

PROPOSALS RELATIVE TO THE ITEMS ON THE AGENDA OF
THE GENERAL SHAREHOLDERS MEETING OF
LABORATORIO REIG JOFRE, S.A.

to be held on June 11, 2015

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Proposed resolutions for Laboratorio Reig Jofre, SA's Ordinary and Extraordinary General Shareholders Meeting, called for June 11, 2015

First - Financial statements and corporate management:

- 1.1. Review and approval, where applicable, of the Company's individual financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and report) for 2014.**
 - 1.2. Review and approval, where applicable, of the Company's individual management report for 2014.**
 - 1.3. Review and approval, where applicable, of the consolidated financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and report) for 2014 of the Company and its subsidiaries.**
 - 1.4. Review and approval, where applicable, of the consolidated management report corresponding to 2014 of the Company and its subsidiaries.**
 - 1.5. Approval of the proposed appropriation of earnings.**
 - 1.6. Approval of corporate management during 2014.**
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- 1.1.** Approve the Company's individual financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and report) for 2014, prepared by the Board of Directors on March 31, 2015.
 - 1.2.** Approve the Company's individual management report corresponding to 2014.
 - 1.3.** Approve the consolidated financial statements (balance sheet, income statement, statement of changes in consolidated equity, consolidated cash flow statement and consolidated report) for 2014 of the Company and its subsidiaries, prepared by the Board of Directors on March 31, 2015.
 - 1.4.** Approve the consolidated management report corresponding to 2014 of the Company and its subsidiaries.

The Company's auditors have issued the mandatory audit report, stating that the individual and consolidated financial statements and management reports prepared by the Board of Directors on March 31, 2015, meet the requirements of Article 269 of the Corporate Enterprises Act.

- 1.5.** Approve the following distribution of Company profit corresponding to 2014, with the following breakdown:



CONCEPT	FIGURE AT 31/12/2014
<u>Basis of allocation</u>	
- Profit for the year	€ 787,548.61
	€ 787,548.61
<u>Distribution</u>	
- Reserve for goodwill	€ 803.22
- Legal reserve	€ 78,754.86
- Other reserves	€ 707,990.53
	€ 787,548.61

1.6. Approve the Board of Directors' management during 2014..

Second - Authorization of the Board of Directors, with express powers of substitution, to carry out the derivative acquisition of treasury stock, either directly or via subsidiaries, with the limits and requirements established in the Corporate Enterprises Act, thus superseding the authorization granted in the General Shareholders Meeting of 30 June 2014.

Authorize the derivative acquisition of treasury shares, in the legally-contemplated circumstances, and delegate to the Company's Board of Directors, with express powers of substitution, the power to acquire treasury stock, with the limits and requirements established by the Corporate Enterprises Act (the "**Authorization**"), in order to provide maximum liquidity, at specific times, to the company shares quoted on the Stock Market.

This Authorization is subject to the following terms and conditions:

- (i) *Purchaser*: the Company, both directly or indirectly through its subsidiaries; in both cases, subject to the same terms and conditions provided in this Authorization.
- (ii) *Object or purpose*: the shares acquired as a result of this Authorization may be destined to:
 - (a) Their disposal or amortization;
 - (b) The application of the remuneration systems provided in Article 146.1, letter a), paragraph 3, of the Corporate Enterprises Act; and
 - (c) The development of programs to encourage participation in the Company's capital, including, where applicable, dividend reinvestment plans, loyalty bonds or similar instruments.
- (iii) *Methods of acquisition*: purchase, swap or any other method permitted under the provisions of the applicable legislation.



- (iv) *Maximum sum*: acquisitions contained in this Authorization may be effected at any time up to the maximum amount permitted under the applicable legislation. As a result of the acquisition of shares, including those that the Company or the person acting on their own name but on behalf of the Company has previously acquired and held in the portfolio, the resulting equity cannot be reduced below the amount of the share capital plus the legal or statutory reserves.
- (v) *Minimum and maximum exchange value*: the acquisition of treasury shares must always be effected for an exchange value within the limits established for this purpose, which are as follows:
 - (a) *Minimum acquisition exchange value*: 0.10 Euros per Company share, nominal value 0.10 cents;
 - (b) *Maximum acquisition exchange value*: 2 Euros per Company share, nominal value 0.10 Euros (except as provided in this Act); and
 - (c) *Amendments to the maximum and minimum exchange value*: notwithstanding the above, the acquisitions delegated by the General Shareholders Meeting to the Board of Directors under this corporate resolution shall have the following exceptions:
 - (1) No acquisitions may be made at a higher exchange value than the market price or lower than the nominal value of the share; and
 - (2) Notwithstanding the provisions of paragraph (v)(c)(1) above, the Board may decide on acquisitions at a higher exchange value than the maximum acquisition exchange value stated in paragraph (v)(b) above in the event of changes in the nominal value or market value of the share; in such cases, the Board may adjust the acquisition exchange value to the corresponding effective market value in accordance with the variation of the nominal value of the Company's shares.
- (vi) *Term*: five years as of the date of adoption of this corporate resolution.
- (vii) *Revocation*: this Authorization revokes and supersedes, in the unused amount, the authorization for the derivative acquisition of treasury shares granted to the Board of Directors by the Company's General Shareholders Meeting of Shareholders of June 30, 2014.

