



ABLYNX NV

Limited Liability Company (“*Naamloze Vennootschap*”)
Registered offices: Technologiepark 21, 9052 Zwijnaarde
Company number: 0475.295.446

(the “**Company**”)

**SPECIAL REPORT BY THE BOARD OF DIRECTORS
IN ACCORDANCE WITH ARTICLE 583 OF THE BELGIAN COMPANY CODE (“BCC”)
REGARDING THE ISSUE OF WARRANTS FOR THE BENEFIT OF A CERTAIN DIRECTOR**

The board of directors of the Company (the “**Board**”) proposes to issue a maximum of fifty thousand (50,000) warrants for the benefit of a certain director (hereafter the “**Director SOP**”), free of charge, each of such warrants entitling the holder thereof to subscribe for one new common share of the Company against payment of an exercise price (as defined below in Article 3 of this report), per warrant exercised, to be immediately and fully paid up upon exercise of the relevant warrant (the “**Warrants**”). The Warrants will be issued with cancellation of the shareholders’ preferential subscription rights.

The Board refers to its special report in accordance with Article 596 BCC and Article 598 BCC of same date herewith in which the Board justifies the proposed cancellation of the preferential subscription rights of the existing shareholders for the benefit of a certain director of the Company, in particular in respect of the issue price and the financial impact of the transaction for the shareholders, and in which in accordance with Article 598 BCC, the identity of the beneficiaries under the Director SOP is indicated.

In this report, the Board, in accordance with Article 583 BCC, describes the purpose and justification for the issue of Warrants. Furthermore, for the purpose of completeness of this report, the Board also describes the exercise price and financial impact for the existing

shareholders and warrant holders of the Company of the issue of the Warrants, (which is also described in the report of the Board in accordance with Article 596 and 598 BCC).

The capitalized words in this report are defined in Section 2.

1. Justification for the issue of the Warrants

With the issues of Warrants the Board aims to achieve the following purposes:

- i. creating a long-term incentive for the Selected Participant, who is able to contribute substantially to the success and growth of the Company;
- ii. providing the Company with the necessary means to recruit and retain competent and experienced staff members; and
- iii. creating a common interest between the Selected Participant on the one hand and the shareholders of the Company on the other, focused on an increase in the value of the Company's shares.

The Board believes that these purposes are in the interest of the Company.

The proposed issue and exercise conditions of the Warrants are, as far as the tax treatment of the Warrants is concerned, in accordance with the conditions set out in the Law of March 26, 1999 concerning the Belgian action plan for employment 1998 and in particular with Articles 41 through 49 of this law, insofar as the Warrants would be subscribed for by persons who would thereby receive a benefit in kind arising out of or in connection with their professional activity.

2. Definitions

The words below shall have the following respective meaning for the purposes of this report:

Affiliated Company	a company affiliated with the Company within the meaning of Article 11 of the Belgian Company Code;
Beneficiary	the person who is designated in accordance with Article 5.3.6.2 by the Warranholder to exercise the rights of the Warranholder attached to the Warrants after his death;
Board	the board of directors of the Company;
Company	Ablynx NV, with registered offices at 9052 Zwijnaarde, Technologiepark 21 and with company number 0475.295.446;

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Consultancy Agreement	the agreement other than an Employment Agreement or a Director's appointment pursuant to which services are provided to the Company or an Affiliated Company;
Date of the Decision	The day of the decision of the General Meeting to issue the Warrants;
Date of the Offer	the date on which the Proxyholder of the General Meeting offers the Warrants to the Selected Participant in accordance with the second paragraph of Article 5.2.2;
Director's appointment	An appointment as Director of the Company or an Affiliated Company;
Employment Agreement	the agreement within the meaning of the Belgian law of July 3, 1978 on employment agreements (or an agreement under a legal system other than Belgian law that corresponds in substance to an employment agreement) pursuant to which a person in a subordinated relationship provides services to the Company or an Affiliated Company;
End of the Employment Agreement, the Consultancy Agreement or the Director's appointment	the effective date of the termination, for any or no reason, of the Employment Agreement, the Consultancy Agreement or the Director's appointment between the relevant Selected Participant and the Company or an Affiliated Company, with the exception of a termination that is coupled with a simultaneous employment under a (possibly new) Employment Agreement, a (possibly new) Consultancy Agreement or a (possibly new) Director's appointment with the Company or an Affiliated Company;
ESOP account	The securities account taken out with KBC Bank NV, as referred to in Article 5.2.3;
Exercise Period	the period or periods during which the Warrantholder in accordance with Article 5.3.5 may exercise the Warrants granted with a view to acquiring common shares of the Company;
Exercise Price	the price for the acquisition of one common share upon the exercise of a Warrant, as set out herein;

