



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. (the "AGM")

to be held on Wednesday, 30 June 2021 at 12:00 CEST

via audio conference initiated from Luxembourg, Grand Duchy of Luxembourg

and

Extraordinary General Meeting of Shareholders of Befesa S.A. (the "EGM")

to be held on Wednesday, 30 June 2021 at 13:00 CEST

A. Proposed Resolutions for the AGM

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 2020, 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 2020, 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 2020.**

The Board of Directors proposes that the general meeting of shareholders of the Company approves the consolidated financial statements for the financial year ended 31 December 2020 in their entirety, showing a consolidated net profit of EUR 47,608,019 (forty-seven million six hundred eight thousand and nineteen Euro).

3. **Approval of the Company's annual accounts for the financial year ended 31 December 2020.**

The Board of Directors proposes that the General Meeting approves the annual accounts for the financial year ended 31 December 2020 in their entirety, showing a net profit of EUR 6,546,120.21 (six million five hundred forty-six thousand one hundred and twenty Euro and twenty-one Euro cents).

4. **Allocation of results and determination of the dividend in relation to the financial year ended 31 December 2020.**

The Board of Directors proposes that the General Meeting resolves to approve the distribution of a dividend in an amount of EUR 1.17 (one Euro seventeen Euro cents) gross per share from the distributable reserve consisting of the share premium resulting in an aggregate dividend distribution in an amount of EUR 39,858,044.80¹ (thirty-nine million eight hundred fifty-eight thousand forty-

¹The amount of EUR 39,858,044.80 has been determined on the basis of 34,066,705 shares outstanding as at 31 December 2020 which are entitled to a dividend payment for the financial year ended 31 December 2020. Should the number of shares which are entitled to a dividend payment for the financial year ended 31 December 2020 change until the date of the General Meeting, an amended proposed resolution will be presented to the General Meeting.

four Euros and eighty Euro cents) gross (on top of the interim dividend in an amount of EUR 9,879,344.45 (nine million eight hundred seventy-nine thousand three hundred forty-four Euro and forty-five Euro cents) declared on 25 November 2020 and paid on 4 December 2020 from available reserves) 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 2020 as follows:

	in EUR
Profit for the financial year 2020	6,546,120.21
Losses brought forward	(136,538,432.30)
Available share premium account	263,875,806.27
Other available reserves	29,978,718.41
Interim dividend paid on 4 December 2020 from available reserves	(9,879,344.45)
Allocation to an available reserve	6,546,120.21
Proposed dividend out of the share premium (1.17 EUR per share)	39,858,044.80

The General Meeting acknowledges that the first date for trading shares with no entitlement to receive the dividend shall be 01 July 2021 (Ex-Date). The payment of the dividend shall commence on 14 July 2021.

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 2020.

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 2020.

6. 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 2021.

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 2021, 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

7. Presentation of and advisory vote on the remuneration report for the members of the Board of Directors in the financial year ended 31 December 2020.

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 2020.

8. Reappointment of the independent auditor for the financial year ending on 31 December 2021.

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 2020, 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 2021.

B. Proposed Resolutions for the EGM

1. Decision:

- (i) to amend the terms of the authorised capital of the Company;
- (ii) to approve the renewal of the authorisation to the Board of Directors of the Company to increase the Company's share capital in accordance with the terms and within the limits of the authorised share capital for a period of five (5) years after the date of the general meeting of shareholders of the Company deciding on the amendment of the terms of the authorised share capital;
- (iii) to approve the report of the Board of Directors of the Company pursuant to article 420-26 of the Luxembourg law of 10 August 1915 on commercial companies, as amended, relating to the possibility of the Board of Directors of the Company to suppress or limit statutory preferential subscription rights of the shareholders in relation to the increase of the share capital of the Company within the framework of the authorised capital of the Company;
- (iv) to grant to the Board of Directors of the Company all powers to carry out capital increases within the limit of the authorised capital of the Company and suppress or limit statutory preferential subscription rights of the shareholders of the Company on the issue of new shares; and
- (v) to subsequently amend article 6 of the articles of association of the Company so that it shall read as follows:

"Article 6. Authorised Capital

The authorised capital of the Company (excluding, for the avoidance of doubt, the Company's issued share capital) is set at forty-four million two hundred thirty-three thousand eight hundred forty-eight Euro and ninety seven cents (EUR 44.233.848,97.-), divided into fifteen million nine hundred thirty three thousand two hundred ninety three (15.933.293.-) Shares, out of which up to an amount of twenty-seven million seven hundred sixty-one thousand nine hundred Euro and eighteen cents (EUR 27,761,900.18.-), divided into ten million (10,000,000.-) Shares shall only be used in the context of a merger with or an acquisition of another entity or business or any other transaction for the purpose of achieving external growth, including without limitation by way of take-over bid, share exchange offer and/or squeeze-out techniques.

