

Fagron NV
Subscription Rights Plan 2020

Approved by the Board of Directors of the Company on 4 August 2020,

*In case of any discrepancy between the English translation and the original
Dutch version of this Subscription Rights Plan, the latter shall prevail.*

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1. DEFINITIONS

In this Plan, the terms listed below shall have the following meanings:

Belgian Companies and Associations Code (BCCA):	The Belgian Act of 23 March 2019 containing the Companies and Associations Code as amended from time to time.
Beneficiary:	the legal heirs of the Subscription Right Holder or each person regularly designated by the Subscription Right Holder to exercise the rights of the Subscription Right Holder subject to this Agreement following the death of the Subscription Right Holder. The designation, revocation and redesignation of a Beneficiary must be effected in writing. In the absence of any valid designation, the heirs of the Subscription Right Holder shall be deemed to be the Beneficiary in accordance with the applicable law of inheritance. In the case of several heirs, all heirs acting jointly or a single person jointly designated by all the heirs shall be deemed to be the Beneficiary.
Bad Leaver:	has the meaning as provided in Article 7.2 of this Plan.
Board of Directors:	the board of directors of the Company.
Committee:	the Nomination and Remuneration Committee of the Company.
Company:	Fagron NV, a public limited company with its registered office at Venecoweg 20A, 9810 Nazareth, Belgium.
Compelling Reason:	a compelling reason as defined in article 35 of the Act of 3 July 1978 concerning employment contracts or in similar legal provisions under the laws that apply to the Employment Contract or Management Agreement and subject to the condition that (i) the Subscription Right Holder concerned does not oppose immediate termination or (ii) the compelling reason was confirmed by (a) a court decision or a legal arbitral decision against which further appeal is not possible or (b) a settlement agreement or amicable settlement
Consultant:	a (current or future) natural or legal person that provides services to the Company or to a Subsidiary on a contractual basis but who is not an Employee, irrespective of whether the contract was concluded directly with the natural or legal person or, in the case of a natural person, with a legal person that has entrusted the provision of services to that natural person.
Date of Issuance:	the date on which the competent body proceeds to the issuance of Subscription Rights.
Date of the Offer:	the date on which the Committee makes the number of Subscription Rights to be granted known to the Selected Participants in accordance with the terms and conditions of this Plan.

Director:	a director of the Company.
End of the Director's mandate:	the effective date of termination, for any reason whatsoever, of the mandate as Director, with the exception of termination followed by the re-appointment as Director of the Company.
End of the Employment Contract:	the effective date of termination, for any reason whatsoever, of the employment contract between the Subscription Right Holder concerned and the Company or a Subsidiary, with the exception of termination followed by employment at the Company or a Subsidiary.
End of the Management Agreement:	the effective date of termination, for any reason whatsoever, of the management agreement between the Subscription Right Holder concerned and the Company or a Subsidiary, with the exception of termination followed by the appointment at the Company or a Subsidiary.
Employee:	an employee of the Company or a Subsidiary with an employment contract of undetermined duration.
Exercise Periods:	the periods in which, in accordance with article 8.1 of this Plan, the Subscription Right Holder can exercise the Subscription Rights offered to him in order to acquire Shares of the Company.
Exercise Price:	the price that the Subscription Right Holder must pay the Company to acquire a Share when exercising the Subscription Rights.
Good Leaver:	has the meaning as provided in Article 7.2 of this Plan.
Management Agreement:	the agreement concluded between the Consultant and the Company or a Subsidiary concerning the provision of services to the Company or to the Subsidiary.
Plan:	the present Subscription Right Plan of the Company reserved for the Selected Participants.
Selected Participant:	each Director, Employee or Consultant selected by the Board of Directors in accordance with article 4.2. of this Plan, as member of the "personnel" in the meaning of article 1:27 BCCA.
Shares:	the capital shares of the Company to be issued following the issuance of the Subscription Rights.
Subscription Right:	a right to subscribe to newly issued Shares in accordance with this Plan.
Subscription Right Holder:	the person to whom a Subscription Right was granted in accordance with this Plan.

Subsidiary: any subsidiary of the Company as defined in Article 1:15 BCCA.

2. OBJECT OF THE PLAN

Each Subscription Right entitles its holder to acquire one Share.

The maximum number of Shares that can be granted pursuant to the exercise of Subscription Rights within the framework of this Plan shall be 2,600,000 Shares.