General Meeting	The general meeting of shareholders of the Company;
Offer	the offer of the Warrants that has been notified to the Selected Participant in accordance with Article 5.2.2;
Proxyholder of the General Meeting	The person to whom the General Meeting grants a power of attorney to determine, on the basis of a recommendation by the Remuneration Committee of the Company, the number of warrants that will be offered to the Selected Participant and to proceed to all acts which are necessary or useful regarding the offer of the warrants and to realize the issue of warrants. The Proxyholder of the General Meeting shall be a director who himself is no Selected Participant.
Securities	shares, bonds and other securities whether or not representing the share capital or granting voting rights, as well as securities that give the right to subscribe for or acquire securities or to convert into securities;
Selected Participant	The Selected Participant under the Directors SOP is the following person who will be associated with the Company by way of a Director's appointment and of which the identity is set out in accordance with Article 598 BCC; <ul style="list-style-type: none">• Peter Fellner
Subscription Form	the form that the Selected Participant must complete and sign for acceptance or refusal of the Warrants offered to him/her, and that (in case of acceptance) entails a proxy to subscribe before a notary for the Warrants offered to him/her;
Transfer	the selling, offering, engaging in a deferred sale (" <i>verkoop op termijn/vente à terme</i> ") or pledging of Securities or the granting of a right of usufruct (" <i>vruchtgebruik/usufruit</i> ") or any other right with regard to Securities or the granting of options to buy or sell Securities or the disposing of Securities in any other manner or the conclusion of a swap or other agreement which in part or entirely transfers the economic advantages or the ownership of Securities, whether or not for consideration, whether by reason of universal transfer (" <i>algemene rechtsopvolging</i> ")/" <i>transfert universel</i> ") or otherwise and whether or not such transfer is settled by means of a transfer of securities, in cash or in any other manner;

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Warrant	as defined above;
Warrantholder	the person entered into the Company's Warrant registry as the holder of one or more Warrants;

3. Issue price and exercise price

The Warrants will be offered free of charge.

Each Warrant will entitle the holder thereof to subscribe, under the conditions specified below, for one common share.

Price determination for Directors SOP

In view of the law of 26 March 1999 and Article 598 BCC, the Exercise Price of the Warrants will equal the highest of the following two values: (i) the average closing rate of the share on Euronext Brussels during the period of thirty days preceding the Date of the Decision, as mentioned in a letter to be sent to the Selected Participant subsequently to the Date of the Decision, and (ii) the lowest of the following two values: (a) the average closing rate of the share on Euronext Brussels during a period of thirty days preceding the Date of the Offer, or (b) the last closing rate preceding the Date of the Offer, as to be determined in the Offer.

For clarity's sake, it is specified that if the Date of the Offer and the Date of the Decision coincide, the Exercise Price of the Warrants at least equals the average closing rate of the share on Euronext Brussels during of period of thirty days preceding this date.

4. Consequences for the existing shareholders and warrant holders

In case the maximum number of Warrants to be issued (50,000), would be subscribed for and in case such Warrants would all be exercised, the dilution that would result from such exercise (in terms of relative shareholding, *i.e. pro rata* participation in the voting rights in, and the profits of, the Company) for the existing shareholders (currently 48,802,115 common shares) and warrant holders (currently warrants which entitle to an aggregate of 2,742,351 shares), on non-diluted (*i.e.* without taking into account the impact on the existing warrant holders) as well as on fully diluted basis, as set out in the table hereunder.