Third - Submission to vote, in a consultive capacity, of the Annual Report on the Remuneration of the Directors of Laboratorio Reig Jofre, S.A.

In accordance with the provisions of Article 541 of the Corporate Enterprises Act, the Board of Directors must prepare, on an annual basis, a Report on the Annual Remuneration approved for the current year, as well as on the application of the



remuneration policy for the current year and the breakdown of the individual remuneration accrued for concepts by each of the Directors during the year in question.

The Company's Board of Directors, at its meeting on April 29, 2015 and following a proposal by the Appointments and Remuneration Committee, approved the Annual Remuneration Report for 2014, the approval of which in a consultive capacity is proposed to this General Shareholders Meeting. The mentioned Report has been available to the shareholders as of the publication of the call for the General Shareholders Meeting.

It is agreed to approve the Annual Remuneration Report for 2014 in a consultive capacity.

Fourth - Approval of the Directors' remuneration policy, including the establishment of the maximum annual amount of remuneration for the Directors in this capacity and the remuneration of the Executive Directors.

As provided in Articles 529 septdecies, 529 octodecies and 529 novodecies of the Corporate Enterprises Act and the transitional provision, paragraph two, of Law 31/2014, of December 3rd, approving the remuneration policy of the Directors for the years 2015, 2016 and 2017, which is contained in the Annual Remuneration Report that has been submitted to vote in an advisory capacity in this General Shareholders Meeting pursuant to the provisions of the previous Resolution and which includes, among others issues, the maximum annual amount of the remuneration of the Directors in their capacity as such.

Fifth - Amendment of the Bylaws to adapt their content to the latest amendments to the Corporate Enterprises Act and, specifically, to Law 31/2014, December 3, amending the Corporate Enterprises Act to improve corporate governance, as well as to incorporate other provisions relative to best practices in corporate governance, and approval of a consolidated text.

The reform is proposed with the aim of (i) adapting the content of Laboratorio Reig Jofre's Bylaws to the latest reforms of the Corporate Enterprises Act and, specifically, to incorporate the latest improvements in relation to corporate governance introduced by Law 31/2014, December 3, amending the Corporate Enterprises Act to improve corporate governance, (ii) to incorporate certain provisions that affect the functioning of the General Shareholders Meeting, (iii) to define the corporate purpose and (iv) to homogenize the terminology employed throughout the Bylaws.

Thus, the amendment of the following articles in the terms set out below is proposed to the General Shareholders Meeting:

5.1.1. Amendment of Chapter I (Name, Address, Purpose and Term): Articles 2, 3 and 4.



It is agreed to approve the amendments of Articles 2, 3 and 4 of the Company's Bylaws which, hereinafter, will be worded as follows:

5.1.1.1. Article 2 - CORPORATE PURPOSE.

The Company's corporate purpose is as follows:

- 1) The manufacture, purchase and sale, research, development, innovation and registration, both nationally and internationally, of raw materials, pharmaceuticals, biotechnology products, nutritional supplements, health products, medical devices, cosmetics, pharmacy, food and other products related directly or indirectly to health, cosmetics and/or human or animal food.
- 2) The preparation and research of active ingredients and nutraceutical ingredients from natural sources, specifically aimed at disease prevention or for use as nutritional supplements incorporated into products of daily consumption (functional foods). The obtaining of patents for such products and their benefits following their validation, for the subsequent cession of their use and commercialization to third parties.
- 3) The above-mentioned activities, together with any other activities that are complementary to those which fall within the corporate purpose, may be undertaken by the Company, in whole or in part, directly and indirectly, through the ownership of shares in companies or interests in companies or entities with identical or similar corporate purposes, as well as through the transfer of rights, licensing and/or authorizations of any kind.

5.1.1.2. Article 3 - DURATION.

The Company is constituted for an indefinite period, and will initiate its activities in the new public limited company form on the day of issue of the deed of transformation.

The Company may only be dissolved upon the proposal of the General Shareholders Meeting in the cases and under the conditions laid down in Articles 43 and 44 of these Bylaws.

