



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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CONVOCATION

The board of directors of Fagron NV (the **Company**) has the honour of inviting the holders of securities and warrants to attend (i) the annual general shareholders' meeting of the Company which will be held at Crown Plaza, Gerard le Grellelaan 10, 2020 Antwerp, Belgium, on Monday 8 May 2017 at 3 p.m. CET (Belgian time) and (ii) the extraordinary general shareholders' meeting which will take place subsequently at the same location at 4.30 p.m. CET (Belgian time) in the presence of associated civil-law notary Annekatrinen Van Oostveld, civil-law notary in Antwerp, district Merksem, in substitution of her colleague civil-law notary Liesbet Degroote, civil-law notary in Kortrijk, legally prevented *ratione loci*, 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 with the same agenda containing the same motions to vote which will take place on 29 May 2017 at 4.30 p.m. CET (Belgian time) at the office of associated civil-law notary Annekatrinen Van Oostveld, civil-law notary in Antwerp, district Merksem, in substitution of her colleague civil-law notary Liesbet Degroote, civil-law notary in Kortrijk, legally prevented *ratione loci*, or at such other place as will be indicated at that place at that time, each time with the following agenda, containing proposed resolutions.

I. Agenda of the annual general meeting

1. Reading of, discussion and comments on the board of directors' annual report and the statutory auditor's report on the 2016 annual financial statements.

Comment to the agenda item: The board of directors requests the general meeting to review the board of directors' annual report and the statutory auditor's report on the 2016 annual financial statements. Both reports are available on the website (www.fagron.com) as from today.

2. Discussion and approval of the annual financial statements closed on 31 December 2016.

Motion to vote: Approval of the financial statements closed on 31 December 2016.

3. Allocation of the result of the financial year closed on 31 December 2016.

Motion to vote: Approval of the allocation of the result as included in the annual financial statements.

4. Discussion and approval of the remuneration report as included in the board of directors' annual report.



Motion to vote: Approval of the remuneration report as included in the board of directors' annual report.

5. Announcement of the consolidated annual financial statements and the consolidated reports.

Comment to the agenda item: The board of directors requests the general meeting to take note of the consolidated annual financial statements and the consolidated reports, which will be available on the website (www.fagron.com) as from today.

6. Granting discharge to the members of the board of directors.

Motion to vote: Granting discharge by means of a separate vote to the directors in charge during the financial year 2016 regarding the mission fulfilled by them in the course of the financial year.

7. Granting discharge to the statutory auditor.

Motion to vote: Granting discharge by means of a separate vote to the statutory auditor in charge during the financial year 2016 regarding the mission fulfilled by him in the course of the financial year.

8. Explanation and discussion of Corporate Governance at Fagron NV.

Comment to the agenda item: The board of directors will provide an explanation of the Corporate Governance policy at Fagron NV during the financial year 2016. In this context, the board of directors refers to (i) the Corporate Governance Charter available on the website (www.fagron.com) and (ii) the Corporate Governance Statement as included in the annual report, which is also available on the website.

9. Information concerning the remuneration of non-executive directors.

Motion to vote: The shareholders acknowledge that the annual remuneration payable to the non-executive directors, as approved by the shareholders in the Shareholders' Meeting of 11 May 2015, will remain unchanged for the year 2016.

10. Information concerning the remuneration of Statutory Auditor

Motion to vote: Approval of the remuneration for auditing the public limited company Fagron for the accounting year 2016 at 107.750 euro.

Approval of the remuneration for auditing the public limited company Fagron (including the consolidation and the half-year inspection) for the accounting year 2017 at 110.000 euro, excluding VAT and expenses. This amount may be adjusted annually in line with adjustments in the Consumer Price Index or as agreed between the parties.