The Board of Directors is authorised, up to the maximum amount of the authorised capital, to (i) increase the issued share capital in one or several tranches with or without share premium, against payment in cash or in kind, by

conversion of claims on the Company or in any other manner (ii) issue subscription and/or conversion rights in relation to new Shares or instruments within the limits of the authorised capital under the terms and conditions of warrants (which may be separate or linked to Shares, bonds, notes or similar instruments issued by the Company), convertible bonds, notes or similar instruments; (iii) determine the place and date of the issue or successive issues, the issue price, the terms and conditions of the subscription of and paying up on the new Shares and instruments and (iv) remove or limit the statutory preferential subscription right of the shareholders.

The Board of Directors may authorise any person to accept on behalf of the Company subscriptions and receive payment for Shares or instruments issued under the authorised capital.

The above authorisation is valid for a period ending five (5) years after the date of the General Meeting creating or renewing the authorised capital. The above authorisation may be renewed, increased or reduced by a resolution of the General Meeting voting with the quorum and majority rules set for the amendment of the Articles of Association.

Following each increase of the issued share capital in accordance with this article 6, article 5 of the Articles of Association will be amended so as to reflect the capital increase. Any such amendment will be recorded in a notarial deed upon the instructions of the Board of Directors or of any person duly authorised by the Board of Directors for this purpose."

The Board of Directors proposes to adopt the resolution as aforesaid.

2. **Decision to amend article 28 of the articles of association of the Company so that it shall read as follows:**

"Article 28. Representation

Subject to the other provisions of the Articles of Association, a shareholder at the Record Date may act at any General Meeting by appointing in writing, to be transmitted by any means of communication allowing for the transmission of a written text, another natural or legal person who needs not to be a shareholder himself to attend and vote at the General Meeting in his name. The proxy holder shall enjoy the same rights to speak and ask questions in the General Meeting as those to which the shareholder thus represented would be entitled.

A person acting as a proxy holder may hold a proxy from more than one shareholder without limitation as to the number of shareholders so represented.

Where a proxy holder holds proxies from several shareholders, it may cast votes for a certain shareholder differently from votes cast for another shareholder.

Subject to the other provisions of the Articles of Association, shareholders at the Record Date shall appoint a proxy holder in writing. Such appointment shall be notified by the shareholders to the Company in writing by postal services or electronic means to the postal or electronic address indicated in the convening notice. Such paragraph shall apply mutatis mutandis for the revocation of the appointment of a proxy holder.

The Board of Directors may determine the form of proxy and may request that the proxies (in copy or original) be deposited at the place indicated by the Board of Directors no later than the fifth (5th) Luxembourg business day prior to the date of the General Meeting or any other later date established by the Board of Directors as will be specified in the convening notice for the relevant General Meeting. Any legal entity, being a shareholder, may execute a form of proxy under the hand of a duly authorised officer, or may authorise such person as it thinks fit to act as its representative at any General Meeting, subject to the production of such evidence of authority as the Board of Directors may require.

Persons holding their Shares through a securities settlement system may attend and vote at a General Meeting in accordance with the provisions of this Article 28.

Subject to the internal rules of the relevant securities settlement system, shareholders may also give instructions as to how to exercise their vote at the General Meeting to the broker, bank, custodian, dealer or other qualified intermediary, with which their Shares are held."

The Board of Directors proposes to adopt the resolution as aforesaid.

3. Decision to amend article 29 of the articles of association of the Company so that it shall read as follows:

"Article 29. Right to ask questions

Every shareholder shall have the right to ask questions at the General Meeting related to items on the agenda of the General Meeting. The Company shall

answer the questions put to it by the shareholders. The right to ask questions and the obligation of the Company to answer the questions are subject to the measures to be adopted by the Company to ensure the identification of shareholders, the proper order and handling of General Meetings, as well as the protection of confidentiality and business interests of the Company.

