

99 Logofătul Tăutu street
Bucharest 3, Romania

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MAIL: office@biofarm.ro
WEB: www.biofarm.ro

Translation from Romanian

Outgoing no. 508 / 17.03.2011

CURRENT REPORT

According to C.N.V.M. Regulation no. 1/2006
(C.N.V.M. - Romanian National Securities Commission)
Report date: 17.03.2011

Company name: S.C. BIOFARM S.A.
Registered office: Bucharest, 99 Logofatul Tautu Street, district 3
Telephone no.: 021/301.06.84
Fax no.: 021/316.52.48
Website: www.biofarm.ro
Unique Registration Code: RO 341563
Trade Register number: J40/199/1991
Subscribed and paid in registered capital: 109.486.149,90 lei

The market where the company's securities are traded – The Bucharest Stock Exchange, BIO symbol.

Important event to report: The Board of Directors of S.C. Biofarm S.A. gathered on 16.03.2010, 13:30 at the company headquarters from 99 Logofatul Tautu Street, district 3, Bucharest, has decided to convene the Ordinary and Extraordinary General Meeting of the Shareholders of S.C. Biofarm S.A.

CONVOCATION

The Board of Directors of SC BIOFARM SA, with Unique Registration Code 341563 and Trade Register number J40/I99/1991, registered capital 109.486.149,90 lei fully subscribed and paid in, web page www.biofarm.ro, convenes, in accordance with Law 31/1990, Law 297/2004 and Regulation 6/2009, the Ordinary General Meeting of Shareholders on 19.04.2011, 12:00, and the Extraordinary General Meeting of Shareholders on 19.04.2011, 14:00 at the company headquarters in Bucharest, 99 Logofatul Tautu Street, district 3, Bucharest. If the meetings cannot be held because the quorum is not met, the second convocation shall be on 20.04.2011, at the same place, at the same hours and with the same agenda.

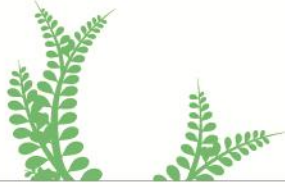
At the Ordinary and Extraordinary General Meeting of Shareholders, the shareholders registered with the Shareholders' Register kept by S.C. Depozitarul Central S.A. are entitled to participate and vote at the end of 08.04.2011, considered the reference date.

- I. The Ordinary General Meeting of Shareholders will have on the agenda the adoption of the following resolutions:





1. Approval of financial statements for the year 2010, based on the reports submitted by the Board of Directors, the B.D. Chairman and the financial auditor.
 2. Approval of notice of discharge of administrators for the year 2010.
 3. Approval of the distribution of the net profit achieved in 2010 based on the destinations of profits. Approval of gross dividend / share, proposed by the Board of Directors of 0.0055 lei / share; setting the payment terms and providing the dividends to the shareholders; incurring costs for the dividend distribution as well as the approval for distribution them through SC Biofarm SA and / or The Central Depository, the bank or other specialized financial institution, upon the Board of Directors' election, according to the distribution procedure specified by the Board of Directors of S.C. Biofarm S.A.
 4. Approval of budget revenue and expenditure in 2011.
 5. Approval of the program and investment activity for the year 2011.
 6. Approval of submission for funding from European structural funds by "The Sectorial Operational Program – Increase of Economic Competitiveness" of the project for the investment in Bucharest, 202-226 Drumul Gura Badicului Street, district 3, "The production and storage factory shed for medicines for human use".
 7. a) Approval of the investment in Bucharest, 202-226 Drumul Gura Badicului Street, district 3, "The production and storage factory shed for medicines for human use" amounting to a total of 9.388.570 EUR.
b) Approval to empower the Board of Directors to take decisions that are necessary for the performance and completion of the investment in Bucharest, 202-226 Drumul Gura Badicului Street, district 3.
 8. Approval to empower Mr. Danut Vasile – The Chairman of the B.D., Managing Director, to sign the contract for financing from European structural funds through the "Sectorial Operational Program – Increase of Economic Competitiveness" of the project for the investment in Bucharest, 202-226 Drumul Gura Badicului Street, district 3, "The production and storage factory shed for medicines for human use".
 9. The appointment of the external financial auditor and fixing the minimum duration of its contract.
 10. Approval of 09.05.2011 as being the date of registration in accordance with the provisions of Art. 238 par. 1 of Law 297/2004 on the capital market.
 11. Approval of the attorneys-at-fact of Mr. Danut Vasile - The Chairman of the B.D. to sign all documents issued following the ordinary general meeting of shareholders.
- II. The Extraordinary General Meeting of Shareholders will have on the agenda the adoption of the following resolutions:
1. Empowering the Board of Directors of S.C. Biofarm S.A. in order to decide with regards to the continuation of business of the company Farmacia de Acasa LLC in Ukraine.
 2. The amendment of Article 1 paragraph 2 of the Articles of Incorporation of S.C. Biofarm S.A. which will have the following content:



