

RECTICEL
Public limited liability company
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**SPECIAL REPORT OF THE BOARD OF DIRECTORS REQUIRED BY ARTICLES
7:199 *et seq.* OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE**

To all shareholders,

In order to keep the necessary flexibility, the Extraordinary General Meeting of 26 May 2020 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 (i.e. in accordance with the new article 7:215, paragraph 1, and 7:218, paragraph 1, 3° of the Companies and Associations Code) in case this acquisition or disposal is necessary to prevent the Company from suffering serious and imminent damage, has expired on 1 September 2017.

Furthermore, the authorization granted to the Board of Directors on 7 July 2017 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 136,355,955 Euro expires on 25 July 2020.

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 7 July 2017 in the framework of the Stock Option Plan of the Recticel Group on 25 April 2018 and 28 June 2019. Today, the amount of remaining authorized capital amounts to € 127,709,355.

The authorization granted to the Board of Directors on 7 July 2017 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 25 July 2020.

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 subscription rights, 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, subscription rights and/or shares amongst others, but not exclusively, as part of subscription right plans for executive managers or directors of the company or affiliated companies or to enable participation of personnel in the capital of the company.
- 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
27 April 2020



OLIVIER CHAPELLE SRL
Managing Director
Represented by
Olivier CHAPELLE



THIJS JOHNNY BV
Chairman
represented by
Johnny THIJS