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Limited liability company making or having made a public appeal on savings
Textielstraat 24, 8790 Waregem, Belgium
VAT BE 0890.535.026
RLP Ghent, division Kortrijk, Belgium
(the **Company**)

An investment in the New Shares and the Scrips or the trading of the Preferential Subscription Rights involves a high degree of risk. Investors risk losing a part of or their entire investment. Investors should exclusively base an investment in the New Shares or the Scrips, or the trading of the Preferential Subscription Rights on the information included in the Prospectus. Before investing in New Shares or Scrips, or trading Preferential Subscription Rights, investors should review the Prospectus, in particular part D of the summary (as of page 11) and section 3 (Risks, as of page 33) of the Prospectus. The Offering takes place in the context of the entry by the Issuer into Long Term Waivers (see part 8 of the Prospectus) following negotiations by the Issuer with its debt providers in order to avoid potential breaches of certain of its financial covenants. The proceeds of the Offering will be used to reduce and partly reimburse the Group's indebtedness (in accordance with the arrangements described in part 13 of the Prospectus). Fagron's level of indebtedness may impact its profitability and restrict the Group's operating and financial flexibility and may place it at a disadvantage compared to less leveraged competitors. Under the Company's current financing arrangements, certain restrictions on dividend distributions are included. Changes in the reimbursement regimes of public healthcare administrations and private insurers for the Group's products have in the past and may in the future impact the Group's profitability.

Capital increase with preferential subscription rights of maximum € 88,265,360.40 through issuance of maximum 17,105,690 new shares at an issue price of € 5.16 per share

Brief description of the transaction

- Capital increase of maximum € 88,265,360.40
- Ratio: 5 New Shares for 16 Preferential Subscription Rights
- Issue Price: € 5.16 per New Share (representing a 24.10% discount to the theoretical ex right price²) after detachment of the preferential right)
- Subscription commitments by WPEF VI Holdco III BE B.V., Alychlo NV, Carmignac Portfolio SICAV and Carmignac Gestion S.A., Midlin N.V. and Bart Versluys
- Rights Subscription Period: 17 June 2016 until and including 1 July 2016
- After the Rights Subscription Period, the Preferential Subscription Rights can no longer be exercised or traded, and consequently, the subscription requests received after the closing of the Rights Subscription Period will become invalid
- During the Rights Subscription Period, the Preferential Subscription Rights are tradable on Euronext Brussels and Euronext Amsterdam
- An application has been made for the admission to trading of the New Shares on Euronext Brussels and Euronext Amsterdam

¹ This press release was sent out by Fagron NV and Fagron BV.

² Based on the closing price of 14 June 2016.



- Coupon no. 9 represents the Preferential Subscription Right and will be separated from the underlying Share on 16 June 2016
- The Scrips Private Placement will in principle take place on 5 July 2016
- The Company shall offer with priority all the Scrips to WPEF VI Holdco III BE B.V. and WPEF VI Holdco III BE B.V. shall have a right of first refusal, to the exclusion of any third party, to purchase all or part of the Scrips at the price determined in the Scrips Private Placement and WPEF VI Holdco III BE B.V. shall be obliged to purchase the Scrips at a price of maximum € 0.01 per Scrip if the price determined in the Scrips Private Placement does not exceed one eurocent € 0.01 per Scrip

Waregem (Belgium)/Rotterdam (The Netherlands)³, 16 June 2016 – the board of directors of Fagron NV resolved on 13 June 2016, on the basis of an authorisation granted by the general meeting on 4 May 2016, to proceed with a capital increase with preferential subscription rights through issuance of maximum 17,105,690 New Shares at a subscription price of € 5.16 per New Share with a ratio of 5 New Shares for 16 Preferential Subscription Rights

Terms and Condition of the Offer

At the closing of the regulated market of Euronext Brussels and Euronext Amsterdam on 16 June 2016, the shareholders of Fagron NV (the **Company**) will receive one preferential subscription right per existing share (the **Preferential Subscription Right**). The Preferential Subscription Rights, represented by coupon no. 9, will be separated from the existing shares on 16 June 2016 at the closing of the regulated market of Euronext Brussels and Euronext Amsterdam and are expected to be admitted to trading on Euronext Brussels and Euronext Amsterdam and tradable during the subscription period as of 17 June 2016 until and including 1 July 2016 (the **Rights Subscription Period**) (ISIN code BE0970150539).

