

Convocation extraordinary general shareholders meeting

FAGRON

Company limited by shares, making or having made a public appeal on savings ("*Naamloze vennootschap die een openbaar beroep op het spaarwezen doet of heeft gedaan*")

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RLE Ghent, division Kortrijk

CONVOCATION

The board of directors (the **Board of Directors**) of Fagron NV (the **Company**) has the honour of inviting the holders of securities to attend the extraordinary general shareholders' meeting of the Company which will be held on 14 April 2016 at the office of civil-law notary Liesbet Degroote at Beneluxpark 13, 8500 Kortrijk, at 2 p.m. CET (Belgian time) or at such other place as will be indicated at that place at that time, and if the quorum required by law to validly deliberate and vote is not reached at this meeting, to attend a second extraordinary general shareholders' meeting which will take place on 4 May 2016 at the office of civil-law notary Liesbet Degroote at Beneluxpark 13, 8500 Kortrijk, at 2 p.m. CET (Belgian time) or at such other place as will be indicated at that place at that time, each time with the following agenda, containing proposed resolutions.

The agenda and proposed resolutions of the extraordinary general shareholders' meeting of the Company are as follows:

1. Acknowledgement of the special report of the Board of Directors and the statutory auditor's report in accordance with article 582 and 596 *juncto* 598 of the Belgian Company Code (the BCC) regarding the issuance of shares without nominal value below the par value of the existing shares and the cancellation of preferential subscription rights of the existing shareholders to the benefit of specific persons which are not employees of the Company or any of its subsidiaries, within the framework of the capital increases set forth under the items 2 and 3.

First Tranche Capital Increase

2. Capital increase with cancellation of the preferential subscription rights of the existing shareholders for the benefit of specific persons which are not employees of the Company or its subsidiaries by cash contribution amounting to not more than one hundred thirty-one million forty-three thousand euro (EUR 131,043,000) (including an issue premium, if any) by issuing shares without nominal value of the same class as the existing shares and with the same rights and benefits, subject to and to the extent of the subscription to the shares.



Proposal to adopt a first resolution: The extraordinary general shareholders' meeting resolves to increase the Company's capital by a cash contribution with cancellation of the preferential subscription rights of the existing shareholders for the benefit of WPEF VI Holdco III BE B.V., Alychlo NV, Carmignac Gestion S.A., Carmignac Portfolio SICAV, Midlin N.V., Bart Versluys and Johannes (Hans) Stols (the **First Tranche Subscribers**) amounting to maximum one hundred thirty-one million forty-three thousand euro (EUR 131,043,000), by issuing new shares without nominal value (the **Private Placement Shares**) of the same class as the existing shares and which will have the same rights and benefits, subject to and to the extent of the subscription to such shares by the respective First Tranche Subscribers (the **First Tranche Capital Increase**). The Private Placement Shares will share in the profits as from any payment with regard to the financial year which started on 1 January 2016 and in the profits of the subsequent financial years.

The subscription price per Private Placement Share (the **First Tranche Subscription Price**) shall be equal to the non-weighted average of the closing stock prices of the Company's share on Euronext Brussels over the 30 calendar days' period immediately preceding the date of the extraordinary general shareholders' meeting approving the First Tranche Capital Increase. The subscription period for the First Tranche Capital Increase will start on the date of the extraordinary general shareholders' meeting approving the First Tranche Capital Increase and end on the date determined by the Board of Directors. The Company will ask admission to trade the Private Placement Shares on the regulated markets Euronext Brussels and Euronext Amsterdam as soon as reasonably practicable.

The realisation of the First Tranche Capital Increase will be recorded in one or more notarial deeds as soon as this is reasonably possible after the expiry of the subscription period for the First Tranche Capital Increase. The actual issuance of the Private Placement Shares in connection therewith will take place at the same time. Upon the realisation of the First Tranche Capital Increase and issue of Private Placement Shares as contemplated above, the Company's articles of association shall be amended and restated to take into account the resulting share capital and number of outstanding and existing shares.