3. RIGHTS ATTACHED TO THE SUBSCRIPTION RIGHTS

3.1 Rights as a shareholder

The Subscription Right Holder is in no way whatsoever a shareholder and does not have the rights and privileges of a shareholder. The foregoing applies until the date on which his Subscription Rights are exercised in accordance with the present Plan.

3.2 Acquired rights

The present offer of Subscription Rights does not confer any right on the Subscription Right Holder to a later grant of Subscription Rights. The grant shall in no case be deemed to be the conferral of a right on the Subscription Right Holder or any other Selected Participant to receive additional Subscription Rights or to take part in other grants in the future.

4. OFFER OF THE SUBSCRIPTION RIGHTS

4.1 Eligible persons

The Subscription Rights shall be offered to the Selected Participant in writing. The Company or Subsidiary shall comply with applicable tax and social security legislation in this regard.

The offer of the Subscription Rights must be accepted in writing within sixty (60) days of the Date of the Offer, after which the Offer shall lapse.

4.2 Granting of Subscription Rights to the Selected Participants

The Board of Directors, on the advice of the Committee, shall determine (i) which persons are Selected Participants, (ii) the number of Subscription Rights that shall be offered to each of the Selected Participants and (iii) the conditions attached to the Subscription Rights in accordance with the provisions of this Plan.

The Subscription Rights will be issued by the competent body of the Company, i.e. the Board of Directors as part of the capital increase of the Company, in the framework of the authorised capital. The conditions with respect to the term, the vesting, the price, the exercise dates and the transferability of the Subscription Rights will be included in the terms of issue of the Subscription Rights, as set out below.

The granted and accepted Subscription Rights will be registered in the register of the Subscription Right Holders.

5. CHARACTERISTICS OF THE PLAN

5.1 Price of the Subscription Rights

The Subscription Rights shall be granted to the Selected Participants for free.

5.2 Exercise Price

In accordance with the provisions of article 43, § 4, 1° of the Act of 26 March 1999 concerning the Belgian Action Plan for Employment 1998 (**Stock Options Act**), the Exercise Price is equal to the lower of (a) the average closing price of the Company's shares on the stock exchange over a period of thirty calendar days prior to the Date of the Offer or (b) the closing price of the Company's shares on the last business day prior to the Date of the Offer.

5.3 Right of acquisition

Each Subscription Right confers the right on the Subscription Right Holder to acquire a Share of the Company by paying the Exercise Price.

5.4 Life of the Subscription Rights

The life of the Subscription Rights shall be (10) years following the Date of Issuance.

5.5 Definitive vesting of the Subscription Rights

The Subscription Rights shall vest as from the third birthday of the Date of the Offer.

In the event of a public offer for the Shares, all Subscription Rights shall immediately vest and be exercisable in accordance with the provisions of article 8.2 of this Plan.

5.6 Non-transferability of the Subscription Rights

Except in the event of the death of the Subscription Right Holder (see article 7.3 of this Plan) or subject to the approval of the Board of Directors, the Subscription Rights granted within the framework of this Plan may not be transferred, given in pledge or disposed of in any other way whatsoever during their entire life.

5.7 Change in the capital structure of the Company

By way of derogation from article 7:71 BCCA, and without prejudice to the legally prescribed exceptions, the Company may pass all resolutions that it deems necessary in relation to its share capital, its articles of association or its management, including but not limited to mergers, capital increases or decreases (including those subject to conditions precedent), the issue of new shares, the payment of dividends, the issue of Subscription Rights, convertible bonds or other financial instruments of the Company, even if these resolutions could result in a decrease of the advantages offered to the Subscription Right Holders.

In the event of a change in the capital structure of the Company, whether through merger, demerger, spin-off, a capital increase or reduction, or as a result of any other action, the rights and Exercise Price of the outstanding

Subscription Rights shall if necessary be adjusted in accordance with the rules of Euronext Corporate Actions Policy.

6. CHARACTERISTICS OF THE SHARES

6.1 Nature of the Shares

Shares acquired pursuant to the exercise of the Subscription Rights are of the same nature and confer the same rights on the holders as the existing Shares of the Company at the time at which the Subscription Rights were exercised. The Company shall decide whether the Shares are delivered as registered or dematerialised shares.