The holders of Preferential Subscription Rights are entitled to subscribe, during the Rights Subscription Period, for New Shares at the subscription price of € 5.16 per New Share (the **Issue Price**) and in accordance with the ratio of 5 New Shares for 16 Preferential Subscription Rights (the **Ratio**). In accordance with the provisions and restrictions of applicable securities legislation, existing holders of registered shares will be notified by the Company of the total amount of Preferential Subscription Rights to which they are entitled and of the procedure to be complied with for the exercise or trade of their Preferential Subscription Rights. Existing holders of dematerialised shares will be notified by the financial institution which holds their securities account of the procedure to be complied with for the exercise or trade of their Preferential Subscription Rights.

In accordance with the provisions and restrictions of applicable securities legislation, investors who do not hold the exact number of Preferential Subscription Rights to subscribe for a round number of New Shares, may during the Subscription Period elect either to (i) purchase the missing Preferential Subscription Rights in order to subscribe for an additional New Share, (ii) sell their Preferential Subscription Rights, or (iii) not take any action but await for payment of the Net Scrips Proceeds, if any.

At the closing of the Rights Offering, the unexercised Preferential Subscription Rights will automatically be converted into scrips (the **Scrips**). The Scrips will be offered on 5 July 2016 in a private placement to qualified investors (the **Scrips Private Placement**), as set forth in the Prospectus. The holders of Scrips irrevocably commit to exercise the Scrips and to consequently subscribe for the corresponding number of New Shares in accordance with the Ratio, for the Issue Price.

The net proceeds of the sale of the Scrips (as the case may be after deduction of the relevant transaction costs and expenses and applicable taxes) will be distributed pro rata to the holders of Preferential Subscription Rights who have not exercised their Preferential Subscription Rights, provided that the net proceeds of the Scrips are not lower than

³This press release was sent out by Fagron NV and Fagron BV.



€ 0.01 per Scrip. In the event the net Scrips proceeds are less than € 0.01 per Scrip, they will be transferred to the Company.

The results of the public Offering will be published on or around 6 July 2016. The payment of the Issue Price, the determination of the capital increase and the admission to trading of the New Shares to Euronext Brussels and Euronext Amsterdam are scheduled to take place on 7 July 2016.

Commitments of the (reference)shareholders

WPEF VI Holdco III BE B.V., Alychlo NV, Carmignac Portfolio SICAV and Carmignac Gestion S.A., Midlin N.V. and Bart Versluys have committed (as the case may be subject to certain conditions) to exercise their Preferential Subscription Rights and to accordingly subscribe to New Shares, for an aggregate amount of approximately at least € 43.7 million. The Company shall offer with priority all the Scrips to WPEF VI Holdco III BE B.V. and WPEF VI Holdco III BE B.V. shall have a right of first refusal, to the exclusion of any third party, to purchase all or part of the Scrips at the price determined in the Scrips Private Placement and WPEF VI Holdco III BE B.V. shall be obliged to purchase the Scrips at a price of maximum € 0.01 per Scrip if the price determined in the Scrips Private Placement does not exceed € 0.01 per Scrip.

The Company did not receive any commitments from any other existing Shareholder.

Share ownership: 30% threshold

In the context of the Offering, WPEF VI Holdco III BE B.V., may increase its shareholding (including the shareholding of the persons acting in concert with it) above 30% without triggering the obligation to launch a mandatory public takeover bid to all shareholders of the Company. An increase of WPEF VI Holdco III BE B.V.'s stake could decrease the liquidity of the Shares and could have a material adverse effect on the value of the Shares.

Lock up

None of the Shareholders entered into a lock up or standstill undertaking. Other than as set out below, the Company did not enter into a standstill undertaking.

WPEF VI Holdco III BE B.V. has entered into an agreement with the Company relating to the subscription by WPEF VI Holdco III BE B.V. to new Shares to be issued by the Company, which agreement includes an undertaking of the Company not to purchase, acquire or transfer any of its own shares until the expiration of the Issuer's authorisation on 12 December 2019 other than transfers of its own shares in the framework of its current stock option arrangements.

Use of Proceeds

If the Offering is fully subscribed, the total gross proceeds of the Offering are estimated to be approximately € 88.3 million. Taking into account the gross proceeds of the First Tranche Capital Increase (the private placement dated 20 May 2016), the total gross proceeds are estimated to be approximately € 218.0 million. The total net proceeds of the First Tranche Capital Increase and the Offering are estimated at approximately € 216.8 million. The Long Term Waivers require that the capital increase (consisting of the First Tranche Capital Increase and the Offering) is effected for a gross minimum amount of € 218.0 million.