	% in relation to the existing shares (=on non-diluted basis)	% on fully diluted basis
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50,000 warrants to be issued	0.10%	0.10%
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Ablynx NV has an aggregate of 3,374,788 outstanding warrants, 1,264,874 warrants of which entitle the holder thereof to an aggregate of 632,437 shares (where two warrants entitle to subscribe for one share) and 2,109,914 warrants entitling the holder thereof to an aggregate of 2,109,914 shares (where one warrant entitles to subscribe for one share). The total number of voting rights that can be acquired upon the exercise of the outstanding warrants amounts to 2,742,351.

The total number of outstanding warrants currently amounts to 5.32% of the total number of outstanding shares (on fully diluted basis) (*i.e.* 51,544,466 shares).

The Board believes that the percentage of outstanding warrants (also after the proposed issue) is not unusual compared with similar companies in the same sector.

The issue of the Warrants may in addition cause an economic shift from the shareholders to the Warranholders at the occasion of the exercise of the Warrants, if the value of the common shares would be higher than the Exercise Price of the Warrants at the time of the issue of common shares further to the exercise of Warrants. This is an inherent characteristic of the Warrants to be issued, and the Board believes that this potential economic shift is acceptable in the light of the benefits for the Company linked to the issue of the Warrants and even is desirable, taking into account the purpose of the issue of Warrants, as set out in Article 1 of this report.

The net intrinsic value of the existing shares on the date of the annual account of the Company ending on 31 December 2012 amounted to EUR 3.04 per share. On the basis of the current stock price of the Company, the Board expects that the exercise price of the Warrants shall exceed the net intrinsic value. The Board points out that the final dilution that the net intrinsic value of the existing shares shall undergo, shall depend upon the final exercise price of the warrants (and the negative difference between that exercise price and the net intrinsic value per share at that time). However, on the basis of the current share price, the exercise price shall largely exceed the fractional value of the share as included in the annual accounts (EUR 1.87).

A number of simulations based on hypothetical issue prices are attached as Annex 1 to this report and indicate that, depending on the issue price, the exercise of the Warrants could lead to a decrease or increase of the net intrinsic value of the existing shares.

The costs in relation to the services received in compensation for the granting of such Warrants are booked under IFRS as a cost in the consolidated accounts of the Company. The total amount of the costs is spread over the vesting period and determined on the basis of the actual value of the Warrants on the date of grant by applying the Black & Scholes model.

5. Issue and exercise conditions

5.1. Number of common shares

Each Warrant shall entitle the Holder thereof to subscribe for one (1) common share.

5.2. Offer of, subscription for, and vesting of the Warrants

5.2.1. Qualifying persons

The Warrants will be offered to the Selected Participant.

The Company will apply the appropriate tax and social security treatment resulting from the subscription for free for the Warrants by Selected Participant that accept the Offer and to which the Belgian tax law of March 26, 1999 applies.

5.2.2. Offer of Warrants to the Selected Participant

The Offer of the Warrants to the Selected Participant will occur on the Date of the Decision to issue, or as desired by the Proxyholder of the General Meeting, on a later date, and always on the basis of a decision of the Proxyholder of the General Meeting, who, based on a recommendation by the Remuneration Committee of the Company, shall determine the number of Warrants that will be offered to the Selected Participant.

The Selected Participant will be informed in writing by the proxyholder of the General Meeting that will set out the number of Warrants that is offered to the Selected Participant, as well as the issue and exercise conditions of such Warrants. A Subscription Form will be attached to the notification.

5.2.3. Subscription period

The Selected Participant has an acceptance period of seventy five (75) calendar days as of the Date of the Offer, to inform the Company by means of the Subscription Form of his/her acceptance or refusal of the Warrants offered to him/her.

The acceptance may in regard to this issue, relate to all or part of the Warrants offered. For the avoidance of doubt, it is specified that no parts of Warrants will be issued.

In the event of acceptance, the Subscription Form must be returned. The Selected Participant that has not informed the Company of its acceptance before the expiry of the period of seventy five (75) calendar days as of the Date of the Offer by means of the Subscription Form, shall irrefutably be deemed to have refused the Offer. The offer lapses upon the expiry of such period of seventy five (75) calendar days and no acceptance of Warrants will be possible thereafter.

