

Fagron press release

Regulated information

Waregem (Belgium)/Rotterdam (The Netherlands)¹, 5 July 2016

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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.

94.62% take up of Rights Offering

Launch of the Scrips Private Placement

Fagron NV (**Fagron**) announced today that 94.62% of the total number of 17,105,690 new shares (the **New Shares**) offered pursuant to its preferential rights offering in the amount of € 88,265,360.40 (the **Rights Offering**), and together with the Scrips Private Placement (as defined below), the **Offering**), have been subscribed to at € 5.16 per New Share (the **Issue Price**) through the exercise of preferential subscription rights (the **Preferential Subscription Rights**).

The New Shares were offered at a ratio of 5 New Shares for 16 Preferential Subscription Rights (the **Ratio**). The Preferential Subscription Rights were tradable on the regulated market of Euronext Brussels and Euronext Amsterdam from 17 June 2016 until and including 1 July 2016 (the **Subscription Period**). Subject to the restrictions set forth in the Prospectus and in accordance with the provisions and restrictions of applicable securities laws, existing shareholders of Fagron as at the closing of the regulated market of Euronext Brussels and Euronext Amsterdam and persons having acquired Preferential Subscription Rights during the Subscription Period had the right to subscribe to the New Shares at the Issue Price and in accordance with the Ratio.

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



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The 2,947,606 Preferential Subscription Rights that have not been exercised during the Subscription Period will automatically be converted into an equal number of scrips (the **Scrips**). These Scrips will be offered for sale by way of an accelerated book built private placement addressed solely to qualified investors (the **Scrips Private Placement**). In the framework of such Scrips Private Placement, the Scrips will be offered with priority to WPEF VI Holdco III BE B.V. and WPEF VI Holdco III BE B.V. has 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. 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 Scrips Private Placement starts and ends today, 5 July 2016. The results of the Scrips Private Placement will be announced promptly after its completion on 5 July 2016.

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) (the **Net Scrips Proceeds**), if any, will be distributed pro rata to the holders of Preferential Subscription Rights who have not exercised their Preferential Subscription Rights, unless the quotient of the Net Scrips Proceeds divided by the total amount of Scrips amounts to less than € 0.01.

At the request of Fagron, the trading of the shares of Fagron on the regulated market of Euronext Brussels and Euronext Amsterdam will be temporarily suspended during the Scrips Private Placement. Trading in the shares of Fagron will be resumed after the results of the Scrips Private Placement and the Offering have been announced.

Payment of the Issue Price, the completion of the capital increase and the delivery and listing of the New Shares to the regulated market of Euronext Brussels and Euronext Amsterdam is expected to take place on or around 7 July 2016.

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 (DUT), +32 2 433 40 32 (FR), +32 2 433 40 34 (ENG)), ING Belgium SA/NV (+32 2 464 60 01 (DUT), +32 2 464 60 02 (FR), +32 2 464 60 04 (ENG)) and KBC Securities NV/SA (+32 78 152 153 (DUT), +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/transactionsactions (French), www.ing.be/equitytransactions (English), www.bolero.be/nl/fagron (Dutch), www.bolero.be/fr/fagron (French) and www.kbc.be/corporateactions.

In the event of differences between the English translation and the Dutch original of this press release, the latter prevails.



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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.

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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.

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