5.1.1.3. Article 4 - REGISTERED OFFICES.

The company's registered offices are located in the town of Sant Joan Despí (Barcelona), Calle Gran Capità, number 10.

The Board of Directors may, without the prior approval of the General Shareholders Meeting, change the registered offices to another location within the same municipality, complying with the requisites established in the applicable legislation.

The General Shareholders Meeting may resolve to change the registered office to another municipality upon the proposal of the Board, in compliance with the provisions in force at the time of the resolution.



Similarly, the Board of Directors may create, transfer or suppress the Company's agencies, branches, delegations and representations as it considers convenient, both within Spain and abroad.

5.1.2. Amendment of Chapter II (Share Capital, Shares, Rights and Obligations of Shareholders): Articles 6, 9 and 10.

It is agreed to approve the amendments of Articles 6, 9 and 10 of the Company's Bylaws which, hereinafter, will be worded as follows:

5.1.2.1. Article 6 - SHARE REPRESENTATION.

The shares are represented by means of book entries. Their representation is to be governed by the provisions of the Securities Market Act and other applicable legal provisions.

5.1.2.2. Article 10 - USUFRUCT.

In the case of share usufruct, the condition of shareholder resides in the bare legal title, whereas the usufructuary holds the right to the dividends approved by the Company during the usufruct period.

The exercise of all other shareholder rights corresponds to the bare legal title, and must be facilitated to the same by the usufructuary.

When new shares are subscribed, either by the bare owner or usufructuary, the usufruct shall extend to the shares whose disbursement had been calculated according to the average trading price during the subscription period.

The amounts to be paid in the event of the extinction of the usufruct or due to the failure of the bare ownership to exercise the right of first refusal in the event of a capital increase, shall be calculated in accordance with the average trading price during the quarter prior to the occurrence of the above-mentioned events.

5.1.2.3. Article 10 - SHARE PLEDGES.

In the case of share pledges, the exercise of the shareholder rights corresponds to the holder of the same, who must provide proof of legitimacy by means of the certificate contemplated in the regulations governing securities represented by means of book entries.

The pledgee shall be obliged to facilitate the exercise of these rights by presenting the shares to the company when this requirement is deemed necessary.

5.1.3. Amendment of Chapter IV (General Shareholders' Meeting): Articles 14, 15, 19, 20, 21 and 24.

It is agreed to approve the amendments of Articles 14, 15, 19, 20 and 24 of the Company's Bylaws which, hereinafter, will be worded as follows:



5.1.3.1. Article 14 - TYPES AND FREQUENCY OF GENERAL SHAREHOLDERS MEETINGS.

The General Shareholders Meetings may be Ordinary or Extraordinary in nature, and must be called by the Board of Directors.

The Ordinary General Shareholders Meeting will be held, following a call by the Board of Directors, during the first six months of each economic year, with the aim of reviewing the corporate management, to approve, when applicable, the financial statements corresponding to the previous year, and to resolve the allocation of profits.

Nevertheless, the General Shareholders Meeting, even if called as an Ordinary Meeting, may also deliberate and decide on any matter within the scope of its competence that has been included in the call, and subsequent to compliance with the provisions of the current legislation.

Ordinary General Shareholders Meetings are to be held by decision of the Board of Directors, either on its own initiative or at the request of shareholders representing at least three percent of the share capital.

5.1.3.2. Article 15 - CALL.

Ordinary and Extraordinary General Shareholders Meetings shall be called by means of an announcement published in, at least, the Official Companies Registry Gazette or in one of Spain's highest circulation newspapers, in the Spanish Securities Market Commission's website and in the Company's official website, at least one month prior to the date established for the celebration of the Meeting, or with fifteen days notice in the case of Extraordinary General Shareholders Meetings, when the Company offers the shareholders the effective possibility of voting via electronic means accessible by all shareholders, with the exceptions regarding other specific periods contemplated in the Corporate Enterprises Act.

In all cases, the reduction of the call period will require a resolution adopted during the General Shareholders Meeting by at least two thirds of the subscribed capital with voting rights, the validity of which shall not exceed the date of the celebration of the next General Shareholders Meeting.

The announcement shall specify the date of the Meeting on first call, the location in which the Meeting is to be held - which may be in the locality in which the Company has its registered offices or in any other location in the national territory expressly indicated in the call - all the items to be dealt with, together with any other question which, when applicable, must be included in the same under the provisions of the General Shareholders Meeting Regulations, as well as the right of shareholders to examine at the registered offices, to consult in the Company website and to obtain immediately and without charge, the documents to be submitted to the approval of the General Shareholders Meeting and, when applicable, the legally-contemplated report or reports, as well as all other legally required information. When applicable, the date of the second call of the General Shareholders Meeting may also be indicated. The first and second calls must be separated by at least 24 hours. The



announcement of the call is to be signed by the person empowered to certify the Board of Directors' resolutions.