The extraordinary general shareholders' meeting resolves to authorise (i) the Board of Directors to determine and change the dates of the subscription period for the First Tranche Capital Increase, (ii) each member of the Board of Directors, acting alone, to record in one or more of notarial deeds, the number of Private Placement Shares subscribed to by the First Tranche Subscribers, their paying up, the amounts entered respectively in the "capital" account and "issue premium" account (as the case may be), the issue of the respective Private Placement Shares, the realisation of the First Tranche Capital Increase and the amendment of the articles of association of the Company resulting therefrom, and (iii) each member of the Board of Directors, acting alone, to take any and all necessary steps with any and all supervisory authorities and Euronext Brussels and Euronext Amsterdam in connection with the First Tranche Capital Increase and the admission to trading of the Private Placement Shares.

Second Tranche Capital Increase

3. Capital increase under conditions precedent and with preferential subscription rights for the Company's shareholders (including the First Tranche Subscribers that effectively subscribed to Private Placement Shares) by cash contribution amounting to not more than the difference between two hundred and twenty million euro (EUR 220,000,000) and the aggregate subscription price of the Private Placement Shares effectively issued and subscribed to by the First Tranche Subscribers under the First Tranche Capital



Increase (the **First Tranche Total Subscription Price**) (including an issue premium, if any) by issuing shares without nominal value of the same class as the existing shares and with the same rights and benefits.

Proposal to adopt a second resolution: The extraordinary general shareholders' meeting resolves to increase the Company's capital by a cash contribution amounting to not more than the difference between two hundred and twenty million (euro EUR 220,000,000) and the First Tranche Total Subscription Price, by issuing new shares without nominal value (the **Offer Shares**) of the same class as the existing shares and which will have the same rights and benefits, and which will first be offered to the Company's shareholders (including the First Tranche Subscribers that effectively subscribed to Private Placement Shares) (the **Second Tranche Capital Increase**).

The Offer Shares will be offered and issued in accordance with the terms and conditions set forth in this resolution, it being understood that the terms and conditions will differentiate subject to whether or not Private Placement Shares have been subscribed to by WPEF VI Holdco III BE B.V. as set forth in the first resolution.

The extraordinary general shareholders' meeting resolves to increase the Company's capital under the conditions precedent and with the powers-of-attorney specified in this resolution.

The extraordinary general shareholders' meeting resolves that the Offer Shares be offered and issued in accordance with the following terms and conditions:

(A) Issue price, number of Offer Shares and subscription ratio

If WPEF VI Holdco III BE B.V. has subscribed to Private Placement Shares (the **First Scenario Rights Issue**), the issue price per Offer Share shall be equal to ninety per cent. (90%) of the First Tranche Subscription Price. The number of Offer Shares and the subscription ratio to subscribe for the Offer Shares will be determined by the Board of Directors in consultation with the joint book runners and in accordance with an underwriting agreement expected to be entered into by and between the Company and the underwriters (the **First Scenario Underwriting Agreement**).

If WPEF VI Holdco III BE B.V. has not subscribed to Private Placement Shares (the **Second Scenario Rights Issue**), the issue price, the number of Offer Shares and the subscription ratio to subscribe for the Offer Shares will be determined by the Board of Directors in consultation with the joint book runners of the offer and in accordance with an underwriting agreement expected to be entered into by and between the Company and the underwriters (the **Second Scenario Underwriting Agreement**).

Since the final issue price has not been determined at this moment, today only the minimum issue price of one eurocent is fixed.

The issue price must be paid up in full in cash upon the subscription for the Offer Shares. Following the capital increase and the issue of Offer Shares, each of the shares (existing and new) shall represent the same fraction of the Company's share capital.



(B) Form of Offer Shares and rights attached thereto

The Offer Shares will be registered or dematerialised shares, at the option of any subscriber. The Company will ask admission to trade the Offer Shares on the regulated markets Euronext Brussels and Euronext Amsterdam.

The Offer Shares will be of the same class and will have the same rights as the existing shares. They will share in the profits as from any payment with regard to the financial year which started on 1 January 2016 and in the profits of the subsequent financial years.

(C) Public offer of Offer Shares

During the Rights Subscription Period (as defined hereinafter) the Offer Shares will be offered to shareholders of the Company who may lawfully subscribe for new shares pro rata to their shareholdings.

In accordance with the company, financial and securities law provisions applicable in certain countries the existing shareholders and other investors situated in other countries than in Belgium and the Netherlands might not be allowed to subscribe for the Offer Shares or to sell their Preferential Rights (as hereinafter defined), as will be set forth in the prospectus regarding the offer.

