



**ONTEX GROUP NV  
NAAMLOZE VENNOOTSCHAP  
Korte Kepestraat 21/31  
9320 Aalst  
COMPANY.NR. 0550.880.915  
REGISTER OF LEGAL PERSONS DENDERMONDE  
  
(the "Company")**

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**SPECIAL REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY IN ACCORDANCE  
WITH ARTICLE 559 OF THE BELGIAN COMPANIES CODE**

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**1. INTRODUCTION**

This report (hereinafter the "**Report**") has been prepared by the board of directors of the Company in accordance with article 559 of the Belgian Companies Code ("*Wetboek van Vennootschappen*") in contemplation of proposed modifications to the corporate purpose of the Company and contains a justification for such proposed modifications.

This Report must be read together with the special report of the statutory auditor of the Company, prepared in accordance with article 559 of the Belgian Company Code, and the statement of the assets and liabilities of the Company as at 31 March 2015. The special report of the statutory auditor and the statement of the assets and liabilities will be attached to this Report in schedules 1 and 2, respectively.

**2. PROPOSED MODIFICATIONS TO THE CORPORATE PURPOSE OF THE COMPANY**

Currently, the corporate purpose of the Company as set forth in Article 4 of its Articles of Association is as follows:

"Article 4

*The company is a holding company which has as its purpose, the direct or indirect ownership and management of shareholdings and interests in other companies or entities, in Belgium and abroad, in its own name or in the name of third parties, for its own account or for the account of third parties, including but not restricted to companies or entities involved in the manufacture, purchase, sale, import, export, treatment, processing and representation of hygiene articles, rubber, plastic, paper and metal articles, bandaging materials, cotton wadding products, medical instruments, cosmetic articles and sterile and non-sterile medical equipment.*

*In particular, the foregoing includes, without limitation:*

- (a) *investing in any companies or entities, whether with a commercial purpose or not, by subscribing, acquiring, placing, buying, selling and transferring shares, certificates or other securities or by any other means;*
- (b) *managing investments and participations in any companies or entities, exercising management and director mandates, acting as liquidator, providing technical, legal, accounting, financial, commercial, administrative or management assistance or other support services;*
- (c) *acquiring, hiring, leasing, maintaining and operating resources, and making these resources available to companies or entities in which it directly or indirectly owns shares, or third parties; and*

- (d) *granting of loans irrespective of form or term, to companies or entities in which it directly or indirectly owns shares or interests as well as granting guarantees and other securities to third parties for the obligations of such companies or entities.*

*The company may engage in any commercial, industrial and financial activities and perform all transactions with real estate or movable property which are directly or indirectly related to its purpose or which purport to contribute to the achievement of its purpose."*

The board of directors proposes to the shareholders of the Company to modify the Company's corporate purpose described here above and to formulate the amended corporate purpose as follows (the modified parts are underlined for ease of reference):

"Article 4

*The company is a company which has as its purpose the research, development, manufacture, purchase, sale, import, export, treatment, processing and representation of hygiene articles, rubber, plastic, paper and metal articles, bandaging materials, cotton wadding products, medical instruments, cosmetic articles and sterile and non-sterile medical equipment, as well as the direct and indirect ownership and management of shareholdings and interests in companies or entities in Belgium and abroad involved in the same or related activities, in its own name or in the name of third parties, for its own account or for the account of third parties.*

*In particular, the foregoing includes, without limitation:*

- (a) *investing in any companies or entities, whether with a commercial purpose or not, by subscribing, acquiring, placing, buying, selling and transferring shares, certificates or other securities or by any other means;*
- (b) *managing investments and participations in any companies or entities, exercising management and director mandates, acting as liquidator, providing technical, legal, accounting, financial, commercial, administrative or management assistance or other support services as well as all information technology services;*
- (c) *acquiring, hiring, leasing, maintaining and operating resources, and making these resources available to companies or entities in which it directly or indirectly owns shares, or third parties; and*
- (d) *granting of loans irrespective of form or term, to companies or entities in which it directly or indirectly owns shares or interests as well as granting guarantees and other securities to third parties for the obligations of such companies or entities.*

