

Devgen NV

Limited liability company
Technologiepark 30
9052 Gent-Zwijnaarde (Belgium)
Register of Legal Persons – Enterprise Number 0461.432.562

Report of the Board of Directors in accordance with article 583 of the Belgian Company Code

1. Article 583 of the Belgian Company Code

This special report has been drawn up by the Board of Directors of the limited liability company (*naamloze vennootschap /société anonyme*) "Devgen" (the "Company") in accordance with article 583 of the Belgian Company Code

The report relates to the proposal of the Board of Directors to the Extraordinary Shareholders' Meeting of the Company to issue 121.436 (naked) warrants and to grant 85.436 thereof to the permanent representative of the CEO of the Company and 36,000 thereof to the non-executive directors of the Company or their permanent representatives, and such in the framework of the warrant plan "Plan CEO & Directors 2011".

In accordance with article 583 of the Belgian Company Code, the Board of Directors explains the proposed issuance of warrants in this report.

In connection with the issuance of the warrants, the Board of Directors proposes to cancel the preferential subscription rights of the shareholders of the Company in order to reserve the (naked) warrants (i) for the permanent representative of the CEO of the Company and (ii) for the non-executive directors of the Company who are natural persons and for the permanent representatives of the non-executive directors who are legal entities. These possible beneficiaries will hereinafter be referred to as the "Participants".

The proposed cancellation of the preferential subscription right of the shareholders, the categories of Participants and the consequences of the issuance of the warrants for the existing shareholders of the Company are further explained in the special report of the Board of Directors of the Company in accordance with article 596 and article 598 of the Belgian Company Code

2. Proposed Transaction

The Board of Directors proposes to submit to an Extraordinary General Shareholders' Meeting of the Company the issuance of 121.436 warrants in the framework of the Plan CEO & Directors 2011.

The main terms of these warrants in the framework of the Plan CEO & Directors 2011 can be summarized as follows

- *Warrants on shares of the Company.* Each warrant entitles the holder thereof to subscribe to one (1) new share of the Company
- *Shares.* The new shares to be issued upon exercise of the warrants, will have the same rights and benefits as the existing shares of the Company. The shares will participate in the result of the Company as of and for the entire fiscal year in which they will be issued. Dividends paid on the shares will benefit from the right to reduced

withholding tax, i.e. the so-called "VVPR"-right. The VVPR right will be represented by a separate strip.

- *Cancellation of preferential subscription right of the shareholders.* The Board of Directors proposes to cancel the preferential subscription right of the existing shareholders in accordance with article 596 of the Belgian Company Code for the benefit of (i) the permanent representative of the CEO of the Company, Mr. Thierry Bogaert, and (ii) the non-executive directors of the Company who are natural persons, and the permanent representatives of the non-executive directors who are legal entities, namely Mr. Orlando de Ponti, Mr. Jan Leemans, Mr. Rudi Mariën, Mr. Remi Vermeiren, Mr. Alan Williamson and Mr. Patrick Van Beneden. It is proposed to grant 85 436 warrants to Mr. Thierry Bogaert and 6,000 to each of the other persons.
- *Subscription to and placement of the warrants.* The issuance of the warrants by an extraordinary shareholders meeting of the Company will count as an offer for subscription.
- *Warrant price* The warrants will be offered for free.
- *Exercise price of the warrants* The exercise price will be equal to the average of the closing prices of the shares of the Company as listed on Euronext Brussels during the thirty (30) day period preceding the issuance of the warrants by the extraordinary general shareholders' meeting of the Company.
- *Term.* The warrants have a term of five (5) years as from the date on which the warrants are issued by the extraordinary Shareholders Meeting of the Company.
- *Increase of the share capital of the Company.* In the event of exercise of warrants, the share capital of the Company shall be increased.
- *Listing.* The Company shall submit a request for the listing on Euronext Brussels of the new shares that may be issued upon exercise of the warrants. The VVPR-strips which are separately tradable, will not be included in the listing on Euronext Brussels, but can be traded separately on the public market of Euronext Brussels.
- *Issuance and exercise conditions.* The detailed issuance and exercise conditions of the Warrants CEO & Directors 2011 are described in an Annex to this report.