6.2 Entitlement to dividend on the Shares

Shares acquired pursuant to the exercise of the Subscription Rights confer the same entitlement to dividend as the existing ordinary capital shares of the Company at the time at which the Subscription Rights were exercised.

6.3 Transferability of the Shares

The transferability of Shares that can be acquired by the exercise of Subscription Rights is not subject to any restriction whatsoever except those arising from mandatory legal or statutory provisions.

7. END OF THE EMPLOYMENT CONTRACT OR MANAGEMENT AGREEMENT

7.1 Good Leaver

A good leaver (**Good Leaver**) is defined as a Subscription Right Holder whose Employment Contract or Management Agreement Ends:

- (a) with a view to retirement (whereby retirement refers exclusively the take up of statutory pension);
- (b) because of the final permanent incapacity for work or the death of the Subscription Right Holder;
- (c) as a result of the termination by the Company or its Subsidiary (for reasons other than Compelling Reasons) or as a result of termination in mutual agreement between the Subscription Right Holder and the Company or as a result of the termination by the Subscription Right Holder; or
- (d) as a result of the end of the Director mandate for reasons other than grave error (*kennelijk grove fout*).

If the Subscription Right Holder is a Good Leaver he shall retain his exercisable (*vested*) Subscription Rights (as stipulated in articles 5.5 and 8.1), and the characteristics and rights attached to the exercisable (*vested*) Subscription Rights shall continue to apply in full. Furthermore, the Subscription Rights shall be exercisable in accordance with the provisions of and within the periods prescribed by this Plan.

Moreover, the Board of Directors can decide that, in any of the events as listed in Articles 7.1(a), 7.1 (b) or 7.1(c), the Subscription Right Holder may, in addition to his exercisable (*vested*) Subscription Rights, retain his Subscription Rights that are not yet exercisable (*vested*). In such case, the Subscription Rights that are not yet exercisable (*vested*) shall become definitely exercisable (*vested*) in accordance with the provisions of this Plan (as provided in Article 5.5 of this Plan). Once they have become exercisable (*vested*), these Subscription Rights shall

have all characteristics and rights attached to the exercisable (*vested*) Subscription Rights under this Plan and shall thus be exercisable in accordance with the provisions of and within the periods prescribed by this Plan.

7.2 Bad Leaver

A bad leaver (**Bad Leaver**) is defined as a Subscription Right Holder whose Employment Contract or Management Agreement Ends and who is not a Good Leaver.

In the case of a Bad Leaver, the Subscription Rights shall immediately be void and shall no longer be exercisable.

7.3 Death of the Subscription Right Holder

If a Subscription Right Holder dies, only the exercisable (*vested*) Subscription Rights (as stipulated in articles 5.5 and 8.1) held by the Subscription Right Holder shall pass to the Subscription Right Holder's Beneficiary, and the characteristics and rights attached to the exercisable (*vested*) Subscription Rights shall continue to apply in full.

The Beneficiary shall be entitled to exercise the exercisable (*vested*) Subscription Rights immediately or wait until the last Exercise Period prior to the end of the life of the Subscription Rights.

8. EXERCISE OF THE SUBSCRIPTION RIGHTS

8.1 Exercise Periods

The Exercise of the exercisable (*vested*) Subscription Rights at the Exercise Price shall take place unconditionally and irrevocably and may only take place (i) from 15 February until 15 March of each calendar year, (ii) from 15 August until 15 September of each calendar year and (iii) during the last month before the expiry of the term of the Subscription Rights.

The Board of Directors can decide to provide for additional exercise periods.

The Subscription Right Holders must strictly comply with applicable legislation pertaining to insider trading.

Each participant may opt to refrain from exercising the Subscription Rights in the course of an Exercise Period and exercise such unexercised Subscription Rights in a later Exercise Period.

If exercisable (*vested*) Subscription Rights are not exercised by the time the last Exercise Period, applicable to the respective Subscription Rights, ends, those Subscription Rights shall automatically be void and shall no longer be exercisable.

8.2 Public offer

In the event of a public offer for the Shares of the Company, the Subscription Rights (which shall become immediately vested in accordance with the provisions of article 5.5 of this Plan), may be exercised from the first day of the offer until the third day prior to the closing of the offer. In the event of a change of control over the Company other than in the event of a public offer for the Shares of the Company, the Subscription Rights can be exercised during a period of two weeks following the announcement of the change of control. Change of control

means each of the acquisition of control in accordance with article 1:14 BCCA, the loss of exclusive control or the sale by one shareholder of a stake of shares representing more than 30% of the share capital of the Company.