Shareholders representing at least three percent of the share capital may request the publication of a supplement to the General Shareholders Meeting call, including one or more agenda items, providing that the new items are accompanied by a justification or, where applicable, an amended agreement proposal. This right shall be exercised by means of a certified notification to be received in the registered offices within the five days subsequent to the publication of the call. The supplement to the call must be published at least fifteen days prior to the date established for the celebration of the Meeting. The failure to publish the supplement to the call within the legally-established period will be cause for the nullity of the General Shareholders Meeting.

Shareholders representing at least three percent of the share capital may submit justified proposals for resolutions on matters already included or to be included in the agenda of the Meeting called. This right shall be exercised by means of a certified notification to be received in the registered offices within the five days subsequent to the publication of the call.

These proposed resolutions shall be published at least fifteen days before the date set for the celebration of the General Shareholders Meeting by the same means used for the publication of the call for the General Shareholders Meeting.

Additionally, shareholders representing, individually or jointly, three percent of the share capital may call a General Shareholders Meeting to decide on corporate responsibility action against the Directors, and exercise, without the consent of the Board or against the same, the corporate responsibility action.

5.1.3.3. Article 19 - CONSTITUTION OF THE GENERAL SHAREHOLDERS MEETING AND VOTING OF RESOLUTIONS.

Both Ordinary and Extraordinary General Meetings will be validly assembled at first call when attended by shareholders representing at least half of the paid-in capital. The second call will be considered valid independently of the capital represented.

Resolutions shall be adopted, in general, by a simple majority of the votes of the shareholders present or represented at the Meeting. A resolution will be understood as adopted when more votes are cast in favor than against the capital present or represented.

The reduction of the call period to fifteen days in cases in which the Company offers the shareholders the effective possibility to vote via electronic means accessible to all shareholders for Extraordinary General Shareholders Meetings will require an express resolution adopted in the Ordinary General Shareholders Meeting with the favorable vote of at least two thirds of the subscribed capital with voting rights.

In order for General Shareholders Meetings to validly approve the issue of debentures, promissory notes, bonds and other analogous financial instruments, capital increases or decreases, the transformation, merger or de-merger of the Company or the global assignment of the assets and liabilities and the transfer of the Company's registered offices abroad and, in general, any amendment of the



Company Bylaws, the quorum of shareholders demanded by law for such cases must be present, both on first and on second call.

For the adoption of the agreements referred to above, an absolute majority will suffice if more than 50 percent of the capital is present or represented. However, the affirmative vote of two-thirds of the capital present or represented at the Meeting is required at the second call when shareholders representing 25% or more of the share capital with voting rights are present, without reaching 50%.

5.1.3.4. Article 20 - RIGHT TO INFORMATION.

The shareholders will enjoy the right to information in the terms contemplated in Law and the General Shareholders Meeting Regulations. In particular, between the publication of the call and the celebration of the General Shareholders Meeting, the Company will continuously publish on its website the information contained in Article 518 of the Corporate Enterprises Act, including the following, as a minimum:

- a) The announcement of the call.
- b) The total number of shares and voting rights on the date of the call, broken down by share classes, if any.
- c) The documents to be submitted for presentation to the General Shareholders Meeting and, in particular, the reports prepared by the Directors, accounts auditors and independent experts.
- d) The full texts of the proposed resolutions for each of the items on the agenda or, in relation to those items of a merely informative nature, a report from the competent bodies commenting on each. The proposed resolutions presented by the shareholders will be included as they are received.
- e) In the case of the appointment, ratification or re-election of Board members, the identity, curriculum and the category to which each belongs, as well as the proposal and reports referred to in Article 529 decies. In the event of a legal entity, the information must include the information corresponding the legal entity to be appointed for the permanent exercise of the functions corresponding to the post.
- f) The forms to be used for proxy and remote voting, except when they are sent directly by the Company to each shareholder. In the event of the impossibility of their publication in the website due to technical causes, the Company must publish indications on the website relative to manner in which the forms may be obtained in printed format. The Company must send such printed forms to any shareholder who so requests.

The Directors have the duty to provide, in the form and within the term contemplated in Law, the information which, under Law, the shareholders request. The right to information recognized in favor of the shareholders in Articles 197 and 520 of the Corporate Enterprises Act may be refused by the Directors if the request is submitted by shareholders representing less than twenty percent of the paid-up capital and if,



in the Board's opinion, the publishing of such information is unnecessary for the protection of shareholder rights, or if there are objective reasons to believe that the information could be used for non-corporate purposes or that its publication could harm the Company or the related companies.