11. Annulment of the VVPR-Strips.

Comment to the agenda item: Approval of the annulment of the issued VVPR-Strips. In accordance with the Law of 27 December 2012, the VVPR-Strips do no longer entitle the holder of such strips to a reduced withholding tax on dividends and therefore lost their relevance and value. The board of directors proposes to the general shareholders' meeting to annul the issued VVPR-Strips.

Motion to vote: Approval of the annulment of the issued VVPR-Strips.

12. Approval of the cooptation by the board of directors of AHOK BVBA, permanently represented by Mr. Koen Hoffman as independent non-executive director.

Comment to the agenda item: Ratification of the decision of the board of directors to appoint AHOK BVBA, permanently represented by Mr. Koen Hoffman as independent director of the Company as from 3 August 2016 to complete the term of the mandate of Mr. Jan Peeters.

Koen Hoffman obtained a Master in Applied Economics at the University of Ghent in 1990 and a Master in Business Administration at Vlerick Business School in Ghent in 1991. Mr Hoffman was appointed Chief Executive Officer of Value Square in August 2016. Prior to joining Value Square, he was Chief Executive Officer of KBC Securities, member of the supervisory board of Patria Securities and member of the board of directors of Omnia Travel Belgium. He started his career at the corporate finance department of KBC Bank in 1992.

Motion to vote: Approval of the appointment of AHOK BVBA, permanently represented by Mr. Koen Hoffman as independent director of the Company as from 3 August 2016 to complete the term of the mandate of Mr. Jan Peeters. This appointment expires immediately after the annual general shareholders' meeting of 2019 relating to the financial year closed on 31 December 2018. The mandate of AHOK BVBA, permanently represented by Mr. Koen Hoffman will be remunerated in accordance with the decisions taken in this respect by the shareholders' meeting.

13. Approval of the cooptation by the board of directors of Vanzel G. Comm. V., permanently represented by Mrs. Giulia Van Waeyenberge as independent non-executive director.

Comment to the agenda item: Ratification of the decision of the board of directors to appoint Vanzel G. Comm. V., permanently represented by Mrs. Giulia Van Waeyenberge as independent director of the Company as from 3 August 2016 to complete the term of the mandate of Mrs. Nathalie van Woerkom.



Giulia Van Waeyenberge obtained a Master in Electrical Engineering at the Catholic University of Leuven in 2005 and a Master in Applied Economics at the Singapore Management University in 2006. Ms Van Waeyenberge is Senior Investment Manager at Sofina NV. Prior to joining Sofina, she was active in the family investment holding company De Eik and at Sofina as Investment Manager. Before that she worked at Bank of America Merrill Lynch both in London and in Singapore as a Vice President. She started her career in investment banking at ABN AMRO Singapore. Ms Van Waeyenberge has been member of several boards of directors among which Voka and is member of the board of directors of the Port of Antwerp.

Motion to vote: Approval of the appointment of Vanzel G. Comm. V., permanently represented by Mrs. Giulia Van Waeyenberge as independent director of the Company as from 3 August 2016 to complete the term of the mandate of Mrs. Nathalie van Woerkom. This appointment expires immediately after the annual general shareholders' meeting of 2019 relating to the financial year closed on 31 December 2018. The mandate of Vanzel G. Comm. V., permanently represented by Mrs. Giulia Van Waeyenberge will be remunerated in accordance with the decisions taken in this respect by the shareholders' meeting.

14. Approval of the cooptation by the board of directors of Mrs. Karin de Jong as executive director.

Comment to the agenda item: Ratification of the decision of the board of directors to appoint Mrs. Karin de Jong as executive director of the Company as from 16 October 2016 to complete the term of the mandate of Mr. Luc Vandewalle.

Karin de Jong is CFO of Fagron since May 2016. Karin has been working for Fagron since 2008, where she started as business controller. In 2013 she was appointed group controller. After graduating in business administration, accounting and control, Karin completed the post-graduate register controller degree at Erasmus University in Rotterdam, the Netherlands.