The Long Term Waivers contain restrictions to the use of the net proceeds of the First Tranche Capital Increase and the Offering, stipulating that the proceeds can only be used by the Group to repay, at their stated maturity date, (i) the \$ 45.0 million 4.15% Series A Notes due 15 April 2017, (ii) the € 22.5 million 3.55% Series B Notes due 15 April 2017 and (iii) the € 225.0 million Eurobonds (due 2 July 2017).

The net proceeds of the First Tranche Capital Increase and the Offering cannot be used for any other purpose than as abovementioned and any breach of this restriction will cause an immediate event of default under the Revolving Loan Facility Agreement and the Note Purchase Agreement. The net proceeds of the Offering will consequently solely be used to decrease the current financial indebtedness of the Company, but are as such not sufficient to reimburse all such outstanding indebtedness. The Company expects to repay the



remaining maturing indebtedness and the additional interests charged for non-compliance with its covenants from the net cash flow realised from its ongoing operations.

Dividends

The Company did not declare any dividend in relation to the year ending on 31 December 2015 and does not intend to declare any dividend in relation to the year ending on 31 December 2016. The New Shares will be entitled to dividend distributions as from the financial year which started on 1 January 2016 onwards.

Prospectus

The Prospectus is available in English and in Dutch and a French summary has been prepared. Printed copies of the Prospectus, approved by the FSMA on 15 June 2015 and notified to the AFM in accordance with the European passport mechanism provided for by Directive 2003/71/EG, are made available, free of charge, at the registered office of Fagron NV (Textielstraat 24, 8790 Waregem, Belgium (via +31 88 33 11 200)). Upon request, the Prospectus is available free of charge via BNP Paribas Fortis NV/SA (+32 2 433 40 31 (NL), +32 2 433 40 32 (FR), +32 2 433 40 34 (ENG)), ING Belgium SA/NV (+32 2 464 60 01 (NL), +32 2 464 60 02 (FR), +32 2 464 60 04 (ENG)) and KBC Securities NV/SA (+32 78 152 153 (NL), +32 78 152 154 (FR), +32 16 43 29 15 (ENG)).

Subject to certain restrictions (i.e., the acceptance of a disclaimer), this Prospectus is also available, on the internet at the following websites: investors.fagron.com, www.bnpparibasfortis.be/sparenenbeleggen (Dutch), www.bnpparibasfortis.be/epargneretplacer (French), www.ing.be/aandelentransacties (Dutch), www.ing.be/transactiesdacties (French), www.ing.be/equitytransactions (English), www.bolero.be/nl/fagron (Dutch), www.bolero.be/fr/fagron (French) and www.kbc.be/corporateactions.

Indicative timetable

Detachment of coupon no. 9 (representing the Preferential Subscription Rights) after closing of the markets	T	16 June 2016
Publication of the terms and conditions of the Offering in the Belgian Financial Press	T+1	17 June 2016
Availability to the public of the Prospectus	T+1	17 June 2016
Admission to trading of the Preferential Subscription Rights on Euronext Brussels & Euronext Amsterdam	T+1	17 June 2016
Opening date of the Rights Subscription Period	T+1	17 June 2016
Trading of the Preferential Subscription Rights on Euronext Brussels & Euronext Amsterdam	as of T+1	as of 17 June 2016
Closing date of the Rights Subscription Period	T+15	1 July 2016
End of trading of the Preferential Subscription Rights on Euronext Brussels & Euronext Amsterdam	T+15	1 July 2016
Announcement via press release of the result of Rights Offering	T+19	5 July 2016
Scripts Private Placement	T+19	5 July 2016
Allocation of the Scripts and the subscription with Scripts	T+19	5 July 2016
Announcement via press release of the results of the Rights Offering, the Scripts Private Placement and the Net Scripts Proceeds (if any) due to holders of coupons no. 9	T+19	5 July 2016



Publication of the results of the Offering and the Net Scrips Proceeds (if any) due to holders of coupons no. 9 in the Belgian Financial Press	T+20	6 July 2016
Payment date of the Issue Price by the subscribers	T+21	7 July 2016
Realisation of the capital increase	T+21	7 July 2016
Delivery of the New Shares to the subscribers	T+21	7 July 2016
Admission to trading of the New Shares and the Private Placement Shares on Euronext Brussels & Euronext Amsterdam	T+21	7 July 2016

Expenses to be borne by retail investors

All reasonable expenses, charges and other expenditures which the Company incurred for the sale of the Scrips will be deducted from the proceeds of the Scrips Private Placement. The Net Scrips Proceeds (rounded down to € 0.01 per unexercised Preferential Subscription Right) will be distributed proportionally between all holders of unexercised Preferential Subscription Rights.