3. Justification of the creation of the warrant plan

3.1. General

The Board of Directors of the Company holds that the issuance of the warrants is in the interest of the Company because, on the one hand, it enables the Company to obtain new means in the future and because, on the other hand, the issuance of the warrants allows the Company to offer a potential participation in the share capital of the Company to the Participants, which, according to the Board of Directors, can be considered as a way to appreciate and increase the loyalty and engagement of the Participants. The aim of the warrant plan is therefore to realize certain corporate and human resources goals, such as:

- to encourage and motivate the Participants without affecting the cash position of the company;
- to enable the Company and its subsidiaries to attract and retain a CEO and directors with the required experience and skills;

- to align the interests of the Participants closer to the interests of the shareholders of the Company by giving them the opportunity to share in the growth of the value of the Company.

3.2. CEO

In the past 793,768 warrants were granted to the permanent representative of the CEO of the Company, Dr Thierry Bogaert, of which 629,860 were accepted. Of these accepted warrants 305,256 vested immediately upon acceptance and 324,604 warrants vest(ed) at a rate of 1/36th per month during a period of 36 months following the offer of the warrants

At present warrants can still be granted to the permanent representative of the CEO under the "Warrant plan Employees/CEO and Consultants 2008".

As to the new Plan CEO & Directors 2011, the Board of Directors wishes to underline that it proposes to issue maximum of 85,436 warrants. The issuance of these warrants by the Extraordinary Shareholders' Meeting will constitute an offer to the permanent representative of the CEO and upon acceptance of the warrants they will immediately vest.

The Board of Directors of the Company has, upon advice of the Nomination and Remuneration Committee, worked out a remuneration policy for the CEO that is in line with market standards in the sector and the performance of the manager. Hereby, the interests of the manager are aligned with those of the shareholders of the Company. The granting of warrants has to be a motivation to meet the long and short term objectives of the Company. The grant provided for in the plan is to be considered in the framework of the long term commitment that is expected of the CEO.

3.3. Non-executive Directors

As mentioned above, the Board of Directors proposes the Extraordinary Shareholders' Meeting to issue and immediately grant 6,000 warrants to each non-executive director of the Company or its permanent representative, i.e. to Mr. Orlando de Ponti, Mr. Jan Leemans, Mr. Rudi Mariën, Mr. Patrick Van Beneden, Mr. Remi Vermeiren and Mr. Alan Williamson

According to the Belgian Corporate Governance Code, the remuneration of non-executive directors should take into account their responsibilities and time commitment, and non-executive directors should not receive performance-related remuneration such as bonuses or stock related long-term incentive schemes, fringe benefits or pension benefits. The grant of warrants to non-executive directors is therefore not in accordance with the Corporate Governance Code

The Board of Directors believes however that the proposed grant of warrants is justified in order to realize above mentioned company and human resources goals.

Next to the offer of warrants from the Company, the remuneration of the non-executive directors of the Company consists of the following compensation in cash:

- a remuneration of € 1,500 per meeting of the Board of Directors or a meeting of the Audit committee, the Nomination and Remuneration Committee or a sub-committee of the Board of Directors, on which the non-executive director is actually present in person;
- a yearly remuneration of € 7,500.

The Chairman of the Board of Directors is not entitled to the above mentioned remunerations but to a fixed remuneration of € 4,000 per month

The Board of Directors believes that the remuneration package is justified, as it corresponds with market practice and expectations for small, listed companies in the agro and biotechnological field. In addition, it allows the Company to offer an appropriate remuneration to attract and retain experienced non-executive directors from different economic sectors

Also, through warrants, non-executive directors can be remunerated without using the Company's cash resources, which is in the interest of a growth company such as the Company.

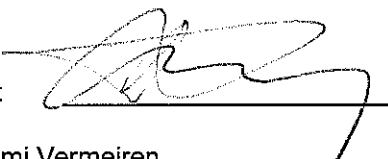
3.4. **Impact on IFRS**

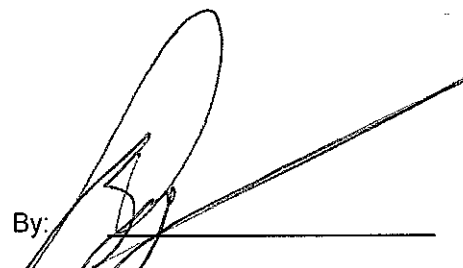
For completeness, the Board of Directors emphasizes that in accordance with the IFRS2 accounting standards, the allocation of the warrants might have an impact on the consolidated result and net equity of the Company. In particular, upon the grant of the warrants, the Company will have to book as cost the difference, if any, between the "fair value" of the warrant and the issuance price of the warrant against the corresponding increase of the net equity at the rate of the vesting of the warrant.

