

Regulated information

Nazareth (Belgium)/Rotterdam (The Netherlands), 12 April 2019 – 9pm CET

## Convocation annual general meeting and extraordinary 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")

Venecoweg 20a

9810 Nazareth

Belgium

VAT BE 0890.535.026

RLE Ghent (division Ghent)

### CONVOCAATION

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 the registered office of the Company at 9810 Nazareth, Venecoweg 20a, Belgium, on Monday 13 May 2019 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 Barbara Glorieux, civil-law notary in Ghent (Sint-Denijs-Westrem), 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 3 June 2019 at 4.30 p.m. CET (Belgian time) at the office of civil-law notary Liesbet Degroote, civil-law notary in Kortrijk, Beneluxpark 13, 8500 Kortrijk, Belgium, 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 2018 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 2018 annual financial statements. Both reports are available on the website ([www.fagron.com](http://www.fagron.com)) as from today.*



2. Discussion and approval of the annual financial statements closed on 31 December 2018.

*Motion to vote: Approval of the financial statements closed on 31 December 2018.*

3. Allocation of the result of the financial year closed on 31 December 2017.

*Motion to vote: Approval of the allocation of the result, including payment of a dividend, 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](http://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 2018 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 2018 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 2018. In this context, the board of directors refers to (i) the Corporate Governance Charter available on the website ([www.fagron.com](http://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.

*Comment to the agenda item: The shareholders acknowledge that the annual remuneration payable to the non-executive directors, as approved by the shareholders in the Shareholders' Meeting of 14 May 2018, will remain unchanged for the year 2019.*



*Motion to vote: The shareholders decide that the annual remuneration payable to the non-executive directors, as approved by the shareholders in the Shareholders' Meeting of 14 May 2018, will remain unchanged for the year 2019.*

#### 10. Information concerning the remuneration of Statutory Auditor

*Motion to vote: Approval of the remuneration of the statutory auditor for auditing the Company during the accounting year 2018 as included in the annual report.*

*Approval of the remuneration of the statutory auditor for auditing the Company (including the consolidation and the half-year audit) for the accounting year 2018 as included in the annual report.*

#### 11. Appointment of the statutory auditor for the years 2019-2021 and approval of its remuneration.

*Comment to the agenda item: On the recommendation of the audit committee, the Board of Directors proposes to appoint the statutory auditor as proposed in the annual report for a period of three years. The Board of Directors proposes to appoint the non-trading partnership which has adopted the form of a Cooperative Society with Limited Liability Deloitte Statutory Auditors with its registered office in Belgium at Luchthaven Brussel Nationaal 1, Bus 1J, 1930 Zaventem as statutory auditor for a period of three years. This company has appointed Ine Nuyts, statutory auditor, as its representative with the power of representation for the execution of the aforementioned mandate in the name and for the account of the Cooperative Society with Limited Liability. The mandate lapses after the annual general meeting of shareholders which decides on the approval of the annual accounts of 31 December 2021.*

*Motion to vote: The General Meeting appoints Deloitte Statutory Auditors CVBA with its registered office in Belgium at Luchthaven Brussel Nationaal 1, Bus 1J, 1930 Zaventem as statutory auditor for a period of three years. This company has appointed Ine Nuyts, statutory auditor, for a period of three years as proposed in the annual report. The mandate ends after the annual general meeting of 2022.*

*Approval of the remuneration for auditing the public limited company Fagron (including the consolidation and the half-year inspection) for the accounting year 2019 at 450.000 euro (excluding VAT and expenses) of which 118.000 euro is foreseen for the statutory audit of the Company. This amount may be adjusted annually in line with adjustments in the Consumer Price Index or as agreed between the parties.*

#### 12. Approval of the cooptation by the board of directors of Judy Martins as non-executive director.

*Comment to the agenda item: Ratification of the decision of the board of directors to appoint Judy Martins as non-executive director of the Company as from 1 August 2018 to complete the term of the mandate of WPEF VI Holdco III BE B.V., permanently represented by Mrs. Nathalie Clybouw.*