(D) Subscription Periods

The Offer Shares will first be offered to the Company's shareholders (including the First Tranche Subscribers that effectively subscribed to Private Placement Shares) during a first subscription period of at least fifteen (15) calendar days in accordance with articles 592 and 593 of the BCC (the **Rights Subscription Period**). The starting date and the end date of the Rights Subscription Period will be determined by the Board of Directors in consultation with the joint book runners.

Any person who is a shareholder of the Company at the time of the closing of the regulated market Euronext Brussels on the trading day immediately preceding the first day of the Rights Subscription Period will be granted one preferential right for each share held in the Company (the **Preferential Right**). Subject to the provisions of company, financial and securities law applicable in certain countries referred to under (C) above, each Preferential Right will entitle to subscribe for a number of Offer Shares in accordance with the subscription ratio to be determined by the Board of Directors. Preferential Rights cannot be used to subscribe for fractions of shares. Subject to the provisions of company, financial and securities law referred to under (C) above, the Preferential Rights shall be freely tradable on the regulated markets of Euronext Brussels and Euronext Amsterdam and will also be transferable to persons who are not shareholders of the Company. Subject to the provisions of company, financial and securities law referred to under (C) above, the transferees of the Preferential Rights will be entitled to subscribe for the Offer Shares under the same conditions as the Company's shareholders. The Company will submit an application for admission to trading of the Preferential Rights on the regulated markets of Euronext Brussels and Euronext Amsterdam during the whole Rights Subscription Period.

Preferential Rights which have not been exercised upon the expiry of the Rights Subscription Period will be represented by a corresponding number of scrips (individually **Scrip**, jointly **Scrips**).

During a second subscription period (the **Rump Placement Period**) the Scrips will be sold within the



framework of an exempt private placement by means of an offer with an accelerated book building to institutional, qualified or professional investors or individuals in and outside of Belgium. Subject to the terms and conditions of a subscription commitment entered into between WPEF VI Holdco III BE B.V. and the Company on 1 March 2016, in the First Scenario Rights Issue, the Company shall offer with priority all 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 purchase all or part of the Scrips at the price determined in the accelerated book building. The starting date and the end date of the Rump Placement Period will be determined by the Board of Directors in consultation with the joint book runners.

The buyers of the Scrips will be required to exercise such Scrips and to subscribe for the corresponding number of Offer Shares at the same issue price and in accordance with the same subscription ratio as applicable during the Rights Subscription Period. The Scrips will not be transferable and the Company will not apply for admission to trading of the Scrips on any market.

In the framework of and subject to occurrence of the First Scenario Rights Issue, WPEF VI Holdco III BE B.V. has committed, pursuant to a commitment received by the Company from such party on 1 March 2016 and subject to the terms thereof, in respect of the First Scenario Rights Issue to purchase all Scrips at a price of one eurocent (EUR 0.01) per Scrip and exercise all Scrips, except for any Scrips related to the Preferential Rights that are not exercised by any of the other First Tranche Subscribers (other than Johannes (Hans) Stols) in accordance with their respective subscription commitments by the end of the Rights Subscription Period.

The net proceeds of the sale or placement of the Scrips (after deduction of relevant transaction costs and expenses and applicable taxes, as applicable) shall be distributed on a *pro rata* basis to the holders of Preferential Rights that did not exercise their right, provided that the net proceeds shall not be less than one euro cent (EUR 0.01) per Scrip. If the net proceeds are less, these shall accrue to the Company.

The realisation of the Second Tranche Capital Increase with regard to the Rights Subscription Period and Rump Placement Periods will be recorded in a notarial deed as soon as this is reasonably possible after the expiry of the Rump Placement Period. The actual issuance of the Offer Shares in connection therewith will take place at the same time. Upon the realisation of the Second Tranche Capital Increase and issue of Offer Shares as contemplated above, the Company's articles of association shall be amended and restated to take into account the resulting share capital and number of outstanding and existing shares.

(E) Underwriting

In accordance with and subject to the provisions of the relevant underwriting agreement (if any), the terms and conditions of which must still be laid down, the underwriters may subscribe for the Offer Shares for the account of the Company's shareholders and the other investors having subscribed for such shares during the Rights Subscription Period and Rump Placement Period, upon the establishment of the realisation of the Second Tranche Capital Increase. The underwriters will transfer the Offer Shares immediately to such shareholders and investors.