* * *

Done at Ghent, on 11 April, 2011

On behalf of the Board of Directors,

By: 
Remi Vermeiren
Chairman of the Board

By: 
Thierry Bogaert BVBA,
Managing Director
Represented by Thierry Bogaert

Annexes:

Plan CEO & Directors 2011



Warrants CEO & Directors 2011

Devgen nv

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Technologiepark 30, 9052 Zwijnaarde (Belgium)
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1. Definitions and Interpretation

1.1. Definitions

The following terms and expressions starting with a capital letter and which are not defined elsewhere in the Plan or a Warrant Agreement, shall have the following meaning, unless the context requires otherwise:

<i>Beneficiary</i>	The person validly appointed by a Participant in order to exercise his rights under the Plan and the Warrant Agreement after his death. In the absence of any valid designation, the legal heirs of the Participant in accordance with the applicable law of inheritance shall be deemed to be the Beneficiary. In the event that there are several heirs, all heirs acting jointly or one person designated by all heirs acting jointly shall be deemed to be the Beneficiary.
<i>Board of Directors</i>	The board of directors of the Company.
<i>Business Day</i>	A day, other than a Saturday or Sunday, on which banks are open for general business in Belgium
<i>CEO</i>	The Chief Executive Officer of the Company, i.e. Thierry Bogaert bvba.
<i>Company</i>	Devgen nv, a limited liability company (<i>naamloze vennootschap / société anonyme</i>) organized and existing under Belgian law, having its registered office at Technologiepark 30, 9052 Gent-Zwijnaarde (Belgium), registered with the Register of Legal Persons under number RLP 0461.432.562.
<i>Control</i>	The possibility <i>de facto</i> or <i>de jure</i> to exercise a decisive influence on the appointment of the majority of the members of the Board of Directors or the general policy of a company, as determined in article 5 and following of the Belgian Company Code
<i>Date of Grant</i>	The date on which the Warrants are issued and granted to the Participants by the Extraordinary Shareholders' Meeting of the Company.
<i>Date of Termination of the Management Agreement</i>	The date the notification was given of the termination of the Management Agreement between the Company and the CEO, for any reason whatsoever, with the exception of the termination of the Management Agreement immediately followed by the execution of a new Management Agreement between the Company and the CEO.
<i>Date of Termination of the Directors mandate</i>	The date the notification was given of the Termination of the Director's mandate

<i>Director</i>	A natural or legal person who is a non-executive member of the Board of Directors of the Company or, in the event a non-executive member of the Board of Directors is a legal person, the permanent representative of such legal person
<i>Exercise Period</i>	The periods during which the Vested Warrants can be exercised i.e. between 16 and 30 September, 2014, between 16 and 31 March, 2015, between 16 and 30 September, 2015, and between 16 March and 31 May, 2016, provided and to the extent that the Warrants are exercisable in accordance with the conditions set forth in this Plan
<i>Exercise Price</i>	The price at which each Share may be acquired/subscribed to upon the exercise of the Warrant.
<i>Expiration of the Director's mandate</i>	The expiration of the mandate of the Director or of the legal person represented by the Director in the Board of Directors, with the exception of the lapse of the mandate immediately followed by the reappointment for a new mandate.
<i>Management Agreement</i>	The agreement entered into between the Company and the CEO wherein the CEO was appointed for the daily management of the Company.
<i>Nomination and Remuneration Committee</i>	The nomination and remuneration committee appointed by the Board of Directors of the Company.
<i>Participant(s)</i>	the Permanent Representative of the CEO and/or the Participating Directors
<i>Participating Directors</i>	The Directors to whom warrants are offered in accordance with the provisions of this Plan, i.e : <ul style="list-style-type: none"> - <i>Mr. Orlando de Ponti</i> - <i>Mr. Jan Leemans</i> - <i>Mr. Rudi Mariën</i> - <i>Mr. Patrick Van Beneden</i> - <i>Mr. Remi Vermeiren</i> - <i>Mr. Alan Williamson</i>
<i>Permanent Representative of the CEO</i>	Mr Thierry Bogaert
<i>Plan</i>	The present warrant plan CEO & Directors 2011.
<i>Shares</i>	Ordinary shares of the Company or, in the event of a change in the structure of the capital of the Company, those shares into which ordinary shares will be converted