Motion to vote: Approval of the appointment of Mrs. Karin de Jong as executive director of the Company as from 16 October 2016 to complete the term of the mandate of Mr. Luc Vandewalle. This appointment expires immediately after the annual general shareholders' meeting of 2018 relating to the financial year closed on 31 December 2017. The mandate of Mrs. Karin de Jong will not be remunerated.

15. Approval of the cooptation by the board of directors of Alychlo NV, permanently represented by Mr. Marc Coucke as non-executive director.

Comment to the agenda item: Ratification of the decision of the board of directors to appoint Alychlo NV, permanently represented by Mr. Marc Coucke as director of the Company as from 16 October 2016 to complete the term of the mandate of Aubisque BVBA, permanently represented by Mrs. Freya Loncin.



Marc Coucke is the founder of Omega Pharma. Following the sale thereof, he invests via NV Alychlo, in which he serves as chairman, in several listed and non-listed companies. Marc Coucke graduated in pharmacy from the state university of Ghent and obtained an MBA from the Vlerick Management School in Ghent, Belgium.

Motion to vote: Approval of the appointment of Alychlo NV, permanently represented by Mr. Marc Coucke as director of the Company as from 16 October 2016 to complete the term of the mandate of Aubisque BVBA, permanently represented by Mrs. Freya Loncin. This appointment expires immediately after the annual general shareholders' meeting of 2020 relating to the financial year closed on 31 December 2019. The mandate of Alychlo NV, permanently represented by Mr. Marc Coucke will be remunerated in accordance with the decisions taken in this respect by the shareholders' meeting.

16. Approval of the cooptation by the board of directors of Mr. Marc Janssens as non-executive director.

Comment to the agenda item: Ratification of the decision of the board of directors to appoint Mr. Marc Janssens as director of the Company as from 16 October 2016 to complete the term of the mandate of Mr. Filip Balcaen.

Marc Janssens is director asset management and member of the executive committee of Baltisse since 2015. Baltisse is the family and investment office for Mr. Filip Balcaen's family. Marc started working at Petercam (now DeGroof Petercam) in 1988. He became a partner in 1996 and has been a member of the board of directors of Petercam since 2011. From 1984 until 1988, he worked as an economic writer at Belgian daily De Standaard. Marc obtained a master's degree in economic sciences from the KU Leuven, Belgium.

Motion to vote: Approval of the appointment of Mr. Marc Janssens as director of the Company as from 16 October 2016 to complete the term of the mandate of Mr. Filip Balcaen. This appointment expires immediately after the annual general shareholders' meeting of 2020 relating to the financial year closed on 31 December 2019. The mandate of Mr. Marc Janssens will be remunerated in accordance with the decisions taken in this respect by the shareholders' meeting.

17. Power of attorney.

Motion to vote: Granting of power of attorney to Mr. Johan Verlinden, choosing as address Venecoweg 20a, 9810 Nazareth, Belgium, authorized in representing the company regarding fulfilment of the filing and disclosure obligations as set out in the Belgian Companies Code. This power of attorney entails that the authorized person may take all necessary and useful actions and sign all documents relating to these filing and disclosure obligations, including but not limited to filing the aforementioned decision making with the competent registry of the commercial court, with a view to publication thereof in the Annexes to the Belgian Bulletin of Acts, Orders and Decrees.



18. Miscellaneous.

II. Agenda of the extraordinary general meeting

1. Reading of, discussion and comments on the special report of the board of directors in accordance with article 604 of the Belgian Companies Code concerning the renewal of the authorized capital.
2. Renewal of the authorized capital and amendment of article 5bis of the articles of association.

Motion to vote: The extraordinary general meeting authorizes the board of directors to increase the share capital of the Company once or in several times with an (aggregate) amount equal to the current amount of share capital of the Company, being four hundred ninety four million one hundred ninety-two thousand two hundred twenty-one euros and sixty-eight eurocents (EUR 494.192.221,68). In this framework the extraordinary general shareholders' meeting decides to replace article 5bis of the articles of association by the following text:

"Article 5bis: Authorized Capital.