(F) Conditions precedent

The Second Tranche Capital Increase will take place under the conditions precedent and to the extent of the subscriptions for the Offer Shares. If not all shares offered are subscribed for, the Second Tranche Capital Increase will still take place to the amount of the subscriptions received, unless the Board of Directors decides otherwise.

The resolution to effect the Second Tranche Capital Increase will be adopted subject to the following conditions precedent:

- the Financial Services Market Authority has approved the prospectus regarding the offer prior to the commencement of the Rights Subscription Period; and
- the First Scenario Underwriting Agreement respectively Second Scenario Underwriting Agreement (if any) has been agreed and entered into and not been terminated in accordance with its terms and conditions. The Company, may, however, waive the last mentioned condition precedent.

(G) Authorisation

Notwithstanding the foregoing, with respect to the Second Tranche Capital Increase, the extraordinary general shareholders' meeting resolves to reserve the power and flexibility to the Board of Directors, within the limits of these resolutions, (i) to determine and change the issue price and the number of Offer Shares, whereby the issue price per Offer Share in the First Scenario Rights Issue may only be decreased and cannot be lower than eighty-nine per cent. (89%) of the First Tranche Subscription Price (ii) to determine and change the subscription ratio, (iii) to determine and change the dates of the Rights Subscription Period and the Rump Placement Period, and (iv) to decide not to go on with the procedure to increase the capital if the market circumstances prevent the offer from taking place under satisfactory circumstances or to go on for a reduced amount.

The extraordinary general shareholders' meeting resolves to authorise each member of the Board of Directors, acting alone (i) to record in one or more of notarial deeds that the conditions precedent as set forth in this resolution have been met and the number of Offer Shares issued, their paying up, the amounts entered respectively in the "capital" account and "issue premium" account (as the case may be), the issue of the Offer Shares, the realisation of the Second Tranche Capital Increase and the amendment of the articles of association resulting therefrom, and (ii) as far as necessary and within the limits of these resolutions, to establish specific technical or practical terms of the offer, and to take any and all necessary steps with any and all supervisory authorities and Euronext Brussels and Euronext Amsterdam in connection with the offer and admission to trading of the Offer Shares.

4. Appointment of new directors of the Company subject to and with effect from the recording of the subscription by WPEF VI Holdco III BE B.V. respectively Alychlo NV to Private Placement Shares in a notarial deed.

Proposal to adopt a third resolution: The extraordinary general shareholders' meeting resolves to appoint (i) Holdco FV B.V., permanently represented by Frank Vlayen, Matthias Geysens, WPEF VI Holdco III BE B.V., permanently represented by Nathalie Clybouw, and Filiep Balcaen as directors of the Company subject to



and with effect from the recording of the subscription by WPEF VI Holdco III BE B.V. to Private Placement Shares in a notarial deed, and (ii) Aubisque BVBA, permanently represented by Freya Loncin and Michael Schenck BVBA, permanently represented by Michael Schenck as directors of the Company subject to and with effect from the recording of the subscription by Alychlo NV to Private Placement Shares in a notarial deed.

The Board of Directors informs the shareholders that the extraordinary general shareholders' meeting shall only be asked to vote on the item 4 referred to in the aforementioned agenda if the items 2 and 3 referred to in the aforementioned agenda have been approved and that the approval of the item 4 is a condition precedent to the subscription commitments entered into by WPEF VI Holdco III BE B.V. and Alychlo NV.

Quorum

According to the BCC, a quorum of at least 50% of the outstanding shares must be present or represented at the extraordinary general shareholders' meeting for the deliberation and voting on the items 2 and 3 referred to in the aforementioned agenda of the extraordinary general shareholders' meeting. If this quorum is not reached, a second extraordinary general shareholders' meeting will be convened for these agenda items, unless, as the case may be, decided otherwise on behalf of the Board of Directors, and the quorum requirement will not apply to the second meeting.

No quorum requirement applies to the item 4 referred to in the aforementioned agenda of the extraordinary general shareholders' meeting. The extraordinary general shareholders' meeting shall however only vote on the item 4 referred to in the aforementioned agenda if the quorum required for resolving on the items 2 and 3 is reached.

Voting and majority

Subject to applicable legal provisions, each share shall have one vote. In accordance with applicable law, the proposed resolutions referred to in the items 2 and 3 referred to in aforementioned agenda of the extraordinary general shareholders' meeting shall be passed if they are approved by a majority of 75% of the votes validly cast by the shareholders.

