

**Explanatory material regarding the item 5, included in the
Agenda of the Ordinary General Meeting of Shareholders dated 12/13.09.2024**

1. Antibiotice S.A. is a joint-stock company, organized according to the provisions of Law no. 31/1990 on the trading companies, GEO. no. 109/2011 on the corporate governance of public enterprises and Law no. 24/2007 on issuers of financial instruments and market operations. The trading company is managed by a Management Board appointed by the General Meeting of Shareholders for a four-year term. The Board's final four-year term began on 18.04.2020 and ended on 16.04.2024.
2. On 14.09.2023, six months before expiring the mandates of the administrators in office, in accordance with the provisions of GEO no. 109/2011, the General Meeting of Shareholders of Antibiotice S.A. initiated the procedure for selecting the members of the Management Board of the trading company, including also the procedure for renewing the mandates of the administrators who properly fulfilled their duty.
3. Because, until 16.04.2024, the procedure for selecting the administrators of the trading company was not completed, the General Meeting of Shareholders of Antibiotice S.A., in the session held on 16.04.2024, in accordance with the provisions of art. 29¹, para. 1 and 2 of GEO no. 109/2011, decided to appoint an interim Management Board, the interim administrators having 5-month mandates starting on 16.04.2024 and ending on 16.09.2024. In this time range, the selection procedure of the administrators has to be completed.
4. Considering that, until the date of preparing this material (08/05/2024), the procedure for selecting the administrators was not completed, the Management Board of Antibiotice S.A., pursuant to the provisions of art. 29¹, para. 2 of GEO. no. 109/2011, proposes to be included on the agenda of the meeting of the General Meeting of Shareholders of Antibiotice S.A. to be held on 12/13/09/2024 the following item: *"Approval of the extension by two (2) months, respectively for the period 16.09.2024-16.11.2024 of the interim mandates for the company's administrators and the signing of the additional documents to the mandate contracts."*
5. The Public Guardianship Authority - the Ministry of Health will undertake the necessary steps in order to obtain the necessary approval from the Agency for Monitoring and Evaluating the Performance of Public Enterprises for a two-month extension of the mandates of the administrators of the trading company, until 12/13.09.2024 when the meeting of the Antibiotice S.A. General Meeting of Shareholders will take place.

**Legal and Corporate Governance Director,
Liviu VATAVU, Legal Adviser**