5.1.3.5. Article 21 - CELEBRATION OF THE GENERAL SHAREHOLDERS MEETING.

The General Shareholders Meetings are to be held in the municipality in which the Company's registered offices are located, or in any other location within the national territory indicated in the call.

The General Shareholders Meeting sessions may be held over one or more consecutive days. The prorogation of the Meetings' sessions may be approved on the proposal of the Board of Directors or following a simple request by a number of shareholders representing twenty-five percent of the share capital present at the Meeting. In such a case, the General Shareholders Meeting will be considered unique through the issue of a single Minutes for all the sessions held.

Both Ordinary and Extraordinary General Shareholders Meetings are to be chaired by the Chair of the Board of Directors, or in his/her absence by the Vice-Chair, or in the absence of both by a shareholder elected by the shareholders present at the Meeting. The Chair is to be supported by a Secretary, to be chosen from among the members of the Board of Directors, or in the absence of the latter by a shareholder designated by the Meeting.

At the beginning of the Meeting, and before commencing the agenda, a list of the shareholders in attendance will be drawn up. This list will establish the character or the representation of each person in attendance and the number of personal or represented shares present at the Meeting. The number of shareholders present or represented and the value of the share capital held by the same will figure at the bottom of the list together with, when applicable, the number of shares with voting rights present.

5.1.3.6. Article 25 - COMPETENCES OF THE GENERAL SHAREHOLDERS MEETING.

The General Shareholders Meeting has complete sovereignty to inform itself of and resolve all matters of its competence assigned under Law or the Bylaws, with special powers and attributions related to the following:

- a) The approval of the financial statements, the allocation of profit and the approval of the corporate management.
- b) The appointment and removal of Directors, liquidators and, where appropriate, accounts auditors, as well as the exercise of corporate responsibility actions against any of the same.
- c) The amendment of the Bylaws.



- d) The approval and amendment of the General Shareholders Meeting Regulation.
- e) The increase and reduction of share capital.
- f) The suppression or limitation of preferential subscription and preemption rights.
- g) The acquisition, disposal or contribution to another Company of essential assets. The essential character of an asset is presumed when the amount of the transaction exceeds twenty five percent of the value of the assets stated in the last approved balance sheet.
- h) The transformation, merger, division or transfer of assets and liabilities and the transfer abroad of the Company's registered offices.
- i) The dissolution of the Company.
- j) The approval of the final liquidation balance sheet.
- k) The transfer of core activities to subsidiaries that were previously carried out by the Company, even though the latter retains full control of the former. The essential nature of the activities and operating assets is presumed when the volume of the transaction exceeds twenty five percent of the total balance sheet assets.
- l) Transactions resulting in an effect that is equivalent to the liquidation of the Company.
- m) The Directors remuneration policy.
- n) The General Shareholders Meeting will also resolve any matter that is submitted to its decision by the Board of Directors, or by the shareholders in those cases provided by law, or which fall under its competence in accordance with the Law and the Bylaws.

The General Shareholders Meeting may delegate its competences to the Board of Directors in the cases contemplated under Law and the Bylaws.

The General Shareholders Meeting will not be empowered to instruct the Board of Directors, or to submit to its authorization, the adoption by the Board of decisions and agreements relative to management issues.

5.1.4. Amendment of Chapter V (Board of Directors): Articles 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 36, 36 bis, 36 ter.

It is agreed to approve the amendments of Articles 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 36, 36 bis, 36 ter of the Company's Bylaws which, hereinafter, will be worded as follows:



5.1.4.1. Article 25 - COMPOSITION.

The Company will be administrated, governed and represented by a Board of Directors, composed by no less than five and no more than fifteen members.

All the Board members are to be appointed by the General Shareholders Meeting for a term of four years, and may be reelected for successive terms of the same duration.

The appointment of a Board member established for a determined number of years will cease to have effect when, following the termination of the period for which he/she was appointed and the subsequent celebration of a General Shareholders Meeting or the termination of the legally-established period for the celebration of the Ordinary General Shareholders Meeting, the member is not reelected.

5.1.4.2. Article 26 - REQUISITES FOR DIRECTORS.

Non-shareholders will be eligible for election to the Board of Directors. Board members must be of legal age, enjoy full use of their civil rights and not incur in any of the circumstances of prohibition or ineligibility contemplated by Law.

Directors are required to discharge their duties with diligence and the responsibility determined by the applicable regulations at all times.

The Board shall conduct an annual assessment of its performance and that of its committees and propose, on the basis of its outcome, an action plan to correct any deficiencies identified.

The result of this assessment shall be recorded in the minutes of the session, or incorporated into the same as an attachment.