<i>Termination of the Director's mandate</i>	The termination of the mandate of the Director or of the legal person represented by the Director in the Board of Directors, for any reason whatsoever, with the exception of the termination of the mandate immediately followed by a reappointment.
<i>Transfer - Transferring</i>	Any transaction under living persons and/or legal persons which has as its purpose the sale, purchase, granting or taking of options, exchange, waiver, contribution to a company, transfer in any way whatsoever, against consideration or for free, the making of a payment or the granting of a pledge, or the acceptance of a payment or a pledge, or in general any agreement which has as its object an immediate or future transfer of title
<i>Vested Warrants</i>	Warrants that are definitively acquired in accordance with the conditions set forth in the Plan, without prejudice to the possibility that the Warrants become null and void in the events that they are not exercised or no longer can be exercised pursuant to certain circumstances
<i>Warrant</i>	means the right to subscribe to one new Share issued by the Company in accordance with the terms and conditions set out in the Plan and the applicable Warrant agreement, and this right comes in the shape of a warrant issued by the Company.
<i>Warrant Agreement</i>	An agreement between a Participant and the Company in which the offer of Warrants and the acceptance thereof are confirmed.
<i>Warrant Price</i>	The price, if any, which needs to be paid to the Company to acquire the Warrant itself.

1.2. Interpretation

- (a) Except insofar as the context requires otherwise, words importing a specific gender will be treated as importing any gender
- (b) Except insofar as the context requires otherwise, words importing the plural will be treated as importing the singular and vice versa
- (c) Titles and sub-titles used in this Plan are inserted for ease of reference only, and shall not affect the implementation of this Plan
- (d) Unless expressly determined otherwise, references to laws and regulations also include references to laws and regulations which change, cancel, replace or restate the aforementioned laws and regulations and to subordinated executive or other laws and regulations promulgated thereunder
- (e) This is an English version of the Plan. In case of discrepancies between the English and Dutch version, only the Dutch version shall be authentic and shall prevail. The use of Dutch terms or words in the English translation will determine the relevant legal concepts according to Belgian law to which these terms refer.

1.3. Meaning of references

- (a) Any reference to "*writing*" or "*written*" includes any method of reproducing words or text in a legible and non-transitory form
- (b) Unless expressly indicated otherwise in the Plan or the applicable Warrant Agreement, or except when applicable law provide otherwise, any period or instance of time referred to herein shall be calculated or determined as follows:
 - (i) Any reference to an hour of day shall be a reference to Belgian time (GMT+1, CET).
 - (ii) Any reference to a day shall be a reference to a calendar day.
 - (iii) Any term shall start on the subsequent day after the day on which the event triggering such period of time has occurred. The expiry day of a term shall be included in the term. If such expiry day is not a Business Day, than the term shall be extended to the first next Business Day following such day.
 - (iv) A "*month*" means a calendar month.

2. Purpose of the Plan

The Plan contains the general issuance and exercise conditions of Warrants for the Participants.

The aim of the Plan is to realize the following corporate and human resources objectives:

- (a) to encourage, motivate and retain the Permanent Representative of the CEO and the Participating Directors without affecting the cash resources of the Company;
- (b) to align the interest of the Permanent Representative of the CEO and of the Participating Directors closer to the interest of the shareholders of the Company by giving him the opportunity to participate in the growth of the value of the Company.
- (c) to enable the Company to attract and retain directors with the required experience and skills

3. Form, Name, Number and Type of Warrants

3.1. Type, Name and Number

- (a) The Warrants are naked warrants and will be referred to as "Warrants CEO & Directors 2011".
- (b) The total number of Warrants issued in the framework of the Plan amounts to 121.436. The Warrants for the CEO are numbered from 1 to 85.436, and for the Directors from 85.437 to 121.436.