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The Subscription Form at the same time serves as a proxy (which is necessary) to establish before a notary the subscription for the Warrants by the relevant Selected Participant.

In order to validly accept the Offer, the Warrantholder will take out an ESOP account with KBC Bank NV. For this purpose, the Offer will be accompanied by a form which contains the order for KBC Bank NV to open such account in the name of the Warrantholder, if he/she does not yet have such an account. If the Warrantholder does have an ESOP account with KBC Bank NV, the account number must be mentioned on the subscription form.

5.2.4. Granting of the Warrants

After the expiry of the period of seventy five (75) calendar days referred to above, the Proxyholder of the General Meeting shall within a reasonable period of time proceed to the recordation of the realization of the issue of the Warrants for the number of Warrants that have been subscribed for by the Selected Participant.

5.2.5. Vesting of the Warrants

Without prejudice to the other exercise conditions of the Warrants (amongst others, Articles 5.3.6 and 5.3.7), the Warrants that are granted to the Selected Participant shall only be acquired in a final manner (“**vested**”) (and may therefore be exercised during the Exercise Periods) over a three year period, with one third of the Warrants being vesting on the first anniversary of the decision in principle of the General Meeting to issue these Warrants, and the balance vesting in equal monthly installments thereafter (one thirty sixth, approximately 2,78%, of the aggregate number of Warrants that are granted to the Selected Participant vesting per month) and subject to the condition that this person continues to be a director of the Company or a Affiliated Company at the relevant vesting date.

The vesting always relates to whole Warrants. In case one third or one thirty sixth, as the case may be, of the aggregate number of Warrants granted to the Selected Participant does not correspond to a whole number, the resulting number shall be reduced to the lower whole number, and every month one additional Warrant shall vest as soon as the sum of the fractions disregarded until that time, equals one (in other words, this additional Warrant constitutes the sum of the fractions of a Warrant that have been disregarded upon the vesting of the previous portion(s)).

Upon the End of the Directors’ appointment of the Selected Participant between one of the dates set out above, no additional Warrants shall vest for this part of a month.

5.3. Other terms and conditions of the Warrants

5.3.1. Issue Price

The Warrants may be subscribed for without charge.

5.3.2. Registered Warrants

The Warrants will be in registered form and shall be entered into the registry of warrant holders that is kept at the registered offices of the Company. They cannot be converted into bearer warrants.

5.3.3. Exercise Price

The Exercise Price (as determined above in Article 3 of this report) will be allocated to the entry "capital" for an amount that is equal to the fractional value of the common shares prevailing at the time of the issue of common shares upon exercise of the relevant Warrant. Any amount exceeding the fractional value will be allocated to the entry "issue premium" that will constitute the guarantee of third parties in the same manner as the capital and will be booked on an unavailable reserve account, that can only be decreased or cancelled by way of a decision of the Company's general meeting of shareholders taken in accordance with the rules applicable to the amendment of the Articles of Association.

5.3.4. Term of the Warrant

The term of the Warrants under the Directors SOP shall be five years as of the decision to issue the Warrants.

5.3.5. The Exercise Periods

Without prejudice to Articles 5.2.5, 5.3.6 and 5.3.7, the Warrants that are vested may only be exercised, in accordance with Article 5.3.10, as of the beginning of the fourth calendar year following the calendar year in which the Date of the Offer lies and such only during the first fifteen days of each quarter (the "**Exercise Period(s)**").

However, in case such exercise period (completely or partially) would fall within a "closed period" or a "prohibited period" as defined in the Dealing Code of the Company (but, in respect of the "prohibited periods", only such prohibited periods as (currently) indicated in point IV.E. (a) and (b) of the Dealing Code, the relevant exercise period will be extended until after the end of such "closed period" or "prohibited period" and with such number of days as it was prohibited to deal during the initial period of 15 days pursuant to the Dealing Code.

The first fifteen days of the last possible full quarter within the term of the Warrants constitutes, (as extended in accordance with the previous, as the case may be, provided that this extension

cannot exceed the term of the Warrants), the last Exercise period. Each Exercise Period shall end on the last bank business day of the relevant Exercise Period.