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“The company’s logo is the image of two leaves, one black, one white, as they are presented in Appendix 1 to this Article of Incorporation, and is registered with the State Office for Inventions and Trademarks under number 075990 of 06.03.2006.”

3. Approval of 09.05.2011 as being the date of registration in accordance with the provisions of Art. 238 par. 1 of Law 297/2004 on the capital market.

4. Approval to empower Mr. Danut VASILE - The Chairman of the B.D. to sign all documents issued following the Extraordinary General Meeting of Shareholders.

One or more shareholders representing individually or together at least 5% of the registered capital have the right:

- a) to put items on the agenda of the Ordinary or Extraordinary General Meeting of Shareholders, provided that each item is accompanied by a justification or a draft decision proposed for adoption by the Ordinary or Extraordinary General Meeting of Shareholders. The request must be submitted in writing up to the end of 02.04.2011. Any proposals on the introduction of new items on the agenda of the Ordinary or Extraordinary General Meeting of Shareholders must be submitted at the headquarters of SC BIOFARM SA of Bucharest, 99 Logofatul Tautu Street, district 3, postal code 031212. The individuals will submit proposals on the introduction of new items on the agenda in original, signed, accompanied by a copy of the shareholder’s identity card, giving his agreement by signing it. In respect of proposals submitted by legal persons, they will be signed in original by the legal representative, accompanied by the Confirmation of Company Details issued by the Trade Register, in original, not older than 30 days from the date of submission, a copy of the company registration certificate and the copy of the identity card of the legal representative that signs the documents.
- b) to submit the draft decisions for the items included or proposed to be included on the agenda of the Ordinary or Extraordinary General Meeting of Shareholders, no later than the end of 02.04.2011.

Each shareholder has the right to submit written questions on the items on the agenda of the Ordinary or Extraordinary General Meeting of Shareholders up to 17.04.2011, 14:00, at the headquarters of SC BIOFARM SA of Bucharest, 99 Logofatul Tautu Street, district 3, mentioning clearly on the envelope in capital letters “For the Ordinary or Extraordinary General Meeting of Shareholders dated 19/20.04.2011” / “For the Extraordinary General Meeting of Shareholders dated 19/20.04.2011”.

The individuals will submit proposals on the introduction of new items on the agenda in original, signed, accompanied by a copy of the shareholder’s identity card, giving his agreement by signing it. In respect of proposals submitted by legal persons, they will be signed in original by the legal representative, accompanied by the Confirmation of Company Details issued by the Trade Register, in original, not older than 30 days from the date of submission, a copy of the company registration certificate and the copy of the identity card of the legal representative that signs the documents.

The company may file a general response for the questions that have the same content, which will be available on the company’s webpage, on the section “Frequent Questions”, in a question-response format.