*Mrs Judy Martins has been working at Waterland since 2006 and currently fulfils the role of general counsel and compliance officer of the Waterland Group. Before this, she worked for ten years in the trust sector, at Rokin Corporate Services (Stibbe) and ATC Trustees (now Intertrust). She studied Dutch Law (Corporate Law) at the Free University of Amsterdam. Before the Dutch Law degree, she completed the*



*propaedeutic course in Cultural Anthropology at the University of Amsterdam and subsequently followed higher education Culture, Organization and Management, at VU University Amsterdam with a focus on change management.*

*Motion to vote: Approval of the cooptation of Judy Martins as non-executive director of the Company as from 1 August 2018 to complete the term of the mandate of WPEF VI Holdco III BE B.V., permanently represented by Mrs. Nathalie Clybouw. This appointment expires immediately after the annual general shareholders' meeting of 2020 relating to the financial year closed on 31 December 2019. The mandate will be remunerated in accordance with the decisions of the annual shareholders meeting.*

### 13. Reappointment of an independent non-executive director.

*Comment to the agenda item: On the advice of the Appointment and Remuneration Committee, the board of directors proposes that AHOK BVBA, permanently represented by Mr. Koen Hoffman be reappointed as independent non-executive director in accordance with and fulfilling all independence criteria as foreseen in article 526ter of the Belgian Companies Code and/or as foreseen in the Belgian Corporate Governance Code 2009 for a term of 4 years. He will be remunerated in accordance with the principles as established for the non-executive directors.*

*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 and member of the supervisory board of Patria Securities. He started his career at the corporate finance department of KBC Bank. Mr Hoffman serves as an independent non-executive director of a.o. Greenyard Foods, Mithra Pharmaceuticals, MDX Health and Snowworld.*

*Motion to vote: The general meeting reappoints AHOK BVBA permanently represented by Mr. Koen Hoffman, as independent non-executive director for a term of 4 years. AHOK BVBA, permanently represented by Mr. Koen Hoffman's assignment will end immediately after the annual general meeting in the year 2023 relative to the approval of the annual accounts ending on 31 December 2022. The mandate will be remunerated in accordance with the decisions of the annual shareholders meeting.*

### 14. Reappointment of an independent non-executive director.

*Comment to the agenda item: On the advice of the Appointment and Remuneration Committee, the board of directors proposes that Vanzel G. Comm. V., permanently represented by Mrs. Giulia Van Waeyenberge be reappointed as independent non-executive director in accordance with and fulfilling all independence criteria as foreseen in article 526ter of the Belgian Companies Code and/or as foreseen in the Belgian Corporate Governance Code 2009 for a term of 4 years. She will be remunerated in accordance with the principles as established for the non-executive directors.*

*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: The general meeting reappoints Vanzel G. Comm. V., permanently represented by Mrs. Giulia Van Waeyenberge, as independent non-executive director for a term of 4 years. Vanzel G. Comm. V., permanently represented by Mrs. Giulia Van Waeyenberge's assignment will end immediately after the annual general meeting in the year 2023 relative to the approval of the annual accounts ending on 31 December 2022. The mandate will be remunerated in accordance with the decisions of the annual shareholders meeting.*

#### 15. 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.*

#### 16. Miscellaneous.

## **II. Agenda of the extraordinary general meeting**

The agenda, the comments from the Board of Directors and the motions to vote of the Company's extraordinary general shareholders' meeting are the following:

### 1. Approval of the Warrant Plan 2019, in accordance with article 7.13 of the Belgian Corporate Governance Code.

*Motion to vote: Upon proposal of the Board of Directors, assisted by the Nomination and Remuneration Committee, suggests the approval of the Warrant Plan 2019 as published on the website ([www.fagron.com](http://www.fagron.com)), in accordance with article 7.13 of the Belgian Corporate Governance Code.*

### 2. Application of article 556 of the Belgian Companies Code (BCC) – Warrant Plan 2019.

*Motion to vote: In accordance with article 556 BCC, approval of the provisions of and actions pursuant to the Warrant Plan 2019, and in particular the provisions granting rights to third parties (in this case the beneficiaries of the Warrant Plan 2019) that affect the Company's equity, or due to which a debt or obligation arises to the Company, and where exercising these rights is dependent on a public offer on the Company's shares or a change of control exerted on the Company.*