In accordance with applicable law, the proposed resolution referred to in the item 4 referred to in aforementioned agenda of the extraordinary general shareholders' meeting shall be passed if it is approved by a majority of 50% of the votes validly cast by the shareholders.

Admission conditions

The right to participate in the extraordinary general shareholders' meeting, and to exercise the voting right during such meeting, shall be granted solely based on the accounting registration of the shares in the shareholder's name at 24:00 CET (Belgian time) on 31 March 2016, either (i) in the case of registered shares, through their registration in the Company's share register, or (ii) in the case of dematerialized shares, by their registration in the accounts of a recognized account holder or clearing institution, irrespective of the number of shares that the shareholder is holding on the actual date of the shareholders' meeting. The time and date given above shall constitute the registration date.



The shareholder shall report no later than on 8 April 2016 that he/she/it wishes to participate in the extraordinary general shareholders' meeting. This must be reported online through the shareholders' portal of ABN AMRO which is available at www.abnamro.com/evoting.

In the case of dematerialized shares, the intermediaries of the shareholders wishing to attend the meeting must confirm the same to ABN AMRO via www.abnamro.com/intermediary, by no later than 8 April 2016 24.00 CET, stating the number of shares (i) that shall be registered for the shareholders' meeting including the name of the representative or attorney-in-fact and giving the full contact details of that person and (ii) that the shareholder who shall be represented, is shareholder of the company at 24:00 CET on 31 March 2016.

Subsequently, the intermediary shall provide the shareholder with a certificate stating how many dematerialized shares that were registered in its account in the shareholder's name at 24:00 CET on 31 March 2016.

Holders of bonds, warrants or certificates issued with the Company's cooperation may attend the shareholders' meeting subject to compliance with the admission conditions applicable to shareholders.

Participants are invited to arrive from 1.45 p.m. CET onwards on 14 April 2016 in order to enable smooth processing of registration formalities.

Right to ask questions

During the shareholders' meeting, the directors shall answer the questions asked by the shareholders during the meeting or submitted in writing before the meeting regarding the items on the agenda, such in accordance with the applicable legal provisions. Questions are to be submitted by email to joan.verlinden@fagron.com, no later than on 8 April 2016. More detailed information on the right to ask questions is available on the website (www.fagron.com).

The possibility of submitting items on the agenda and/or proposed resolutions

In accordance with article 533ter of the BCC, one or more shareholders that jointly hold at least 3% of the share capital shall have the right to have items placed on the agenda of the shareholders' meeting and to submit proposed resolutions concerning the items (to be placed) on the agenda.

Such requests must be submitted by email to joan.verlinden@fagron.com, no later than on 23 March 2016 at 24:00 CET. More detailed information on the conditions for making use of this option is available on the website of the Company (www.fagron.com).

If the Company receives requests for items to be added to the agenda or proposed resolutions, it will as soon as possible and the latest on 30 March 2016 publish the same on its website.

Proxies and voting instructions

Shareholders who wish to be represented by a different person to attend the meeting can indicate this via www.abnamro.com/evoting by no later than 8 April 2016. In addition to this, shareholders may give voting instructions to Johan Verlinden, Director Legal Affairs, via www.abnamro.com/evoting.



Alternatively, shareholders who wish to be represented could also make use of a hard copy form, drawn up by the board of directors and which is available at the registered office. The proxy form will also be available on the website of the Company (www.fagron.com). No other hard copy proxy forms will be accepted. This hard copy proxy form must be filed at the Company's registered office, for the attention of the board of directors, or sent by email to johan.verlinden@fagron.com, in either case (online or in hard copy) no later than at 24:00 CET on 8 April 2016.

Availability of documents

As from 15 March 2016, during working days and during normal business hours, the shareholders and holders of warrants may review at the Company's registered office the documents to be submitted to the extraordinary general shareholders' meeting, the proposed resolutions or, if the subject to be dealt with does not require any resolution, a comment from the board of directors on each agenda item on the agenda to be discussed, and the forms to be used for voting by proxy.

Any further information that must be made available in accordance with the provisions of article 533bis, paragraph 2 of the BCC shall be made available on the website (www.fagron.com) or via ABN AMRO (www.abnamro.com/evoting) no later than on 15 March 2016.

The Board of Directors

Any securities mentioned in this notice have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.