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The shareholders may attend personally or can be represented in the Ordinary General Meeting of Shareholders / the Extraordinary General Meeting of Shareholders by their legal representatives or by other persons who were given a special power of attorney, based on the power of attorney form provided by SC BIOFARM SA, under the law conditions. The power of attorney form can be obtained as from 18.03.2011, 17.00 from the Company's website (www.biofarm.ro) and from the company's headquarters.

Special powers of attorney, completed and signed, shall be submitted at the headquarters of SC BIOFARM SA in Bucharest, 99 Logofatul Tautu Street, district 3, up to 17.04.2011, 12:00 for the Ordinary General Meeting of Shareholders, and 14:00 for the Extraordinary General Meeting of Shareholders in a sealed envelope with the words written clearly and in capital letters: "For the Ordinary or Extraordinary General Meeting of Shareholders dated 19/20.04.2011" / "For the Extraordinary General Meeting of Shareholders dated 19/20.04.2011" or sent on the e-mail address: mihaela.ion@biofarm.ro.

The individuals will submit proposals on the introduction of new items on the agenda in original, signed, accompanied by a copy of the shareholder's identity card, giving his agreement by signing it. In respect of proposals submitted by legal persons, they will be signed in original by the legal representative, accompanied by the Confirmation of Company Details issued by the Trade Register, in original, not older than 30 days from the date of submission, a copy of the company registration certificate and the copy of the identity card of the legal representative that signs the documents.

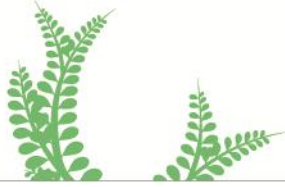
On the date of the Ordinary or Extraordinary General Meeting of Shareholders, at the entrance in the meeting room, the appointed representatives will present their copy of the special power of attorney, together with their identity card.

The shareholders of BIOFARM SA registered on the reference date in the Shareholders' Register issued by Depozitarul Central S.A. can vote by mail before the Ordinary General Meeting of Shareholders / the Extraordinary General Meeting of Shareholders. Shareholders will be sent, for free, the Voting Forms by mail free, upon the request submitted to the company's correspondence entry, starting on 18.03.2011, 17:00. The Voting Form by correspondence will be filed at the headquarters of SC BIOFARM SA Bucharest, 99 Logofatul Tautu Street, district 3, zip code 031212 in a sealed envelope with the words written clearly and in capital letters: "For the Ordinary General Meeting of Shareholders dated 21/22.04.2011" up to 17.04.2011, 12:00, "For the Extraordinary General Meeting of Shareholders dated 19/20.04.2011" up to 17.04.2011, 14:00, or sent on the e-mail address: mihaela.ion@biofarm.ro.

In respect of the individuals who vote by correspondence, the Voting Form, completed and signed, shall be accompanied by the Shareholder's identity card, signed by him for his approval. In respect of the legal persons who vote by correspondence, the Voting Form completed and signed will be accompanied by the Confirmation of Company Details issued by the Trade Register, in original, not older than 30 days from the date of submission, a copy of the company registration certificate and the copy of the identity card of the legal representative that signs the Voting Form by correspondence.

The voting forms that are not received at the headquarters of SC BIOFARM SA up to the dates and times mentioned above will not be counted in determining the quorum and the majority of the Ordinary and Extraordinary General Meeting of Shareholders.





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As from 18.03.2011, at 17.00, the documents, information materials and draft decisions in respect of Ordinary and Extraordinary General Meeting of Shareholders, under the legislation in force, can be viewed and obtained by the shareholders from the company's website, www.biofarm.ro, or from the legal department – Shareholders, at the Company's headquarters, during working days, between 10:00 - 12:00.

Additional information can be obtained at the headquarters of SC BIOFARM SA or at the phone number 021.301.06.84, during working hours between 10:00 - 16:00.

All documents for the Ordinary and Extraordinary General Meeting of Shareholders can be submitted at the company's headquarters on working days between the hours 10:00 - 16:00.

CHAIRMAN OF THE BOARD OF DIRECTORS,
Danut VASILE
Illegible stamp and signature