The authority was granted to the board of directors in a resolution of the extraordinary shareholders' meeting of 8 May 2017, with a majority of at least three fourths (3/4ths) of the votes cast and within a period of five years from the date of the publication of the resolution in the Annexes to the Belgian State Gazette, to increase the capital by a maximum amount of four hundred ninety four million one hundred ninety-two thousand two hundred twenty-one euros and sixty-eight eurocents (EUR 494.192.221,68), on one or several occasions, in the manner of and subject to the conditions that the Board shall stipulate.

This authority applies to capital increases that must be subscribed to in cash and for capital increases subscribed to in kind.

This authority of the board of directors also applies to capital increases via capitalization of the reserves or issue premiums.

The above-mentioned authorization is renewable.

Furthermore, the board of directors is hereby authorized, on the basis of a resolution taken pursuant to the provisions of Article 560 of the Belgian Companies Code, in the context of the issuance of securities within the authorized capital, to change the respective rights of the existing types of shares or securities that may or may not represent the capital. In addition to the issuance of shares, convertible bonds and warrants, the capital increases decided by the board of directors may also occur via the issuance of shares without voting rights, shares with a preferential right to dividend and preference in the case of liquidation, and convertible shares, that pursuant to specific conditions are converted into a smaller or greater number of ordinary shares.

The board of directors, within the limits of the authorized capital, in the interest of the company and subject to compliance with the conditions laid down in Article 592 of the Belgian Companies Code, is authorized to suspend or limit the preferential subscription right that the law grants to the shareholders. The board of directors is authorized to limit or suspend the preferential subscription right in favor of one or more specific persons, even if they are not employees of the company or its subsidiaries.



On the occasion of the increase of the issued capital, realized within the limits of the authorized capital, the board of directors has the authority to request an issue premium payable on subscription. If the board of directors so decides, this issue premium must be booked to an undistributable reserves account, that shall constitute the guarantee of third parties in the same degree as the registered capital, and which, without incorporation in the capital by the board of directors as foreseen above, can only be distributed by the shareholders' meeting, in accordance with the conditions imposed by the Belgian Companies Code for amending the articles of association.

In the absence of explicit authorization granted by the shareholders' meeting to the board of directors, from the date of notification to the company by the Financial Services and Markets Authority (FSMA) of a public takeover bid of the shares of the company, the authority of the board of directors to increase the issued capital by contributions in cash with cancellation or restriction of the preferential subscription right of the existing shareholders or by contribution in kind, is suspended. This authority shall again come into force immediately after the conclusion of such a takeover bid.

With a view toward consolidation of the articles of association, the Board is also authorized to amend the relevant Article of the articles of association as soon as the authorized capital or a part thereof is converted into issued capital.

If the authorized capital is not subscribed to within the specified period, the text of this Article lapses."

The extraordinary general shareholders' meeting clarifies that, as from the entry into force of the aforementioned renewed authorization, the existing authorization relating to the authorized capital which was granted to the board of directors by decision of the extraordinary general shareholders' meeting of 5 June 2012, will cease to exist.

3. Granting of powers concerning the coordination of the articles of association.

Motion to vote: The extraordinary general shareholders' meeting decides to grant to each director of the Company individually and to the acting civil-law notary the power, with right of subrogation, to draft the coordinated text of the articles of association and to reflect therein the amendments in accordance with the above decisions.

Admission conditions

The right to attend the annual general shareholders' meeting and the extraordinary general shareholders' meeting, and to exercise the voting right during such meeting, shall be granted solely based on the administrative registration of the shares in the shareholder's name at 24:00 CET (Belgian time) on 24 April 2017, either (i) through the registration of the registered shares in the Company's shares register, or (ii) in the event of dematerialised shares, by their registration in the accounts of a certified account holder or intermediary, irrespective of the number of shares that the shareholder is holding on the actual date of the general meeting. The time and date given above is the registration date.