3.2. Form

- (a) The Warrants are registered warrants
- (b) The Warrants and the ownership thereof and any other right thereto or interest therein shall be recorded in a warrant register that is kept at the registered office of the Company

- (c) Only the persons recorded in the Company's warrant register book will be considered as holder of the Warrants concerned.
- (d) The Warrants cannot be converted into bearer warrants

4. Shares

- (a) Each Warrant will entitle the holder thereof to subscribe to one (1) new Share of the Company upon exercise of the Warrant.
- (b) The Shares that will be issued by the Company at occasion of the exercise of the Warrants will be ordinary Shares of the Company, and will have the same rights and benefits (including dividend rights) as the ordinary Shares of the Company outstanding prior to the issuance of the new Shares as a consequence of the exercise of the Warrants. The Shares that are to be issued by the Company will not benefit from the reduced withholding tax rate of 15%, i.e. the so-called "VPPR"-status.
- (c) A Share issued upon exercise of a Warrant will represent the same fraction of the Company's share capital as the other Shares of the Company at that time

5. Administration

The Board of Directors, acting on advice of the Nomination and Remuneration Committee, shall:

- (a) administer the Plan
- (b) subject to the limitations of the Provisions of the Plan and in as far as their decisions are in line with the purpose of the Plan, determine, define and interpret all rules, regulations or other measures required and desirable for the administration of the Plan, whereby all such decisions will be binding on the Company and the Participants

6. Granting of the Warrants

6.1. Offer

The issue of the 121.436 Warrants shall constitute an offer to the Participants for the number of Warrants mentioned alongside their names;

• Thierry Bogaert	85.436
• Orlando de Ponti	6,000
• Jan Leemans	6,000
• Rudi Mariën	6,000
• Patrick Van Beneden	6,000
• Remi Vermeiren	6,000
• Alan Williamson	6,000

6.2. Warrant Agreement

- (a) Warrants granted in accordance with Article 6.1 will be stated in a Warrant Agreement that must be signed to indicate acceptance of the terms and conditions of the Warrants and the grant thereof.
- (b) A Participant must accept or refuse any Warrant granted to him within 60 days following the Date of Grant. Any refusal must be executed in writing on the form

which is provided for by the Company. The acceptance shall be demonstrated by signing the Warrant Agreement. If a Warrant is so refused, the Warrant will lapse.

7. Conditions of the Warrants

7.1. Warrant Price

There is no Warrant Price due to the Company when the Warrants are granted

7.2. Exercise Price

- (a) The Exercise Price of a Warrant will be equal to EUR ●, i.e. the average of the closing prices of the Company's Shares as traded on Euronext Brussels during the thirty (30) day period preceding the Date of Grant.
- (b) Upon exercise of a Warrant and issue of a new Share in accordance with the terms and conditions of the Plan, the Exercise Price of the Warrant will be allocated to the share capital of the Company

However, to the extent that the amount of the Exercise Price of the Warrant exceeds the fraction value (*fractiewaarde / valeur fractionnelle*) of the Shares of the Company immediately preceding the exercise of the Warrant concerned, a part of the Exercise Price equal to such fraction value shall be booked as share capital, whereby the balance, if any, shall be booked as issue premium. The issue premium, if any, shall serve as guarantee for third parties in the same manner as the Company's share capital and shall be booked on an unavailable account that can only be decreased or booked away pursuant to a resolution of a general shareholders' meeting passed in the manner required for an amendment to the Company's articles of association.

Following the issue of the Shares and capital increase resulting therefrom, each of the Company's issued and outstanding Shares representing the Company's share capital, shall represent the same fraction of the Company's share capital.

7.3. Term of the Warrants

The term of the Warrants will be five (5) years as of the Date of Grant. The Warrants shall automatically lapse and become null at the end of the five year term.

7.4. Rights as Shareholder

In his capacity of holder of Warrants, the Participant is not a shareholder of the Company, nor shall he have any rights or privileges that normally accrue to a shareholder as long as the Warrants have not been exercised

8. Transfer of the Warrant

8.1. Decease

In the event a Participant deceases all his Vested Warrants shall be transferred to his Beneficiar(y)/(ies), and these Warrants shall remain exercisable at the time and under the conditions set forth in the Plan

The Warrants that are not Vested Warrants at the time of decease will automatically lapse and become null and void.

8.2. Transferability of the Warrants.

Except for the transfer contemplated by Article 8.1 above, and except if the Board of

Directors, acting on advice of the Nomination and Remuneration Committee in its discretion decides otherwise, the Warrants cannot be Transferred by a Participant once they have been granted

9. Exercise of the Warrants

Warrants can be exercised only during an Exercise Period within the term of the Warrants, provided and to the extent that they have become Vested Warrants and have become exercisable prior to or during a certain Exercise Period.