The Warrantholder is free not to exercise all or part of the vested Warrants during an Exercise Period, and to postpone the exercise of the Warrants that are not exercised to a later Exercise Period, without prejudice, however, to the exceptions and restrictions set out in Articles 5.3.6 and 5.3.7.

The Warrants (that are (still) exercisable but) that are not exercised at the end of the last Exercise Period, will lapse automatically and become of no value.

The Board may decide to provide for one or more additional Exercise Period(s) between the beginning of the fourth calendar year following the calendar year in which the Date of the Offer lies and the end of the last Exercise Period as described above.

5.3.6. Exercisability of the Warrants: exceptions and restrictions

5.3.6.1. End of the Employment Agreement, the Consultancy Agreement or the Director's appointment

(i) End of the Employment Agreement, the Consultancy Agreement or the Director's appointment for serious cause

Upon the End of: (i) the Employment Agreement for serious cause (within the meaning of Article 35 of the Belgian law of July 3, 1978) or (ii) the Consultancy Agreement because of breach of contract, or (iii) the Director's appointment for serious cause, on account of the Selected Participant that is also Warrantholder, before the exercise of the Warrants, the Warrants of the relevant Selected Participant (whether or not vested pursuant to Article 5.2.5) that are not yet exercised at that time, will lapse automatically and become of no value.

The Warrants also lapse upon the End of the Employment Agreement, the Consultancy Agreement or the Director's appointment for reasons other than set out in the preceding paragraph, in case of noncompliance by the Selected Participant with clauses under the Employment Agreement, the Consultancy Agreement or the Director's appointment, which contain obligations for the period after the End of the Employment Agreement, the Consultancy Agreement or the Director's appointment and which obligations do not end together with the relevant agreement.

(ii) End of the Employment Agreement, the Consultancy Agreement or the Director's appointment for a reason other than the reasons set out in Articles 5.3.6.1(i), 5.3.6.2 and 5.3.6.3

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Upon the End of the Employment Agreement, the Consultancy Agreement or the Director's appointment of the Selected Participant that is also Warrantholder, for a reason other than the reasons set out in Articles 5.3.6.1(i), 5.3.6.2 and 5.3.6.3, the Warrants that at that time (pursuant to Article 5.2.5) are vested, may be exercised during the then running or first upcoming Exercise Period.

Contrary to Article 5.3.5, second paragraph, the Warrants of the relevant Selected Participant that were not exercised during such Exercise Period, cannot be transferred to a later Exercise Period and shall lapse automatically and become of no value after expiry of such Exercise Period (whether or not they were vested pursuant to Article 5.2.5).

5.3.6.2. Death

Upon the death of a Warrantholder before the exercise of a Warrant that, in accordance with the issue and exercise conditions, is still exercisable or may still become exercisable, the Warrants of the Warrantholder that are not yet exercised, are transferred to the Beneficiary of the Warrantholder and such Warrants may be exercised by the Beneficiary at the time and in accordance with the terms and conditions set out in the issue and exercise conditions. The Warrants of the relevant Warrantholder that at the time of death are not vested in accordance with Article 5.2.5, will lapse automatically and become of no value.

A Warrantholder may only designate his spouse and/or one or more other legal successors as Beneficiary.

The designation, as well as the revocation and re-designation of a Beneficiary must be in writing.

In the absence of any valid designation in accordance with the two preceding paragraphs, the persons that are the legal successors to the Warrantholder under applicable law will be deemed to be the Beneficiary. In the event that there are several successors, all successors acting together, or, as the case may be, a person designated by all successors acting together, will be deemed to be the Beneficiary.

5.3.6.3. Retirement

Upon the End of the Employment Agreement, the Consultancy Agreement or the Director's appointment of the Selected Participant that is also Warrantholder, because of his legal retirement or the reaching of the retiring age, the Selected Participant retains its vested Warrants and may continue to exercise such Warrants at the time and in accordance with the issue and exercise conditions. The Warrants of the relevant Warrantholder that at the time of his retirement are not vested in accordance with to Article 5.2.5, will lapse automatically and become of no value.