8.3 Belgian Stock Options Act

Subscription Right Holders subject to the Belgian Stock Options Act may opt to refrain from exercising their Subscription Rights before the end of the third calendar year following the calendar year in which the Subscription Rights were offered.

8.4 Partial Exercise

Exercisable (*vested*) Subscription Rights may be exercised as a whole or in parts. A Subscription Right may not, however, be exercised with respect to fractions of Shares.

8.5 Method of Exercise

A exercisable (*vested*) Subscription Right is deemed to have been exercised upon receipt by the Committee or the financial broker designated by the Company, within the period of time specified below, of:

- (a) A written notification in the form determined by the Committee which states that a Subscription Right or a number of Subscription Rights are being exercised. This notification must explicitly state the number of Shares that are being subscribed to;
- (b) Full payment of the Exercise Price for the Shares for which the Subscription Rights were exercised by bank transfer of the amount payable to a Company bank account having the number specified by the Company;
- (c) If the Subscription Rights are exercised by a person or persons other than the Subscription Right Holder, proper proof of the right of this person or of these persons to exercise the Subscription Rights; and
- (d) Statements and documents required or deemed desirable by the Committee to ensure compliance with all applicable legislative and regulatory provisions, and of which the Committee requests submission.

All of the foregoing items must be in the possession of the Committee or the designated financial broker no later than on the last day of the prescribed Exercise Period.

8.6 Acquisition of Shares

The Company shall only be obliged to deliver the Shares pursuant to the exercise of the Subscription Rights if the conditions specified under 8.5 have been met.

Following the exercise of a Subscription Right, the Committee shall deliver the Shares to the transferee within a period of eight working days. The Subscription Right is deemed vested on the last day of the Exercise Period during which it has been exercised.

The Company shall decide whether the Shares are delivered as registered or dematerialised shares.

9. ADMINISTRATION

By approving this Plan, the Board of Directors has delegated powers to the Committee. The Committee is instructed to conduct the general administration of the Plan in accordance with its provisions and under the supervision of the Board of Directors. The Committee is authorised to interpret this Plan and to establish rules that are consistent with it for purposes of administration, interpretation and application, and to interpret and amend these rules. Grants made under this Plan do not have to be the same with respect to each Subscription Right Holder. The Board of Directors retains absolute authority at any and all times to itself exercise the Committee's rights and obligations under this Plan or to delegate these rights and obligations to another committee set up by the Board of Directors.

Decisions of the Committee may not change the terms and conditions of the Plan.

The Committee shall decide by a majority of votes.

10. MISCELLANEOUS

10.1 Amendments to this Plan

This Plan may be amended or changed in full or in part by the Board of Directors at any and all times. An amendment or change to this Plan may not, however, curtail the rights attached to an offered Subscription Right without the approval of the Subscription Right Holder concerned. If required by law, the approval of the general meeting of the Company shall be obtained.

10.2 Costs

The Company shall bear the costs of the issuance of the Subscription Rights and the capital increase pursuant to the exercise of the Subscription Rights.

Income and salary taxes, stock exchange taxes and/or any other taxes or rights resulting from the granting, the ownership, the exercise and/or the transfer of the Subscription Rights, and/or the acquisition, delivery, ownership and/or transfer of the Shares (the **Taxes**), shall be paid by the Subscription Right Holders.

If and insofar the Company is required to withhold or pay Taxes all outstanding and/or future payments or amounts due to the Subscription Right Holder (including potential future fee payments) will be decreased with an equal amount and the Company can make such arrangements on behalf of the Subscription Right Holder, including but not limited to the sale of any Shares, as it considers necessary to settle such Taxes.

10.3 Applicable law

This Plan is governed by Belgian law.

10.4 Competent courts

Disputes shall be settled exclusively by the (Dutch-speaking) courts and tribunals of Brussels, Belgium.

10.5 Notifications

All notifications to Subscription Right Holders shall be sent to the addresses specified in the register of Subscription Right Holders.

All notifications to the Company shall be duly sent to its registered office, the address of which is specified in this instrument. Changes of address shall be communicated in accordance with this provision.

Changes of address must be reported in accordance with this provision.

Approved by the Board of Directors

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