by the respective shareholder, as the client, to the intermediary or, where appropriate, to the attorney-at-law;
- (ii) the general empowerment is signed by the shareholder, including by attaching an extended electronic signature, where appropriate.

The declaration provided above must be submitted with the BIOFARM S.A. Company in original, signed, without fulfilling other formalities in relation to its form. The declaration is submitted together with the general empowerment.

Shareholders cannot be represented in the General Meeting of Shareholders based on a general empowerment (power of attorney), by a person that is in a situation of conflict of interests, pursuant to the provisions of Art. 105 para. 15 of Law No. 24/2017, republished.

General empowerments (powers of attorney), before their first use, are submitted to the company 48 hours before the General Meeting (respectively **until 22.04.2024, 12 o'clock**), in copy, comprising the mention of compliance with the original under the representative's signature or sent on the e-mail addresses daniel.constantin@biofarm.ro or roxana.stanciu@biofarm.ro until the same date and time, with the embedded extended electronic signature according to Law No. 455/2001 on electronic signature - republished, under the sanction of losing the voting right. Certified copies of general empowerments (powers of attorney) are retained by the company, a mention being made in this regard in the O.G.M.S.



If the person empowered by a general empowerment (power of attorney) is a legal person, it may exercise his/her mandate received through any person who is part of the administration and management bodies, or through any of his/her employees, submitting documents that attest their quality, in original or in a certified true copy.

In all cases, natural persons empowered by a general empowerment shall be identified with the identity deed at the O.G.M.S.

C.3. Vote by mail within the O.G.M.S.

The shareholders of BIOFARM S.A. Company registered on **the reference date 15.04.2024**, in the shareholders' register issued by Depozitarul Central S.A. have the possibility to vote by mail, before the Ordinary General Meeting of Shareholders, by using ballots by mail made available by the company.

The forms of ballots by mail shall be available in Romanian and in English language, starting with **22.03.2024, until 4 o'clock**, at the Company office, and on the internet page of the company, www.biofarm.ro.

i. In the case of vote by mail of natural person shareholders, the voting forms by mail shall be accompanied by the copies of shareholders' identity documents, which must allow their identification in the company's shareholders' register, held by Depozitarul Central S.A. and, if the case may be, copies of the identity documents of legal representatives (in the case of natural persons without legal competence or with limited legal competence), together with the proof of legal representative;

ii. In the case of vote by mail of legal person shareholders or of entities without legal personality, the quality of legal representative is found based on the shareholders' list from the reference date received from the Depozitarul Central S.A.. In case the shareholders' register does not contain data regarding the quality of legal representative or they are not updated, this quality is proved with a confirmation of company details in original or in a certified true copy, issued by the Trade Register or any other document, in original or in a certified true copy, issued by a competent authority from the state in which the shareholder is legally registered, with a period of maximum 3 months in relation with the date of publication of the notice to attend of the General Meeting, which would allow the identification of the legal representative.

The documents that certify the quality of legal representative, drafted in a foreign language other than English language shall be accompanied by a translation performed by a sworn translator in Romanian or in English language.

Voting by mail can be expressed by a representative only when he/she received from the shareholder whom he/she represents a special/general empowerment, which is submitted to the issuer, in compliance with art. 105 para. 14 of Law No. 24/2017, republished.

The ballot by mail form, in Romanian or in English language, in a written format, as well as accompanying deeds shall be submitted/sent and registered at the office of BIOFARM S.A. Company of Bucharest, str. Logofatul Tautu, nr. 99, sector 3, cod poștal 031212, in original, filled in and signed, **until 22.04.2024, at 12 o'clock p.m.**, in a sealed envelope, with the mention in print and in capital letters: « FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF 24/25.04.2024» or sent on the e-mail addresses daniel.constantin@biofarm.ro or roxana.stanciu@biofarm.ro until the same date and time, with embedded extended electronic signature, according to Law No. 455/2001 on electronic signature - republished, under the sanction of losing the voting right.

Forms of ballots by mail shall be updated depending on the existence of proposals to complete the agenda by shareholders.

Shareholders who vote by mail shall correctly exercise their voting right, so that, for each subject on the agenda and in the ballot, his/her voting option to result expressly and clearly. In case in one or more subjects from those recorded on the ballot there will be several options, they are illegible, or conditionally expressed or other ballots forms were used, the votes afferent to those items shall be considered void, for the reason of vitiated expression of the consent.

Voting forms which are not received at the office of BIOFARM S.A. Company until the date and time above mentioned shall not be taken into consideration for establishing the quorum and the majority in the Ordinary General Meeting of Shareholders.





If the shareholder who expressed his/her vote by mail personally attends or attends through a representative the O.G.M.S., the vote expressed by mail shall be cancelled. In this case, only the vote expressed in person or by the representative shall be considered. If the person representing the shareholder by participation in person at the O.G.M.S. is another person than the one who expressed his/her vote by mail, then, for the validity of his/her vote, he/she shall present at the O.G.M.S. a written revocation of the vote by mail signed by the shareholder or by the representative who expressed the vote by mail. This is not necessary if the shareholder or his/her legal representative is present at the General Meeting.

Starting with 22.03.2024, until 4 o'clock p.m., the documents, information materials, draft resolution in relation to the Ordinary General Meeting of Shareholders, under the conditions of the legislation in force, can be consulted and obtained by shareholders from the Company website, www.biofarm.ro, Corporate Governance/Relationship with Investors Section, OGM sub-section or from the Legal Department and Relationship with Investors, at the Company office, during the working days between 10 o'clock a.m. and 4 o'clock p.m..

Additional information can be obtained at the office of BIOFARM S.A. or at the telephone number 021/301.06.87, during the working days between 10 o'clock a.m. and 4 o'clock p.m..

All the documents for the Ordinary General Meeting of Shareholders can be submitted at the Company office during the working days within the hourly interval 10 o'clock a.m. and 4 o'clock p.m.

B.D. CHAIRMAN
Andrei HREBENCIUC