5.1.4.3. Article 27 - BOARD POSTS.

The Board of Directors, subsequent to a report from the Appointments and Remuneration Committee, will elect from among its members a Chair, who shall hold the maximum responsibility for the effective functioning of the Board.

The Board will also, following a report from the Appointments and Remuneration Committee, elect a Secretary. If the Secretary is chosen from among the Directors, he/she will not be eligible to vote during the Board of Directors Meetings.

The post of Chair of the Board of Directors may be held by an Executive Director, in which case, the appointment shall require the favorable vote of two-thirds of the members of the Board of Directors.

If the Chair of the Board of Directors is an Executive Director, the Board of Directors, with the abstention of the Executive Directors, must necessarily appoint a coordinator Director from among the independent Directors. The Coordinator Director will be specifically empowered to call Board Meetings or include new items on the agenda of a Board Meeting that has already been called, coordinate and assemble the non-



executive directors and direct, where appropriate, periodic assessments of the Chair of the Board of Directors.

Chairs and Secretaries who are re-elected as members of the Board by the General Shareholders Meeting will continue to hold the posts held previously in the Board of Directors without the need for a new election, notwithstanding the power to revoke such appointments held by the Board.

5.1.4.4. Article 28 - VACANCIES.

If vacancies arise during the period for which the Directors have been appointed, the Board of Directors may appoint the person or persons who are to cover the vacancy/ies. Such appointments must be ratified, or overruled, during the celebration of the following General Shareholders Meeting. In such cases, and in the absence of the definitively established term, the duration of the appointment will be understood as equal to the period remaining to the completion of the term for which the Director who has caused the vacancy was appointed.

5.1.4.5. Article 29 - CALL.

The Board of Directors acts as a body and celebrates its Meetings when called by its Chair. The Chair must call a meeting of the Board when requested to do so by two or more Board members.

The Board of Directors shall meet as often as is appropriate for the proper performance of its functions and, at least once a quarter and in the circumstances determined by the Board Regulations.

The call must be issued with a minimum of five days notice prior to the day indicated for the meeting, or with an inferior notice in the event of urgent sessions, and must indicate the date, time, location and agenda of the session, which may be celebrated in the registered offices or in any other location. Any other matters of interest to the Company proposed by the Chair or the Directors may be dealt with and approved during the session, including those which do not appear in the corresponding agenda.

Board meetings may be held simultaneously in various rooms, providing such rooms are adequately connected by audiovisual and communications means capable of ensuring the unity of the act. In such cases, the system employed to ensure the connectivity of the different rooms must be indicated in the call announcement, as well as, when applicable, the locations in which the technical resources necessary for attendance at and participation in the meeting are available. Agreements are considered to have been adopted in the Company's registered offices.

5.1.4.6. Article 30 - CELEBRATION OF SESSIONS AND ADOPTION OF AGREEMENTS.

The Board will be validly constituted when at least one half plus one of the total number of Board members are present or represented.

The Directors must attend the sessions in person.



Notwithstanding the above, Directors may only delegate their representation to another Board member. The delegation must be effected in writing, with specific indication of the Board meeting in question. Non-executive directors may only delegate their representation to other non-executive directors.

Agreements are adopted by the favorable vote of the majority of those present and, in the case of ties, the Chair has the casting vote.

The Board will be validly constituted when all the members are present and unanimously agree to constitute a session, including in the absence of a prior convocation announcement.

5.1.4.7. Article 32 - REMUNERATION OF BOARD OF DIRECTORS.

The Company will design its remuneration policy within the parameters established in the applicable laws, in particular, taking into account the provisions introduced in the Corporate Enterprises Act by the Law 31/2014, of December 3, on good corporate governance. The proposed remuneration policy for the Board of Directors shall be reasoned and shall be accompanied by a specific report issued by the Appointments and Remuneration Committee.

The Board members are to receive compensatory per diems, to be established by the Board, for any expenses incurred as a result of attending board meetings.

Notwithstanding the aforementioned compensation, the Directors are to receive fixed, periodic remuneration for the performance of their duties, to be determined and approved by the General Shareholders Meeting at least every three years as a separate item on the agenda and which will vary annually according to the Consumer Price Index, until such time as the amount is modified by a new General Shareholders Meeting agreement.

By means of an agreement adopted to this effect, the Board of Directors will distribute the aforementioned remuneration among its members in accordance with the criteria, method and amount that it establishes, taking into consideration the functions and responsibilities attributed to each Director, their membership of Board committees and any other objective considerations deemed relevant..

