



Befesa S.A.

46, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg B 177697

- ISIN LU 1704650164 -

Convening Notice

The shareholders of Befesa S.A., *société anonyme* (the "Company")
are hereby invited to attend the

Annual General Meeting of our Company

to be held on Wednesday, 19 June 2019 at 11:30 a.m. CET

at Le Royal Hotel

12, boulevard Royal

L-2449 Luxembourg, Grand Duchy of Luxembourg

to deliberate and vote on the following agenda:

A. Agenda and Proposed Resolutions for the Annual General Meeting of the Company

1. Presentation of the combined consolidated management report and of the corporate governance report of the board of directors of the Company (the "Board of Directors") and of the report of the independent auditor (*réviseur d'entreprises agréé*) on the Company's consolidated financial statements for the financial year ended 31 December 2018 prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union and on the Company's annual accounts for the financial year ended 31 December 2018 prepared in accordance with Luxembourg Generally Accepted Account Principle(s) ("GAAP").

No resolution required.

2. **Approval of the Company's consolidated financial statements for the financial year ended 31 December 2018.**

The Board of Directors proposes that the Annual General Meeting, after having reviewed the management report and corporate governance report of the Board of Directors and the report of the independent auditor, approves the consolidated financial statements for the financial year ended 31 December 2018 in their entirety, showing a consolidated net profit of EUR 90,189,000 (ninety million one hundred eighty-nine thousand Euro).

3. **Approval of the Company's annual accounts for the financial year ended 31 December 2018.**

The Board of Directors proposes that the Annual General Meeting, after having reviewed the management report and the corporate governance report of the Board of Directors and the report of the independent auditor, approves the annual accounts for the financial year ended 31 December 2018 in their entirety, showing a net profit of EUR 50,174,199.01 (fifty million one hundred seventy-four thousand one hundred ninety-nine Euros and one Euro cents).

4. **Allocation of results and distribution of dividends for the financial year ended 31 December 2018.**

The Board of Directors proposes that the Annual General Meeting resolves to approve the distribution of a dividend in an amount of EUR 1.32 (one Euro thirty-two Euro cents) gross per share resulting in an aggregate dividend distribution in an amount of EUR 44,968,050.60 (forty-four million nine hundred sixty-eight thousand fifty Euros and sixty Euro cents) gross and to allocate the results of the Company based on the stand-alone annual financial statements of the Company

prepared in accordance with Luxembourg GAAP for the financial year ended 31 December 2018 as follows:

	in EUR
Profit for the financial year 2018	50,174,199.01
Allocation to the legal reserve	2,508,709.95
Compensation of losses brought forward	2,697,438.46
Proposed Dividend (1.32 EUR per share)	44,968,050.60

The General Meeting acknowledges that the first date for trading shares with no entitlement to receive the dividend shall be 20 June 2019 (Ex-Date). The payment of the dividend shall commence on 3 July 2019.

5. Granting of discharge to each of the members of the Board of Directors of the Company for the exercise of their mandate during the financial year ended 31 December 2018.

The Board of Directors proposes that the Annual General Meeting approves that discharge be granted to each of the members of the Board of Directors of the Company for the execution of their mandates as director of the Company during the financial year ended 31 December 2018.

6. Approval and, to the extent necessary, ratification of the remuneration of each non-executive director of the Board of Directors for the financial year 2019.

The Board of Directors proposes that the Annual General Meeting approves the remuneration for the non-executive directors of the Board of Directors for the 2019 financial year, consisting in an annual fee for each non-executive director of EUR 60,000 and an additional annual compensation of EUR 90,000 for the Chairman of the Board of Directors (in his capacity as chairman):

- Mr Romeo Kreinberg (Chairman of the Board of Directors)
- Ms Frauke Heistermann
- Mr Johannes Maret
- Mr Roland Oelschläger
- Mr Manuel Soto
- Mr Georg Graf von Waldersee
- Mr Santiago Zaldumbide

7. Appointment of an independent auditor for the financial year 2019.

The Board of Directors proposes that the auditing firm KPMG Luxembourg Société Coopérative, with registered office at 39, Avenue John F. Kennedy L-1855 Luxembourg, and registered with the Luxembourg register of commerce and companies under number B149133, be appointed as independent auditor (*réviseur d'entreprises agréé*) to perform the independent audit of the Company regarding the financial year 2019.