9.1. Vesting and Exercisability of the Warrants

9.1.1 Vesting of the Warrants

- (a) The Warrants granted to the Permanent Representative of the CEO shall immediately be Vested Warrants upon acceptance of the grant
- (b) The Warrants granted to a Participating Director shall vest and become Vested Warrants on May 31, 2012.
- (c) The Board of Directors, acting on advice of the Nomination and Remuneration Committee, may, in its discretion, in whole or in part accelerate the vesting of the Warrants in case of a change of Control over the Company

9.1.2 Exercisability of the Warrants

Each Participant is allowed to exercise all or part of his exercisable Vested Warrants during an Exercise Period

9.1.3. Termination and expiration of the Management Agreement of the CEO

- (a) Unless the Board of Directors determines otherwise, the Permanent Representative of the CEO can, if he so desires, upon termination of the Management Agreement at the initiative of the CEO, exercise his Vested Warrants which have become exercisable according to article 9.1.2 only during the first Exercise Period following the Date of Termination of the Management Agreement.
- (b) Unless the Board of Directors determines otherwise, the Permanent Representative of the CEO can, if he so desires, (i) upon the termination at the initiative of the Company of the Management Agreement for reasons other than for breach of contract (by the CEO) and (ii) upon the expiration of the Management Agreement (if fixed for a limited term), exercise his Vested Warrants during the Exercise Periods .
- (c) Upon termination of the Management Agreement on account of the decease of the Permanent Representative of the CEO, the Beneficiar(y)/(ies) of the CEO can further exercise the Vested Warrants during the Exercise Periods.
- (d) Upon the termination of the Management Agreement at the initiative of the Company for breach of contract (by the CEO), the Permanent Representative of the CEO can only exercise the Vested Warrants during the first Exercise Period following the Date of Termination of the Management Agreement.
- (e) The Vested Warrants which have not been exercised during the respective terms as stipulated in the above paragraphs will, unless the Board of Directors determines otherwise, automatically lapse and become null and void

9.1.4 Termination or expiration of the Director's Mandate

- (a) Upon Termination of the Director's mandate at the initiative of the Director, the Director can, unless the Board of Directors determines otherwise, only exercise his Vested Warrants during the first Exercise Period following the Date of Termination of the Director's mandate.
- (b) Upon the Termination of the Director's mandate at the initiative of the Company for reasons other than for serious shortcomings, the Director can, unless the Board of Directors determines otherwise, exercise his Vested Warrants during the Exercise Periods.
- (c) Upon the Termination of the Director's mandate at the initiative of the Company for serious shortcomings, the Director can only exercise his Vested Warrants during the first Exercise Period following the Date of Termination of the Directors' mandate
- (d) Upon the Termination of the Participating Director's mandate on account of the decease of the Director, the Beneficiar(y)/(ies) of the deceased, can, unless the Board of Directors decides otherwise, exercise the Vested Warrants during the Exercise Periods
- (e) Upon the Expiration of the Director's mandate, the Director can, unless the Board of Directors determines otherwise, exercise his Vested Warrants during the Exercise Periods.

The Warrants that have not become Vested Warrants on the Date of Termination of the Director's mandate or on the date of the Expiration of the Director's mandate, will, on said date, automatically become null and void and un-exercisable, unless the Board of Directors determines otherwise. The Vested Warrants which are not exercised during the respective terms as stipulated in the above paragraphs will, unless the Board of Directors determines otherwise, automatically lapse and become null and void. The Warrants granted to a Director can, unless the Board of Directors determines otherwise, no longer become Vested Warrants as of the Date of Termination of the Director's mandate/the date of the Expiration of the Director's mandate.

9.2. *Exercise Period*

- (a) Vested Warrants can be exercised only during the following periods during the term of the Warrants: between 16 and 30 September, 2014, between 16 and 31 March 2015, between 16 and 30 September, 2015, and between 16 March and 31 May 2016.
- (b) Each Exercise Period will be closed on the last banking day of the particular Exercise Period.
- (c) The Board of Directors can provide for additional Exercise Periods.