5.3.7. Acceleration of the exercise of the Warrants

5.3.7.1. Cases of accelerated exercise of the Warrants

In the following events, the Warrantholder is entitled to an accelerated exercise of its Warrants, whether or not they are vested pursuant to Article 5.2.5, in accordance with the formalities set out below and having regard to, and bearing, any tax consequences resulting from the accelerated exercise:

- (i) liquidation of the Company;
- (ii) sale of all or substantially all of the assets of the Company;
- (iii) when a public takeover bid is issued on the Company.

The tax consequences of an accelerated exercise will be borne exclusively by the relevant Warrantholder.

The Company shall inform the Warrantholders in writing in case one of the foregoing events occurs.

In case the Warrantholder, when an event (i) or (ii) occurs, as set out above, does not wish to exercise its Warrants in an accelerated manner, such Warrants will lapse automatically and become of no value.

5.3.8. Non-transferability of the Warrants

The Warrants are not transferable except: in case of death of a Warrantholder, in which case the Warrants held by the Warrantholder at the time of death are transferred to the Beneficiary in accordance with Article 5.3.6.2. Any tax consequences of a transfer pursuant to an obligation under the Articles of Association will be borne by the Warrantholder.

5.3.9. Common shares to which the Warrantholder is entitled

5.3.9.1 Each Warrant entitles the holder thereof to subscribe for one common share of the Company.

The transferability of the common shares that have been subscribed for upon the exercise of a Warrant, is at any time subject to the provisions of the Articles of Association of the Company, as they are in effect (possibly as amended from time to time) at that time.

The common shares that are issued upon the exercise of the Warrants, will entitle the holder thereof to dividends as of the beginning of the financial year during which the Warrants are

exercised, or, in case the Warrants are exercised at a time that the annual shareholders' meeting has not yet decided on the allocation of the result of the preceding financial year, as of the beginning of the financial year preceding the financial year during which the Warrants are exercised.

5.3.9.2 The Company will only be held to issue common shares for the benefit of the Warrantholder upon the exercise of Warrants provided that the requirements set out in Article 5.3.10 are fulfilled. Upon exercise of a Warrant, no fractions of common shares will be issued.

In the event of exercise of Warrants, the common shares will be issued, in accordance with Article 591 of the Belgian Company Code, as soon as reasonably possible after the end of the relevant Exercise Period, taking into account the required administrative and company law formalities.

After the issue of common shares upon the exercise of Warrants, the Board will arrange for the registration of such new common shares in the share registry of the Company in the name of the subscriber. The Company as soon as reasonably possible will arrange for the admission to listing of the new common shares.

5.3.10. Exercise procedure

An exercisable Warrant will only be validly exercised if not later than the last day of the relevant Exercise Period:

- (i) - the Board receives a registered letter (with acknowledgement of receipt) sent to the registered offices of the Company and addressed to the Board indicating that Warrants are exercised. The letter will explicitly indicate the number of Warrants to be exercised; or
- the by KBC, that takes care of the practical settlement of the exercise procedure, hereto communicated formalities are fulfilled; and
- (ii) the Board receives full payment of the common shares that are subscribed for upon Exercise of the Warrants, by way of bank transfer to an account of the Company, the number of which will be communicated by the Company; and
- (iii) the Board receives in case the Warrants are exercised by a person or persons other than the Selected Participant, adequate evidence of the right of this person or these persons to exercise the Warrant; and
- (iv) the Board receives declarations and documents deemed necessary or desirable by the Board for purposes of any applicable law or regulation, and the submission of which is requested by the Board.

Regardless of the point in time during the Exercise Period at which the actions set out above occur, the Warrants will be deemed to be exercised on the last day of such Exercise Period.

5.3.11. Costs and taxes

Stamp duties, stock exchange taxes and other similar duties or taxes that may be due upon the exercise of the Warrants and/or the acquisition of common shares, will be borne by the Warrantholders.