B. Availability of the documentation, attendance and voting procedure

1. Available information and documentation

The following information is available until the ending of the Annual General Meeting on the Company's homepage (http://www.befesa.com/web/en/informacion_inversores/annual-general-meeting/index.html) and at the Company's registered office in Luxembourg starting on the day of publication of this convening notice in the Luxembourg official gazette (*Recueil Electronique des Sociétés et Associations*) and in the Luxembourg newspaper Luxembourg Wort:

- this convening notice for the Annual General Meeting 2019;
- the total number of shares and voting rights at the date of the convening notice;
- the full text of any document to be made available by the Company at the Annual General Meeting 2019 (i.e. *inter alia* the annual report containing the 2018 annual financial statements, the management report, the corporate governance report and the independent auditor report on the Company's standalone and consolidated accounts);
- the full text of the draft resolutions in relation to each of the items included in the agenda to be adopted at the Annual General Meeting or, where no resolution is proposed to be adopted, a comment from the Board of Directors;
- the declaration of participation and the attestation form; and
- the proxy forms and postal voting forms (Ballot Papers) to be used to vote by proxy and to vote by post.

Shareholders may obtain without charge a copy of the full text of any of the above documents upon request to BNP Paribas Securities Services, Luxembourg Branch in its capacity as duly mandated agent of the Company ("BNP Paribas") to the mail, fax or e-mail addresses detailed in section 6 of this convening notice.

2. Quorum and majority requirements

There are no quorum requirements to be able to participate or vote at the Annual General Meeting of the shareholders.

The agenda items are adopted by a simple majority of the voting rights duly present or represented.

3. Share capital and voting rights

At the time of convening the Annual General Meeting, the Company's registered capital amounts to EUR 94,575,646.35 and is divided into 34,066,705 shares.

Each share entitles the holder to one vote, so that the total number of votes at the time of convening the Annual General Meeting of the Company is 34,066,705.

4. Requirements for participating in the Annual General Meeting and exercising voting rights

4.1. Record date

The rights of a shareholder to participate in the Annual General Meeting and to vote shall be determined with respect to the shares held by that shareholder on **5th June 2019 at midnight (24:00 CET)**; (the "**Record Date**").

Eligibility to participate in the Annual General Meeting or the extent of voting rights is determined exclusively by share ownership on the Record Date. Any changes in share ownership after the Record Date will not be taken into account.

4.2. Registration procedure and evidence of share ownership

Shareholders who wish to participate in the Annual General Meeting of our Company and to vote in respect of the shares held by them on the Record Date (regardless the manner they wish to participate, either in person, or by representation through proxy or voting by post) shall submit:

- (i) the Declaration of Participation the latest by 5 June 2019 (24:00 CET); **and**
- (ii) the Attestation of Share Ownership the latest by 14 June 2019 (17:00 CET).

The right of the shareholder to participate and vote in the Annual General Meeting will only be completed when providing both documents before the deadlines established herein.

(i) **Declaration of Participation:**

The shareholders who wish to participate (either in person, or by voting through proxy or voting by post) shall on or before the Record Date submit to BNP Paribas to the addresses detailed in section 6 of this convening notice a written declaration of their intention to participate at the Annual General Meeting (the "**Declaration of Participation**").

The Declaration of Participation shall be submitted by the shareholders regardless of the manner they wish to participate (personal attendance, representation by proxy or voting by post).

The form of Declaration of Participation can be requested from BNP Paribas and downloaded from the Company's website:

http://www.befesa.com/web/en/informacion_inversores/annual-general-meeting/index.html.

Please note that to be valid, the Declaration of Participation must be received by BNP Paribas by fax, e-mail, or mail at the latest on 5 June 2019 at 24:00 CET (with a copy to the Company at the following email address: AGM@befesa.com).

(ii) **Attestation of Share Ownership:**

The shareholders who intend to participate at the Annual General Meeting (either in person, representation by proxy or by voting by post) are also obliged to submit an attestation from their depository bank or financial institution stating the number of shares held by that shareholder on the Record Date (the "Attestation of Share Ownership").

The form of Attestation of Share Ownership can be requested from BNP Paribas and downloaded from the Company's website:

http://www.befesa.com/web/en/informacion_inversores/annual-general-meeting/index.html.

The Attestation of Share Ownership must be received by BNP Paribas by fax, e-mail or mail, at the latest on 14 June 2019 at 17:00 CET (with a copy to the Company at the following email address: AGM@befesa.com).

4.3. **Proxy voting representatives**

Shareholders who do not wish to attend the Annual General Meeting in person may appoint another natural or legal person who needs not to be a shareholder itself to attend and vote at the Annual General Meeting on their behalf.