Similarly, the Directors' remuneration may consist of: (i) the delivery of shares, share options or other options referenced to the share value, provided that such remuneration agreements are determined by the General Shareholders Meeting in accordance with the provisions of Article 219 of the consolidated Corporate Enterprises Act; (ii) participation in profits, which will only be subtracted from net profit after covering the requirements of the legal and statutory reserves and having recognized a dividend of four percent of the nominal value of the shares in favor of the shareholders, subject to approval by the Company's Shareholders General Meeting in accordance with the provisions of Article 218 of the consolidated text of



the Corporate Enterprises Act; (iii) a variable remuneration with general indicators or parameters; (iv) severance payments, early retirement or termination of the contractual relationship and exclusivity agreements, post-contractual non-competition and permanence or loyalty; and (v) savings or retirement systems deemed appropriate.

5.1.4.8. Article 33 - BOARD OF DIRECTORS POWERS.

The Board of Directors is responsible for the management, administration and representation of the Company, judicially and extra-judicially, in all acts covered by the corporate purpose, understood as such as those acts which are not expressly reserved under Law or the Bylaws as the competence of the General Shareholders Meeting, including, without limitation, the following powers, in addition to the non-delegable powers established in Articles 249 bis and 529 ter of the Corporate Enterprises Act:

1. The appointment and removal of all staff and the establishment of their wages, salaries and bonuses, as well as the contracting, payment and cancellation of the obligatory social security and work accident insurance.
2. Administrate, rule and govern all issues and negotiations included in the corporate purpose and the corporate assets, collect rents, debts, profits, earnings, pensions, request, liquidate and charge accounts, issuing receipts, balances and termination settlements, give or receive rural or urban properties on behalf of or for the Company as a lease or sharecropping, with the agreements deemed appropriate, terminate or cancel such contracts, evict sharecropping farmers, settlers, tenants, leasers, hold-over tenants and any other type of occupants; purchase and sell goods, sign invoices, policies, data, guides and legal statements, effect payments, accept and settle accounts, employ the corporate funds, securities and effects, and administer their investment and placement.
3. Contract charters and all kinds of sea, air and land transport; withdraw letters, certificates, shipments, parcels, money or telegraphic and declared values from Communications offices, and forwarded goods and effects from rail, shipping, transport companies in general, and from customs offices and agencies.; lodge protests and claims, make payments on account and payments for goods; open, answer and sign correspondence and maintain business records in accordance with the provisions of the Law; lodge protests for breakdowns, contract insurance against risks derived from transportation, fire and occupational accidents, sign the corresponding policies or documents and receive payment, if any, of compensation, request and withdraw quotas of raw materials or items a commercial nature.
4. Issue, endorse, intervene, accept, collect, discount bills of exchange and other drafts; formulate redraft charges; enter protests for non-acceptance of payment; open and cancel, at the Bank of Spain, or any other credit institution, current, ordinary or credit accounts, with personal guarantees, or guaranteed by securities or other commercial papers, and to this effect signing cheques, money orders and other documents and withdrawing cheque books,



- constituting and withdrawing deposits and bonds, including with the Government Depository, and to collect their interests.
5. Purchase, sell, exchange and pledge securities and collect their interest, dividends and amortization, and generally operate with Official Savings Banks and Banks, including the Bank of Spain and all other official Banks, in accordance with the applicable legislation and banking practices.
 6. Declarations of construction and planting, definition of boundaries, boundary marking, groupings, divisions, segregations, constitution of horizontal property, establishing the regulations that shall govern the future owners association and applying for all types of necessary licenses and permits.
 7.
 - a) Undertake transactions, commitments and waivers; give and accept goods for payment; effect and receive loans from any public, official or private Bank or Credit Banks, Rural Savings Banks or Credit Cooperatives or any other official or private organization or entity; constitute, accept, amend, acquire, dispose of, postpone and cancel, wholly or in part and prior to maturity, mortgages, pledges, antichreses prohibitions, conditions and all kinds of limitations or guarantees.
 - b) Constitute, accept, divide, dispose of, levy, redeem and extinguish usufructs, easements, censuses, registrable leases and other rights in rem, exercising all the powers derived therefrom.
 - c) Cosign, secure and provide guarantees in favor of individuals and legal entities. The power detailed in section b) corresponds exclusively to the Board of Directors and may not be delegated, although singular agents may be designated and granted the mentioned power in the terms expressed in the authorization.
 8. Purchase, sell and exchange, purely or conditionally, at a received price, in cash or in installments, all kinds of fixed and movable assets, rights in rem and personal rights, agreeing guarantees for the part of the deferred price, including mortgages, and their cancellation once fully satisfied.
 9. Take part in tenders and auctions, make proposals and accept interim and final awards, constituting the corresponding securities. Assign the adjudications, whether works or services, to third parties, implement the same and perceive the corresponding retribution.
 10. Celebrate all kinds of acts, business and contracts, independently of their class, granting all public and private documents as may be necessary. Request notarial deeds of all kinds, promote ownership and exemption from taxation proceedings, and monitor the same through all their respective stages, request registration and entries in the Land and Companies Registries, divide communal estates, make, accept and answer notifications and notarial requirements.
 11. Participate in other civil or commercial Companies, associations and foundations, underwriting securities, ownership interests or shares,



disbursing the corresponding amount through the contribution of goods or rights, attending General Shareholders Meetings, exercising the corresponding rights, accepting and exercising positions in the Governing Body, undertaking representation with full powers to exercise all the rights and fulfill all obligations as a partner or shareholder, including in the event of dissolution or liquidation, accepting and receiving part of the common equity that is awarded to the Company in such a case.

