



MEMO

on the transfer from Sanofi Romania SRL to Zentiva S.A. of the know-how regarding the distribution (including marketing and sale) of pharmaceutical generic products, as well as the conclusion by the Company of the agreement related to such transfer

ZENTIVA S.A. is a joint stock company registered with the Bucharest Trade Registry under no. J40/363/1991, sole registration code 336206, having its headquarters located at 50 Theodor Pallady Blvd., district 3, Bucharest (hereinafter referred to as the “**Company**”).

The Board of Directors of the Company has put forward for the shareholders’ approval the execution by the Company of the transfer from Sanofi Romania S.R.L. to the Company of the know-how regarding the distribution (including marketing and sale) of pharmaceutical generic products, as well as the conclusion by the Company of the agreement related to such transfer, considering the following:

- (i) On 17 April 2018 Sanofi announced that it entered into exclusive negotiations with Advent International in relation to the acquisition by the latter of Zentiva, Sanofi’s European division for generic pharmaceutical products, the offering made by Advent being firm and binding;
- (ii) The transaction between Sanofi and Advent International was completed on 30 September 2018;
- (iii) As a result of the abovementioned transaction, Zentiva will primarily focus its activity on the generic pharmaceutical products market;
- (iv) In the context of the above mentioned transaction, there is an intention to conclude a transaction having as object the transfer of the know-how regarding the distribution (including marketing and sale) of generic pharmaceutical products, from Sanofi Romania S.R.L. to the Company, as well as the execution of the agreement concerning such transfer (the “**Transaction**”); and
- (v) Pursuant to the applicable statutory provisions, for the execution of the Transaction, the prior approval of the Extraordinary General Meeting of Shareholders is required,

The effective conclusion of the Transaction will be done under the following conditions:

- The value of the transaction will be set at an arm’s length level; for clarity, the indicative value established in the valuation report performed by the independent valuator, i.e. RON 46,141,201 will be considered as being arm’s length; and
- Transaction is to be considered effective retroactively, starting with September 1st, 2018, in accordance with the agreements between Sanofi and Advent International which led to the change of control in the Company.