No other fees or expenses in connection with the Offering will be charged to investors by the Company. Investors are requested to inform themselves about potential expenses charged by other financial institutions as regards the subscription to and the ownership of shares.

Taxes to be borne by retail investors

The tax treatment depends on the personal situation of the retail investor. The Prospectus includes an overview of the general provisions.

Currently, the tax on market transactions on secondary markets amounts to 0.27% of the purchase price, with a maximum of € 800 per transaction per party. Dividend distributions as well as repurchase distributions and liquidation surpluses are subject to a 27% withholding tax, subject to some exceptions. Capital gains realised by Belgian resident individual retail investors on the disposal of the New Shares occurring within six months from the date of their acquisition may be subject to a 33% short term capital gains tax if the New Shares are held other than for professional purposes.

Characteristics

Product	shares of Fagron NV
Applicable law	Belgian law
Maturity	Indefinite
Investment objective	Shares carry indefinite maturity and do not guarantee any projected reimbursement of capital. The shares are intended to trade on Euronext Brussels and Euronext Amsterdam, which could result in capital gains and capital losses. They may entitle their owner to dividends (although no such dividends are planned in the foreseeable future). In the event of liquidation, shareholders rank behind other creditors. Usually, shareholders do not recover anything. The rights of the shareholders of the Company are subject to Belgian law.

For more information

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Fagron profile

Fagron is the leading global pharmaceutical compounding company, bringing customized pharmaceutical care to hospitals, pharmacies, clinics and patients in 32 countries worldwide.

The Belgian company Fagron NV is located in Waregem and is listed on Euronext Brussels and Euronext Amsterdam under the ticker symbol 'FAGR'. The operational activities of Fagron are driven by the Dutch company Fagron BV. The head office of Fagron BV is located in Rotterdam.

IMPORTANT NOTICE

Fagron NV is responsible for the information included in this announcement. This announcement is available in English and in Dutch on the website www.fagron.com.

The information included in this announcement is for background purposes only and does not purport to be full or complete. Any purchase of, or subscription for, securities of Fagron NV to be sold in the framework of the capital increase should be based on the information included in the prospectus and, as applicable, any supplements to such prospectus. The prospectus includes certain detailed information on Fagron NV and its activities, management, risks associated with investing in Fagron NV, as well as financial statements and other financial data.

This announcement is of a strict informative nature and does not constitute an offer to sell or purchase, nor the solicitation of an offer to sell or purchase, any securities of Fagron NV referred to in this announcement, in any jurisdiction whatsoever in which such offer or solicitation of an offer would be unlawful without prior registration, exemption from registration or qualification under securities law in accordance with the applicable laws or regulations in such jurisdictions.

The announcement should not be released, distributed or published in jurisdictions other than Belgium or the Netherlands, except in circumstances which are compliant with applicable laws or regulations. No steps have been or will be taken to offer securities outside of Belgium or the Netherlands in any jurisdiction in which such steps would be required. The issuance, exercise, purchase, subscription to or sale of securities could be subject to specific legal or regulatory restrictions in certain jurisdictions. Fagron NV does not assume any liability in case such restrictions would be violated by any person.

This announcement does not constitute an offer or invitation to sell or issue price, or any solicitation of an offer to purchase or subscribe for securities in Fagron NV in the United States, Australia, Canada, South-Africa, Japan or any other jurisdiction in which such offer or solicitation would be unlawful. The Fagron NV securities referred to in this announcement are not and will not be registered under the US Securities Act of 1933, as amended (the US Securities Act) or under the securities legislation of any of any state of the United States, and may not be offered, sold, resold or delivered, directly or indirectly, in the United States without such registration, except pursuant to an exemption from or in a transaction not subject to such registration requirements. Fagron NV does not intend to proceed with a public offering of its securities in the United States.

This announcement is directed only at (i) persons who are outside the United Kingdom or (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) (A) to (D) of the Order (all such persons together being referred to as relevant persons). Any investment activity to which this communication relates will only be available to and will only be engaged in with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

This announcement may be distributed in any member state of the European Economic Area, where no public offering will take place, which applies Directive 2003/71/EC and amendments thereto, including Directive 2010/73/EU (this Directive together with any implementing measures in any member state, the Prospectus Directive) only to those persons who are investment professionals for the purposes of the Prospectus Directive in such member state, and such other persons as this document may be addressed on legal grounds, and no person that is not a relevant person may act or rely on this document or any of its contents.

