

RECTICEL
Société Anonyme
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**SPECIAL REPORT OF THE BOARD OF DIRECTORS REQUIRED BY ARTICLES
603 *et seq.* OF THE COMPANIES CODE**

To all shareholders,

In order to keep the necessary flexibility, the Extraordinary General Meeting of 30 May 2017 provides the renewal of different authorizations granted by the Board of Directors concerning the capital.

In this respect it should be noted that the two authorizations granted to the Board of Directors on 22 July 2015 in view of the acquisition and disposal of own shares in accordance with the articles 620, paragraph 1, and 622, paragraph 2,2° of the Companies' Code in case this acquisition or disposal is necessary to prevent the Company from suffering serious and imminent damage, shall expire on 1 September 2017.

Furthermore, the authorization granted to the Board of Directors on 22 July 2015 for a period of three years from the publication of notice in the Belgian Official Gazette to increase the authorized capital in one or more instalments up to a limit of 133,502,650 Euro expires on 1 September 2018.

The Board of Directors is proposing that the unused balance of authorized capital existing at the date of the General Meeting be cancelled and a new authorized capital equivalent to the current amount of the subscribed capital effective as of the date of the decision of the General Meeting and to use this new authorized capital for a further period of three years.

The Board of Directors also confirms that it has used the authorized capital since 22 July 2015 in the framework of the Stock Option Plan of the Recticel Group on 29 April 2016. Today, the amount of remaining authorized capital amounts to € 132,690,150.

The authorization granted to the Board of Directors on 22 July 2015 for a period of three years from the publication of notice in the Belgian Official Gazette, to use the authorized capital within the statutory limits in the event of a takeover bid for the company likewise expires on 1 September 2018.

The Board of Directors proposes that you also extend this authorization for a further period of three years.

The exceptional circumstances in which the Board of Directors would wish to use the authorized capital and the contemplated purposes in this respect are amongst others:

- to take short-term advantage of favourable circumstances on the capital market, to issue shares, convertible bonds or warrants, in favor of some people ;
- to effect an immediate increase in the company's cash and non-cash assets;
- to continue streamlining the Recticel Group's internal legal structure;
- to finance acquisitions, mergers or other operations through the issuance of shares or equity related to operations
- to issue convertible bonds, warrants and/or shares amongst others, but not exclusively, as part of a stock option plan or an employee share ownership plan;
- raise the share capital by incorporation of reserves and/or share premiums/

Clearly, the Board of Directors wishes to use the possibilities granted to it only within the strict statutory limits, and only in circumstances where it is necessary or appropriate to achieve the company's object and in the company's interest to do so.

For the Board of Directors
24 April 2017

OLIVIER CHAPELLE SPRL
Managing director
represented by
Olivier CHAPELLE

Chairman
Johnny THIJS