5.4. Modifications of the capital structure of the Company – reservation of rights

By way of deviation from Article 501 of the BCC and without prejudice to the exceptions provided by law, the Company reserves the right to adopt any resolution that it deems necessary with respect to its capital, its Articles of Association or its management. Such resolutions may include, amongst others: a capital decrease whether or not with repayment to the shareholders, a capital increase by way of incorporation of reserves whether or not combined with the creation of new shares, a capital increase in kind, a capital increase in cash whether or not with limitation or cancellation of the shareholders' preferential subscription right, an issue of profit certificates, of convertible bonds, of preferential shares, of bonds cum warrant, of ordinary bonds or warrants, an amendment to the provisions of the Articles of Association regarding the distribution of profits or the (net) proceeds of liquidation or other rights attached to the common shares, a stock split, a distribution of stock dividend, a dissolution of the Company, a legal merger, a legal de-merger or a contribution or transfer of a universality or of a branch of activity whether or not combined with the exchange of shares. The Company may adopt such resolutions even if they (could) imply a reduction in the benefits conferred to the Warrantholder by the issue and exercise conditions of the Warrants or the law, unless such a reduction is obviously the only purpose of such resolution.

In the event of a legal merger or legal de-merger, the Board shall provide all reasonable efforts to obtain that the Warrants that are still outstanding at the date of such transaction, will be replaced by warrants in the merger company or in the split companies in accordance with the exchange ratio applied to the then existing common shares of the Company.

5.5. Exercise of the Warrants in accordance with the law

In the event that the Warrantholder exercises Warrants pursuant to Article 501 of the BCC, the common shares so obtained will not be transferable as long as the Warrants but for such exercise would otherwise not yet have been exercisable in accordance with the issue and exercise conditions. Any tax consequences of such exercise will be borne by the Warrantholder.

Article 501 of the BCC provides that: "in the event of a capital increase by way of a contribution in cash, all warrantholders may exercise their warrants, notwithstanding any provision to the

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contrary in the Articles of Association or in the issue terms, and may as a shareholder subscribe for the new issue, in so far as the existing shareholders have such right”.

5.6. Miscellaneous

5.6.1. Applicable law

The Warrants and the issue and exercise conditions of the Warrants are governed by Belgian law.

5.6.2. Competent courts

Any dispute regarding the Warrants or the issue and exercise conditions thereof may only be submitted to the courts of the registered office of the Company.

5.6.3. Notifications

Any notification to the Warrantholder will be made by registered letter at the address mentioned in the registry of warrant holders or by notification in writing with acknowledgement of receipt.

Any notification to the Company, the Board or the Proxyholder of the General Meeting will be made validly by way of a registered letter addressed to the registered office of the Company or by notification in writing with acknowledgement of receipt.

Any notification will be deemed to have been received three business days after the date of the postmark of the registered letter. Changes of address must be notified in accordance with this Article 5.6.3.

Zwijnaarde, 4 October 2013

For the Board,

Edwin Moses, Chairman

on his own behalf, as well as on behalf of the members of the Board represented by him as special proxyholder

Annex 1: simulation of the impact of hypothetical exercise prices of the future net intrinsic value per share.

Number of Shares 30/6	48.528.202
Exercise 07/2013	273.913
# Shares 31/8/2013	48.802.115

Equity 30/6 52.993.000

Number of Warrants 30/6	3.217.318
Lapsed 01/07-31/8	213.554
Exercise 07/2013	273.913
Offer 8/2013	12.500
# Warrants 31/8/2013	2.742.351

A. Current situation, before issuance of the new warrants - Basic

	Equity in €
Amount represented by 1 share	1,09
Total	52.993 k

B. Situation before issuance of the new warrants - Fully Diluted

	Equity in €
Amount represented by 1 share	1,29
Total	66.666 k

C. Situation after issuance of the new warrants with an exercise price of 8€

Number of warrants to be issued	50.000
Exercise Price	€ 8
	<u>Equity in €</u>
Amount represented by 1 share	1,30
Total	67.066 k

D. Situation after issuance of the new warrants with an exercise price of 9€

Number of warrants to be issued	50.000
Exercise Price	€ 9
	<u>Equity in €</u>

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Amount represented by 1 share	1,30
Total	67.116 k

E. Situation after issuance of the new warrants with an exercise price of 10€

Number of warrants to be issued		50.000
Exercise Price	€ 10	
	<u>Equity in €</u>	
Amount represented by 1 share	1,30	
Total	67.166 k	