The certified account holder or intermediary shall provide the shareholder with a certificate proving with how many dematerialised shares that were registered in its accounts in the shareholder's name as at the registration date the shareholder has indicated to participate in the general meeting.

The shareholder shall report no later than on 2 May 2017 that he/she wishes to participate in the annual general shareholders' meeting and the extraordinary general shareholders' meeting. This must be reported via the shareholders portal of ABN AMRO which is available on www.abnamro.com/evoting or by email (johan.verlinden@fagron.com) or by letter FAO Johan Verlinden, Venecoweg 20a, 9810 Nazareth, Belgium.

Representatives or intermediaries of shareholders willing to attend the annual general meeting are invited to confirm their attendance to ABN AMRO via www.abnamro.com/intermediary no later than on 2 May 2017 at 24:00 CET (Belgian time), and will indicate the number of shares in the company which (i) were held by the represented shareholder on 24 April 2017 at 24:00 CET, and (ii) are registered to vote at the annual general meeting, including the name of the representative or intermediary and its contact details.

Holders of bonds, warrants or certificates issued with the Company's cooperation are permitted to attend the general meeting on the condition of compliance with the admission conditions applicable to shareholders.

Participants are invited to arrive from 14:15 CET (Belgian time) onwards on 8 May 2017 in order to enable smooth processing of registration formalities.

The possibility of submitting agenda items and/or motions for voting

In accordance with article 533ter of the Belgian Companies Code, one or more shareholders that jointly hold at least 3% of the capital shall have the right to have items placed on the agenda of the general meeting and to submit motions for voting concerning the items (to be placed) on the agenda. Such requests are to be submitted by email to johan.verlinden@fagron.com, no later than on 16 April 2017. More detailed information on the conditions for making use of this option is available on the Company website (www.fagron.com).

No later than on 21 April 2017, the agenda, with any such additions, will be published in the Belgian Bulletin of Acts, Orders and Decrees, a national newspaper and a European-wide medium.

Right to ask questions

During the general meeting, the directors shall answer the questions asked by the shareholders during the meeting or submitted in writing before the meeting regarding their report or the agenda items, such in accordance with the applicable legal provisions. The statutory auditor shall also answer the questions asked by the shareholders during the meeting or submitted in writing before the meeting regarding his report. Questions are to be submitted by email to johan.verlinden@fagron.com, no later than on 2 May 2017. More detailed information on the right to ask questions is available on the Company website (www.fagron.com).



Proxies and voting instructions

Shareholders who wish to be represented by a different person at the meeting can indicate this via www.abnamro.com/evoting no later than 2 May 2017 at 24:00 CET (Belgian time). Moreover, shareholders can give voting instructions to Johan Verlinden, Global Legal Affairs Director via www.abnamro.com/evoting. In addition, shareholders can make use of the proxy form as prepared by the board of directors. A copy is available at the company's statutory office. The proxy form is also available on the company website (www.fagron.com). No other proxy forms will be accepted. This proxy must be filed at the company's statutory office, for the attention of the board of directors, or sent by email to johan.verlinden@fagron.com, in either case no later than at 24:00 CET (Belgian time) on 2 May 2017.

Availability of documents

As from 7 April 2017, during working days and during the normal opening hours of the office, the shareholders and holders of warrants may review the documents to be presented to the general meeting, the motions to vote or, if the item to be presented does not require any decision, a comment from the board of directors for each agenda item to be discussed, and the forms to be used for voting by proxy, at the company's statutory office.

Any further information that must be made available in accordance with the provisions of article 533bis, paragraph 2 of the Belgian Companies Code shall be made available on the company website (www.fagron.com) or via ABN AMRO (www.abnamro.com/evoting) no later than on 7 April 2017.

The original Dutch version of this document is available. In matters of any misinterpretation, the Dutch version will prevail.

The board of directors