

Befesa S.A.

société anonyme

46, boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg

Grand Duchy of Luxembourg

R.C.S. Luxembourg B 177697

(the "Company")

Proposed Resolutions

Annual General Meeting of Shareholders of Befesa S.A.

to be held on Thursday, 18 June 2020 at 12:00 CEST

via audio conference initiated from Luxembourg, Grand Duchy of Luxembourg

1. **Presentation of the management report of the board of directors of the Company (the "Board of Directors"), including the corporate governance report, and of the reports of the independent auditor (*réviseur d'entreprises agréé*) on the Company's consolidated financial statements for the financial year ended 31 December 2019, 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 2019, 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 2019.**

The Board of Directors proposes that the General Meeting approves the consolidated financial statements for the financial year ended 31 December 2019 in their entirety, showing a consolidated net profit of EUR 82,713,000 (eighty-two million seven hundred thirteen thousand Euro).

3. **Approval of the Company's annual accounts for the financial year ended 31 December 2019.**

The Board of Directors proposes that the General Meeting approves the annual accounts for the financial year ended 31 December 2019 in their entirety, showing a net profit of EUR 45,507,604.03 (forty-five million five hundred seven thousand six hundred four Euro and three Euro cents).

4. **Allocation of results for the financial year ended 31 December 2019.**

The Board of Directors proposes that the General Meeting resolves to approve the distribution of a dividend in an amount of EUR 0.44 (forty-four Euro cents) gross per share

resulting in an aggregate dividend distribution in an amount of EUR 14,989,350.20 (fourteen million nine hundred eighty-nine thousand three hundred fifty Euro and twenty 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 2019 as follows:

	in EUR
Profit for the financial year 2019	45,507,604.03
Allocation to the legal reserve	539,535.42
Allocation to an available reserve	29,978,718.41
Proposed dividend (0.44 EUR per share)	14,989,350.20

The General Meeting acknowledges that the first date for trading shares with no entitlement to receive the dividend shall be 19 June 2020 (Ex-Date). The payment of the dividend shall commence on 2 July 2020.

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 2019.

The Board of Directors proposes that the 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 directors of the Company during the financial year ended 31 December 2019.

6. Ratification and appointment of Mr Helmut Wieser as independent non-executive director of the Company.

The Board of Directors proposes that the General Meeting ratifies and approves the appointment by co-optation of Mr Helmut Wieser as independent non-executive director of the Company in substitution of Mr Johannes Maret with effect as of 24 July 2019 for a term of office ending on the General Meeting approving the annual accounts for the financial year ending on 31 December 2021 and to be held in 2022, and (ii) approves and, to the extent necessary, ratifies the entering by the Company into a director's agreement with Mr Helmut Wieser and of his fixed remuneration consisting in a gross fee of EUR 30,000 for the financial year ended 2019 equalling to an annual gross fee of EUR 60,000.

7. Ratification and appointment of Mr Asier Zarranandia Ayo as executive director of the Company.

The Board of Directors proposes that the General Meeting ratifies and approves the appointment by co-optation of Mr Asier Zarranandia Ayo as executive director of the Company in substitution of Mr Roland Oelschläger with effect as of 24 July 2019 for a term of office ending on the General Meeting approving the annual accounts for the financial year ending on 31 December 2021 and to be held in 2022.

- 8. Approval and, to the extent necessary, ratification of the fixed remuneration of the non-executive members of the Board of Directors for the financial year ending on 31 December 2020.**

The Board of Directors proposes that the General Meeting approves and, to the extent necessary, ratifies the fixed remuneration for the non-executive members of the Board of Directors for the financial year ending on 31 December 2020, in an aggregate gross annual amount for all non-executive directors of EUR 470,000, comprised of the following gross annual amounts:

- EUR 150,000 for the position of the Chairman of the Board
- EUR 80,000 for the position of the Chairman of the Audit Committee
- EUR 60,000 each for the remaining four positions of the non-executive members of the Board of Directors

- 9. Approval and, to the extent necessary, ratification of the long-term compensation plan for the non-executive members of the Board of Directors.**

The Board of Directors proposes that the General Meeting approves, and, to the extent necessary, ratifies the decision to put in place a long-term compensation plan similar to the one approved and in place for the executive directors of the Company and senior management for the non-executive directors, equal to 25% of their annual fix remuneration, i.e. in aggregate EUR 117,500 per year for all non-executive directors, to vest and to be evaluated over the years 2019, 2020 and 2021, as explained further in the Description of Company's Multi-Year Variable Compensation (Long-Term Incentive Plan) for the Non-Executive Directors.

- 10. Presentation of and advisory vote on the remuneration policy for the members of the Board of Directors.**

The Board of Directors proposes that the General Meeting pass an advisory vote on the remuneration policy for the members of the Board of Directors (Version 2020).

- 11. Presentation of and advisory vote on the remuneration report for the members of the Board of Directors in the financial year ended 31 December 2019.**

The Board of Directors proposes that the General Meeting pass an advisory vote on the remuneration report for the members of the Board of Directors in the financial year ended 31 December 2019.

- 12. Authorization to the Board of Directors of the Company to acquire shares in the Company.**

The General Meeting resolves to authorize the Board of Directors of the Company to acquire itself or through a person acting in its own name but on the Company's behalf, its own shares, subject to the following conditions:

a) The maximum number of shares to be acquired may not exceed ten percent (10%) of the total number of shares composing the issued share capital at the time of this resolution, or if lower, at the time of the acquisition.

b) As a result of those acquisitions, the Company's holding of its own shares may not exceed at any time ten percent (10%) of the total number of shares composing the issued share capital of the Company.

c) The acquisition price per share shall not be lower than its accounting par value or higher than ten percent (10%) above the volume weighted average listing price per share in the XETRA trading system (or a comparable successor system) during the calendar month preceding the resolution of the Board of Directors on the buy-back.

d) The acquisitions of its own shares by the Company, as well as shares acquired by a person acting in its own name but on behalf of the Company, may not have the effect of reducing the net assets of the Company below the aggregate amount of the subscribed capital and the reserves which may not be distributed under the law or the articles of association of the Company. Only fully paid-up shares may be repurchased.

e) This authorization will be valid for a period of five (5) years from the date of this resolution.

f) The purchase shall be effected either through the stock exchange or on the basis of a public purchase offer to all shareholders.

The Company may use, in whole or in part, the own shares acquired pursuant to this authorization for any legally permissible purpose.

13. Reappointment of the independent auditor for the financial year ending on 31 December 2020.

The Board of Directors proposes that the auditing firm KPMG Luxembourg, a *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, who had been appointed for the first time to audit the financial year ending on 31 December 2019, be reappointed as independent auditor (*réviseur d'entreprises agréé*) to perform the independent audit of the Company regarding the financial year ending on 31 December 2020.