A proxy holder may hold a proxy from more than one shareholder without limitation as to the number of shareholders so represented. The proxy holder will have to identify himself on the day of the Annual General Meeting by presenting a valid identification card.

In order to simplify the execution of their voting rights, the Company provides our shareholders the option of appointing a proxy voting representative named by the Company and bound by the instructions of the shareholder prior to the Annual General Meeting.

The form of Proxy Form that can be used to grant a proxy can be requested from BNP Paribas and downloaded from the Company's website:

http://www.befesa.com/web/en/informacion_inversores/annual-general-meeting/index.html.

To be valid, the Proxy Forms (in copy or in original) must be received by BNP Paribas by fax, e-mail or mail, on 14 June 2019 17:00 CET, at the latest (with a copy to the Company at the following email address: AGM@befesa.com).

Exercise of voting rights of shares in connection with duly filled and signed forms received after 14 June 2019 17:00 CET will not be admitted at the Annual General Meeting.

4.4. Postal voting

Furthermore, shareholders who do not wish to attend personally the Annual General Meeting nor appoint a representative to attend and vote on their behalf, may exercise their voting rights by casting their votes by post.

Shareholders must request the form of Postal Voting form (Ballot Papers) from BNP Paribas or, alternatively, download the form from the Company's website at http://www.befesa.com/web/en/informacion_inversores/annual-general-meeting/index.html, and send the duly completed and signed form to BNP Paribas).

To be valid, the Postal Voting Form must be received by BNP Paribas by fax, e-mail or mail, prior to 18 June 2019, 17:00 CET (with a copy to the Company at the following email address: AGM@befesa.com).

Exercise of voting rights of shares in connection with duly filled and signed Postal Voting Forms received after 18 June 2019 17:00 CET will not be admitted at the Annual General Meeting.

5. Additional important information for shareholders

5.1. Exercise of voting rights

Shareholders are hereby informed that the exercise of voting rights is exclusively reserved to such persons that were shareholders on the Record Date (or their duly appointed proxy holders).

Transfer of shares after the Record Date is possible subject to usual transfer limitations, as applicable. However, alterations (either positive or negative) of the number of shares owned by the shareholder after the Record Date will have no impact on the voting rights of that shareholder at the Annual General Meeting.

Likewise, any transferee having become owner of the shares after the Record Date has no right to vote at the Annual General Meeting.

5.2. Supplement to the convening notice and submission of proposed resolutions

Shareholders holding individually or collectively at least five per cent (5%) of issued shares capital of the Company are entitled to (i) request the addition of items to the agenda of the Annual General Meeting and (ii) to table draft resolutions for items included or to be included on the agenda of the Annual General Meeting.

Such right must be exercised by sending such request by 28 May 2019 at the latest to the address, fax number or email address of BNP Paribas detailed in section 6 of this convening notice (with a copy to the Company at the following email address: AGM@befesa.com).

Such request will only be accepted by the Company provided it includes (i) the wording of the new requested agenda item, and (ii) the justification or the wording of the proposed resolution pertaining to the items included or to be included, and (ii) an e-mail address or a postal address to which the Company may confirm receipt of the request.

Where the requests entail a modification of the agenda for the Annual General Meeting already communicated to the shareholders, the Company will publish a revised agenda on 4 June 2019 the latest.

This convening notice was made available to (i) registered shareholders that were known by name and address to the Company on 9 May 2019, if any, (ii) the members of the Board of Directors of the Company and (iii) the independent auditor (*réviseur d'entreprises agréé*) of the Company.

Subject to compliance with the threshold notification obligations provided for by the Luxembourg law of 11 January 2008 on transparency requirements for issuers of securities, there is no limit to the maximum number of votes that may be exercised by the same person, whether in its own name or by proxy.

The results of the vote will be published on the Company's website within fifteen (15) days following the Annual General Meeting.

6. Contact details of BNP Paribas

The contact details of the centralizing agent duly mandated by the Company to receive the Declaration of Participation, the Attestation of Share Ownership, the Proxy Forms, the Postal Voting Form, proposals of additional agenda items and proposed resolutions pursuant to this convening notice are as follows:

BNP Paribas Securities Services Luxembourg Branch

Corporate Trust Services

60, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Postal address: L-2085 Luxembourg, Grand Duchy of Luxembourg

Tel: + 352 26 96 2389 Fax: + 352 2696 9757

Email: lux.ostdomiciliees@bnpparibas.com

Luxembourg, 9 May 2019

Romeo Kreinberg

The Chairman of the Board of Directors