*The company may engage in any commercial, industrial and financial activities and perform all transactions with real estate or movable property which are directly or indirectly related to its purpose or which purport to contribute to the achievement of its purpose."*

### **3. JUSTIFICATION OF THE PROPOSED MODIFICATIONS**

The above mentioned proposed modifications to the corporate purpose of the Company are proposed to clarify and better align the description of the purpose with the present and future activities of the Company. More specifically, as a result of certain contemplated transactions whereby the Company will absorb (through merger by absorption) a number of its affiliates, and hence will become responsible to perform the operational and other activities of these affiliates, it is recommended to provide for a clearer and more comprehensive description of the activities to be performed by the Company.

In light of the above, the board of directors of the Company believes that the proposed modifications of the purpose of the Company are in the best interest of the Company. Therefore, the board of directors of the Company proposes to the extraordinary general shareholders' meeting of the Company to approve of the above modifications.

#### 4. **SPECIAL REPORT OF THE STATUTORY AUDITOR**

The board of directors has requested the statutory auditor, PricewaterhouseCoopers Bedrijfsrevisoren, represented by Peter Opsomer, to prepare the special report in accordance with article 559 of the Belgian Companies Code.

A copy of this special report will be attached as schedule 1 to this Report.

The board of directors agrees with the findings of the statutory auditor in its special report.

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Attachments:      Schedule 1: report of the statutory auditor

                            Schedule 2: statement of assets and liabilities as of 31 March 2015

Done in Erembodegem on 10 April 2015

On behalf of the board of directors of the Company

(signed)

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Cepholli BVBA, Director  
Represented by Jacques Purnode

(signed)

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Artipa BVBA, Director  
Represented by Thierry Navarre

**SCHEDULE 1: REPORT OF THE STATUTORY AUDITOR**

**SCHEDULE 2: STATEMENT OF ASSETS AND LIABILITIES AS OF 31 MARCH 2015**

<b>SUMMARY STATUTORY FINANCIAL STATEMENTS</b>	<b>31/03/2015</b>	<b>31/12/2014</b>
		<i><u>Balance Sheet after appropriation</u></i>
<b>ASSETS</b>	<b>1.820.607.827</b>	<b>1.816.242.654</b>
<b>FIXED ASSETS</b>	<b>1.810.000.000</b>	<b>1.810.000.000</b>
Financial fixed assets/affiliated companies	1.810.000.000	1.810.000.000
Participating interests	1.180.000.000	1.180.000.000
Amounts receivable	630.000.000	630.000.000
<b>CURRENT ASSETS</b>	<b>10.607.827</b>	<b>6.242.654</b>
Amounts receivable within one year	5.721.686	4.446.948
Cash at bank and in hand	359	359
Deferred charges and accrued income	4.885.782	1.795.347
<b>LIABILITIES</b>	<b>1.820.607.827</b>	<b>1.816.242.654</b>
<b>EQUITY AND LIABILITIES</b>	<b>1.160.881.420</b>	<b>1.162.516.634</b>
<b>PROVISIONS and DEFERRED TAXES</b>	<b>4.236.992</b>	<b>2.811.884</b>
<b>AMOUNTS PAYABLE</b>	<b>655.489.415</b>	<b>650.914.136</b>
Amounts payable after more than one year	630.000.000	630.000.000
Financial debt	630.000.000	630.000.000
Amounts payable within one year	20.104.139	18.377.782
Financial debt	4.502.484	900.891
Trade debts	2.644.152	4.507.922
Taxes, remunerations and social security	57.503	68.969
Other amounts payable	12.900.000	12.900.000
Accruals and deferred income	5.385.277	2.536.354