3. Reading of and discussing on:

- *The special report of the Board of Directors in accordance with articles 583 and 596 BCC, regarding the issuance of 300,000 warrants (the Warrants) which each give the right to subscribe to one of the Company's shares with cancellation of preferential subscription rights to the benefit of certain employees of the Company and its subsidiaries and to the benefit of future self-employed workers of the Company and its subsidiaries; and*
- *The special report of the auditor of the Company in accordance with article 596 BCC regarding the issuance of the Warrants with cancellation of the preferential subscription rights to the benefit of certain employees of the Company and its subsidiaries and to the benefit of future self-employed workers of the Company and its subsidiaries.*

*Comment to the agenda item: The Board of Directors requests the extraordinary general shareholders' meeting to review the special report of the Board of Directors in accordance with articles 583 and 596 BCC and the special report of the auditor of the Company in accordance with articles 596 BCC.*

4. Issuance of Warrants and determination of the issue conditions of the Warrants.

*Motion to vote: Issuance of 300.000 Warrants and determination of the issue conditions of the Warrants in accordance with the Warrant Plan 2019. The Warrants will have a term of 5 years from the date of the offer and will be granted for free as described in the Warrant Plan 2019. In accordance with the Warrant Plan 2019 the Warrants will be granted to certain employees of the Company and its subsidiaries and to future self-employed employees of the Company and its subsidiaries. The issue price shall be equal to the lowest of (a) the average of the closing stock prices of the Company's shares over the 30 calendar days' period immediately preceding the offer and (b) the lowest closing price prior to the day of the offer, taking into account that the issue price of the Warrants granted to persons that are not employees of the Company or its subsidiaries in accordance with article 598, paragraph 2 BCC shall not be lower than the average closing price of the Company's share within a period of 30 days prior to the issue date.*

5. Resolution to increase the capital under the condition precedent of the exercise of the Warrants and recording thereof in a notarial deed and by issuing a number of ordinary shares of the Company with the same rights and benefits as the existing shares of the Company.

*Motion to vote: Increase of the Company's share capital, under the condition precedent of the offer, the acceptance and the exercise of the Warrants and the recording of the capital increase in a notarial deed with an amount equal to the product of (i) the number of shares issued upon exercise of the Warrants and (ii) the exercise price or, in the event that this exceeds the par value, the par value of the Company's existing ordinary shares at the moment of exercising, and by issuing a number of the Company's ordinary shares that will share in any profit for the financial year in which the underlying warrants are exercised and all following financial years; any positive difference between the issue price of the Warrants and the amount of the capital increase will serve as an issue premium, which will be booked on an unavailable reserve "issue premium", which will form a guarantee toward third parties in the same manner as the*



*Company's capital and which can only be decreased or distributed in accordance with the conditions required by the Belgian Companies Code for a modification of articles of association.*

6. Cancellation of the preferential subscription right of the existing shareholders (i) to the benefit of certain employees of the Company and its subsidiaries, (ii) to the benefit of future self-employed employees of the Company and its subsidiaries.

*Motion to vote: Cancellation of the preferential subscription right of the existing shareholders in the context of the issuance of the Warrants (i) to the benefit of certain employees of the Company and its subsidiaries, (ii) to the benefit of future self-employed employees of the Company and its subsidiaries.*

7. Subscription to the Warrants.

*Motion to vote: Granting of the Warrants to the Company, with a view to offer and grant them to employees of the Company and its subsidiaries, to future self-employed employees of the Company and its subsidiaries, based on the recommendations of the Nomination and Remuneration committee in the context of the Warrant Plan 2019. The Company cannot exercise the Warrants itself.*

8. Power of attorney to the members of the Board of Directors.

*Motion to vote: Granting of a power of attorney to every member of the Board of Directors, acting independently, with the possibility of substitution, to determine the exercise of the Warrants, the realization of the capital increase possibly resulting therefrom (including the incorporation of the issue premium, as the case may be) and the issuance of the shares, to execute the notarial deeds concerning the recording of the capital increases as a result of the exercising of the Warrants, to modify the articles of association in order to adapt these to the new share capital amount and the new number of shares as a consequence of the exercise, and to practically organize the execution modalities, the registration in the Company's share register, the application for dematerialisation or admission to trading of the shares on Euronext Brussels and Euronext Amsterdam.*