9.3. *Partial Exercise*

A Participant can exercise all or part of his/their Vested Warrants in accordance with the terms and conditions of the Plan. However, a Warrant may not and cannot be exercised with respect to fractions of Shares.

9.4. Exercise procedure

A Warrant shall be deemed to have been exercised upon receipt by the Company, at the latest on the last Business Day of the Exercise Period during which the Warrant is exercised, of:

- (a) a notice (in the form prescribed by the Company) given by a Participant stating that a Warrant or a specified number of Warrants is/are exercised;
- (b) evidence of the complete payment of the Exercise Price for the number of Shares as indicated in the notice referred to in paragraph 9.4 (a), by bank transfer to a blocked account of the Company whose number shall be communicated by the Company; the Exercise Price has to be received on the blocked account on the last Business Day of the Exercise Period;
- (c) in the event that a Warrant is exercised by a Beneficiary, suitable proof of the right of this person or these persons to exercise the Warrant; and
- (d) any and all declarations and documents, which the Board of Directors deems desirable or necessary in order to comply with all applicable legal and regulatory provisions and the submission of which the Board of Directors consequently requests.

9.5. Issuance of Shares

- (a) The Company shall only be obliged to issue the Shares as a result of the exercise of the Warrants provided that all of the conditions set forth in Article 9.4 above have been satisfied and following the completion of the capital increase mentioned below
- (b) In the event of an exercise of Warrants, provided the conditions set forth in Article 9.4 have been fulfilled, the Board of Directors, or any member thereof mandated thereto by the Board of Directors, shall exert all possible efforts to, in accordance with Article 591 of the Belgian Company Code (or any other provision having the same purport), have the capital increase resulting from the exercise of the Warrants concerned, and the payment and issuance of the corresponding shares, recorded before a notary public within 30 days following the expiry of the Exercise Period in which the Warrants concerned were exercised
- (c) If applicable or required, if the Company is listed on a regulated market or other public market at the time of issue of the Shares upon exercise of the Warrants, the Company shall request the admission to listing or trading on such market of the Shares so issued. Such request shall not apply to the VVPR strips, unless otherwise decided by the Company.

10. Amendments

10.1. General

Notwithstanding Article 501 of the Belgian Company Code (or any other provision having the same purport), the Company may carry out all actions and take all decisions that it deems appropriate in relation to its share capital, its articles of association, its financial condition or its governance, even if such actions or decisions would lead to a reduction of the benefits accruing to the holders of the Warrants, including but not limited to, mergers or acquisitions, capital increases or decreases (including capital increases and capital decreases subject to conditions precedent), the incorporation of reserves into the share capital with the issuance of new Shares, the distribution of dividends, the issuance of warrants, convertible bonds or other financial instruments that entitle the holder thereof to subscribe to or acquire Shares or other financial instruments of the Company, the amendment of arrangements or provisions relating to the distribution of dividends or liquidation proceeds (except if an amendment to the

arrangements or provisions relating to the distribution of dividends or liquidation proceeds would result in all of the then outstanding and existing Shares having preferred rights relating to the distribution of profits or liquidation proceeds as compared to the Shares to be issued upon exercise of the Warrants)

If the rights of a holder of Warrants in connection with his Warrant(s) are affected by such action or decision, then the holder of the Warrants will not be entitled to a change of the Exercise Price, a change of the exercise conditions or any other form of (financial or other) compensation, unless the Board of Directors explicitly decides otherwise.

10.2. *Reorganization of Shares of the Company*

In the event that at any time as of the Date of Grant up to the exercise of a Warrant, the Company (i) sub-divides its Shares into a larger number of Shares, or (ii) combines its Shares into a smaller number of Shares, then the number of Shares to be issued upon exercise of the Warrant after the occurrence of one of such events shall be adjusted so that, after giving effect to such adjustment, the holder of the Warrant shall be entitled to receive the number of shares upon exercise of the Warrant that such holder would have owned or have been entitled to receive had this Warrant been exercised immediately prior to the occurrence of the event concerned.

An adjustment made pursuant to this Article 10.2 shall become effective immediately after the effective date of the event concerned. The Company shall inform the Participants of such adjustment by means of a notice as soon as practicable after the effective date of the event concerned.