The Company may provide an overall answer to several questions having the same subject. When the information requested is available in the form of questions and answers on the Company's website, the Company shall be deemed to have answered the questions asked simply by referring to that website."

The Board of Directors proposes to adopt the resolution as aforesaid.

4. Decision to amend article 30 of the articles of association of the Company so that it shall read as follows:

"Article 30. Proceedings

A board of the meeting (*bureau*) shall be formed at any general meeting of shareholders, composed of a chairman, a secretary and a scrutineer who need neither be shareholders nor members of the board of directors. The board of the meeting shall ensure that the meeting is held in accordance with applicable rules and, in particular, in compliance with the rules in relation to convening, majority requirements, vote tallying and representation of shareholders."

The Board of Directors proposes to adopt the resolution as aforesaid.

5. Decision to amend article 32 of the articles of association of the Company so that it shall read as follows:

"Article 32. Voting at General Meetings

An attendance list indicating the name of each shareholder and the number of Shares for which he votes is signed by or on behalf of each shareholder physically or remotely present or represented by proxy, prior to the start of the General Meeting.

The Company shall disclose for each resolution at least the number of Shares for which votes have been validly cast, the proportion of the share capital represented by those votes, the total number of votes validly cast as well as the number of votes cast in favour of and against each resolution and, where applicable, the number of abstentions. However, if no shareholder requests a full account of the voting, it is sufficient for the Company to disclose the voting

results only to the extent needed to ensure that the required majority is reached for each resolution.

Within fifteen (15) days after the General Meeting, the company shall publish on its internet site the voting results established in accordance with this Article.

A shareholder who is not present or represented in a General Meeting can cast his vote in that General Meeting by means of a ballot paper (*formulaire*) to be made available by the Company on its website. If the ballot papers cannot be made available on the Company's website for technical reasons, the Company shall indicate on its website how to obtain the ballot paper.

A shareholder shall deliver a ballot paper to the Company by any means of communication allowing for the transmission of a written text (and, for the avoidance of doubt, including by mail or in electronic form in accordance with the Shareholders Rights Law).

A ballot paper must contain all of the following:

- name and address of the registered office and/or residence of the relevant shareholder;
- total number of Shares held by the relevant shareholder and, if applicable, total number of Shares of each class held by the relevant shareholder in the issued share capital of the Company and the form of Shares;
- agenda of the General Meeting;
- confirmation with respect to each of the proposed resolutions, of the number of Shares for which the relevant shareholder is abstaining, voting in favour of or voting against such proposed resolution; and
- name, title and signature of the duly authorised representative of the relevant shareholder and the date of the ballot paper.

A ballot paper must be received by the Company no later than the fifth (5th) Luxembourg business day prior to the date of the General Meeting or any other later date established by the Board of Directors as will be specified in the convening notice for the relevant General Meeting. A ballot paper which does not contain the details specified in the preceding paragraph or which is received by the Company after the aforementioned deadline shall be void and disregarded for quorum purposes.

A ballot paper shall be deemed to have been received by the Company:

- (a) when delivered by hand with acknowledgment of receipt, by registered post or by special courier service using an internationally recognised courier company: at the time of delivery to the Company; or

- (b) when sent by email, by fax or by mail with acknowledgement of receipt at the time of receipt indicated in the acknowledgement of receipt.

Resolutions the adoption of which is not subject to the quorum and the majority requirements for an amendment of the Articles of Association, shall be adopted, irrespective of the number of Shares represented, by a simple majority of votes cast.

For resolutions the adoption of which is subject to the quorum and majority requirements for an amendment of the Articles of Association, the quorum shall be at least one half (1/2) of all the Shares issued and outstanding and the resolutions shall be adopted by a two thirds (2/3rds) majority of the votes cast. If the said quorum is not reached at a first meeting, a second meeting may be convened and resolutions shall be adopted, irrespective of the number of Shares represented, by a two thirds (2/3rds) majority of the votes cast."

The Board of Directors proposes to adopt the resolution as aforesaid.

C. Additional Information

For further information, the following documents in relation to the EGM are also available on the Company's website:

- the draft and the mark-up of the consolidated articles of association of the Company; and
- the full text of the draft resolutions in relation to each of the items included in the agenda to be adopted at the EGM.