9. Authorization for the acquisition and disposal of treasury shares - Amendment of Article 53 of the articles of association

*Comment on the item on the agenda: The authorization granted by the extraordinary shareholders' meeting of 12 December 2014 to the board of directors to acquire or dispose of treasury shares for a period of 5 years from the moment of authorization will expire on 12 December 2019.*

*The authorization of the board of directors to acquire treasury shares for a period of 5 years from the moment of authorization, for a maximum of 10% of the issued share capital, by purchase or exchange, directly or through a person acting in his/her/its own name but for the company's account, at a price no lower than € 1.00 and not higher than the average of the closing quotation prices for the 10 working days prior to the date of the purchase or exchange, plus 10%, in such a way that the company at no time shall hold treasury shares whose accounting par value is higher than 10% of the issued capital of the company must be renewed accordingly.*



*In addition, the board of directors shall also be authorized to dispose of these shares without being bound to the above-mentioned price and time restrictions. These authorizations may also be used for the possible acquisition or disposal of shares of the company by direct subsidiaries in the sense of Article 627 of the Belgian Companies Code.*

*Article 53 of the articles of association must be amended in this sense.*

*Proposed resolution: Approval of the resolution to authorize the board of directors for the acquisition and disposal of treasury shares and consequently to amend Article 53 of the articles of association as follows:*

*Delete "12 December 2014" in paragraph 1 of Article 53 and replace it with either "13 May 2019" or "3 June 2019".*

#### 10. Coordination of the articles of association – Publication formalities.

*Motion to vote: Approval of the assignment to each director of the Company individually, with the right of subrogation, and to the notary public of the powers to coordinate, deposit and publish the articles of association of the Company in order to reflect the changes and amendments in accordance with the foregoing resolutions.*

#### 11. Power of attorney.

*Motion to vote: Power of attorney to Mr Johan Verlinden, with the possibility of substitution, choosing as address Venecoweg 20a, 9810 Nazareth, and to Mrs Susana Gonzalez-Melon, with the possibility of substitution, choosing as address Tervurenlaan 268A, 1150 Sint-Pieters-Woluwe, to act individually 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 authorised 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.*

#### **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 4, 5, 6, 7 and 9 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.

#### **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 4, 5, 6 and 7 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. The proposed resolution referred to in item 9 referred to in aforementioned agenda of the extraordinary general shareholders' meeting shall be passed if they are approved by a majority of 80% of the votes validly cast by the shareholders in accordance with article 620 §1 section 1 juncto article 559 BCC.

In accordance with applicable law, the proposed resolutions under the other items of the agenda of the extraordinary general shareholders' meeting shall be passed if they are approved by a majority of 50% of the votes validly cast by the shareholders.

### **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 29 April 2019, 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 7 May 2019 that he/she wishes to participate in the annual general shareholders' meeting and the extraordinary general shareholders' meeting. This must be reported via the shareholdersportal of ABN AMRO which is available on [www.abnamro.com/evoting](http://www.abnamro.com/evoting) or by email ([johan.verlinden@fagron.com](mailto: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](http://www.abnamro.com/intermediary) no later than on 7 May 2019 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 29 April 2019 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 13 May 2019 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](mailto:johan.verlinden@fagron.com), no later than on 21 April 2019. More detailed information on the conditions for making use of this option is available on the Company website ([www.fagron.com](http://www.fagron.com)).

No later than on 26 April 2019, 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](mailto:johan.verlinden@fagron.com), no later than on 7 May 2019. More detailed information on the right to ask questions is available on the Company website ([www.fagron.com](http://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](http://www.abnamro.com/evoting) no later than 7 May 2019 at 24:00 CET (Belgian time). Moreover, shareholders can give voting instructions to Johan Verlinden, Global Legal Affairs Director via [www.abnamro.com/evoting](http://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](http://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](mailto:johan.verlinden@fagron.com), in either case no later than at 24:00 CET (Belgian time) on 7 May 2019.

### **Availability of documents**

As from 12 April 2019, 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](http://www.fagron.com)) or via ABN AMRO ([www.abnamro.com/evoting](http://www.abnamro.com/evoting)) no later than on 12 April 2019.



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

The board of directors