10.3. *Mergers, de-mergers*

In the event that at any time as of the Date of Grant up to the exercise of a Warrant, there is (i) a merger of the Company with or into another person or entity whereby the Company is not the surviving entity, or (ii) a de-merger of the Company, whereby in both (i) and (ii) the Shares of the Company are exchanged into shares, other securities, cash or other property of one or more other persons or entities, then the shares to be issued upon exercise of the Warrant after the occurrence of one of such events shall be adjusted so that, after giving effect to such adjustment, the holder of the Warrant shall upon exercise of the Warrant be entitled to receive the number of shares, other securities, cash or other property of the successor or acquiring persons or entities that such holder would have owned or have been entitled to receive had this Warrant been exercised immediately prior to the occurrence of the event concerned.

An adjustment made pursuant to this Article 10.3 shall become effective immediately after the effective date of the event concerned. The Company shall inform the Participants of such adjustment by means of a notice as soon as practicable after the effective date of the event concerned.

10.4. *Exercise of the Warrants by virtue of law*

If a Warrant which is not exercisable or which cannot be exercised pursuant to the issuance conditions (as determined in the Plan or the Warrant Agreement) becomes prematurely exercisable by virtue of article 501 of the Belgian Company Code (or any other provision having the same purport) and is also exercised in accordance with this article, the Shares obtained on the basis of the exercise of the Warrant will not be transferable, unless explicitly determined otherwise by the Board of Directors, until such time the underlying Warrants would have become exercisable in accordance with the Plan and the Warrant Agreement.

11. *Miscellaneous*

11.1. *Binding Nature of the Plan*

In case of acceptance of the Warrants, the Participant shall be bound by, and deemed to

have accepted, the terms and conditions set forth in the present Plan and the Warrant Agreement. In the event of transfer of the Warrants (or any right thereto) pursuant to the Plan, the acquirer or transferee shall be bound by, and deemed to have accepted, the terms and conditions set forth in the present Plan, as well as the Warrant Agreement with respect to the Warrants concerned

11.2. Taxes and social security

The Company shall be entitled, in accordance with the applicable law or practice, to withhold from the remuneration or payment of the month (or other period) during which the taxable benefit arises or from the remuneration or payment of any other subsequent month(s) or period, and/or the Participant shall be obliged to pay to the Company the amount of any tax, if any, attributable to or payable in connection with the grant, vesting or exercise of any Warrants or attributable to or payable in connection with the delivery or subsequent sale or disposal of the shares

The Company shall also be entitled, in accordance with the applicable law or practice, to make the necessary reporting, required as a result of the grant of the Warrants, their vesting or their exercise or of the delivery or subsequent sale or disposal of the shares.

11.3. Costs and expenses

The costs in relation to the capital increase resulting from the exercise of Warrants will be borne by the Company. Stamp duties, taxes on stock exchange transactions and other similar duties or taxes that are levied (if at all) in relation to the exercise of Warrants and/or the delivery of the shares resulting therefrom will be borne by the holder of the Warrants concerned.

11.4. Applicable law and competent courts

Warrants granted under the Plan shall be governed by and construed in accordance with the laws of Belgium. Any dispute arising under the Plan or the Warrant Agreement shall be subject to the exclusive jurisdiction of the courts in the jurisdiction of which the Company shall have its registered office.

11.5. Relation to Agreements and Mandates

Notwithstanding any provision of the Plan, the rights and obligations of the CEO as determined in his Management Agreement, as well as the rights and obligations of a Director as per his mandate with the Company, shall not be affected by participation in the Plan or by any right that he may have to participate therein

A Participant will not be entitled to compensation or damages relating to the possibility to exercise Warrants under the Plan following the termination of the Management Agreement or following the Termination of the Director's mandate, or on the basis of the loss or reduction in value of the rights or advantages.

11.6. Notices

- (a) Any notice, demand or other communication ("notice") to be given pursuant to the Plan must be made in writing
- (b) Any notice to be given to any of a holder of a Warrant, shall be deemed validly served by delivering it by hand with confirmation of receipt or sending it by registered mail or by courier (or any other means of communication decided by the Board of Directors acting on advice of the Nomination and Remuneration Committee) to such person's address as shall have been communicated by such person to the Company

- (c) Any notice to be given to the Company shall be deemed validly served by delivering it by hand with confirmation of receipt or sending it by registered mail (or any other means of communication decided by the Board of Directors acting on advice of the Nomination and Remuneration Committee) to the address of the registered office of the Company.

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