12. Appear in person or by means of Solicitors, through the granting for this effect of the corresponding powers, before all classes of Authorities, Corporations, Companies, Associations, Offices or Branches, whether pertaining to the European Communities, the State, Autonomous Regions, Provinces, Municipalities, Courts, Prosecutors, Unions, Delegations, Committees, Commissions, Boards, Juries, Ministries, Labor Tribunals, National Institutes or Savings Banks or other Centers or Organizations of all degrees, jurisdictions and instances, exercising rights, actions and exceptions, as plaintiff, defendant, intervener, complainant or in the concept of procedural legitimization, actively or passively as appropriate in each case, in all civil, singular or universal cases; payment write-offs and extensions, defaults, insolvency and bankruptcy; declarative or executive; acts of voluntary jurisdiction; criminal procedures; governmental appeals, litigation and economic-administrative; or in any other proceeding of any kind or nature, either before domestic Courts or those of the European Communities.

Desist from proceedings; prepare ordinary or extraordinary appeals, without exception, including cassation, revision or annulment, up until such time as a final resolution is obtained and compliance with the same produced. Ratify written documents when such a requisite is demanded.

13. Arrange the issue of shares, debentures, notes, bonds and other similar financial instruments which the General Shareholders Meeting agrees to circulate, accepting contributions in cash, fixed or movable assets, for the valuation agreed with the purchasers as permitted under the powers, under the terms of the applicable Corporate Enterprises Act.
14. Chair, by means of its Chair, the Ordinary and Extraordinary General Meetings, to which it will propose initiatives, improvements, amendments or prior consultations for the development of the corporate purpose, whilst simultaneously resolving the queries of the shareholders in relation to the same issues.
15. Submit the financial statements, the management report and the proposed allocation of profits to the Ordinary General Shareholders Meetings, as well as, when applicable, the consolidated financial statements and management report, together with all the data necessary to report on and to clarify any aspect of the documents submitted to the consideration of the General Meeting.
16. Regulate and direct corporate business.



17. Resolve any doubts arising from the interpretation of these Bylaws, as well as any arising from the interpretation of any internal Regulations issued.
18. Delegate to the individual or company deemed appropriate and to grant, to this effect, the corresponding powers, and each and every one of the corresponding powers under these Bylaws or General Shareholders Meeting resolutions, with the exception of those which, under the current legislation, are exclusive to the Board of Directors and, as such, cannot be delegated, under the provisions of the Law.

5.1.4.9. Article 34 - CHAIR OF THE BOARD OF DIRECTORS.

The Chair of the Board of Directors is responsible for:

- a) Drafting, signing and processing the calls for the General Shareholders Meeting and the Board of Directors Meetings, as well as for chairing the Board of Directors Meetings, establishing the agendas of the Meetings and directing the discussions and debate.
- b) Chairing the General Shareholders Meeting.
- c) Resolving any doubts relating to the procedure of the General Shareholders Meetings and the Board of Directors Meetings that may arise.
- d) Ensuring that directors receive, in advance, sufficient information and with sufficient notice to deliberate and adopt resolutions on the items of the agenda.
- e) Stimulating debate and the active participation of directors during the meetings, safeguarding their freedom to adopt positions.

5.1.4.10. Article 35 - SECRETARY OF THE BOARD OF DIRECTORS.

The Secretary of the Board of Directors is responsible for:

- a) Drafting and signing the Minutes corresponding to the General Shareholders Meetings and the Board of Directors Meetings, attesting to their content and that of the resolutions adopted, the transcription of the same in the corresponding official books, the issue of certifications justifying the resolutions and the custody of the documentation referring to the same.
- b) Ensuring that the actions of the Board of Directors comply with the applicable legislation and are carried out in accordance with the Bylaws and other internal regulations.
- c) Assisting the Chair to facilitate the Directors with relevant information for the exercise of their functions in good time and in the appropriate format.

5.1.4.11. Article 36 - CHIEF EXECUTIVE OFFICERS AND EXECUTIVE COMMITTEE.



The Board of Directors may agree to designate one or more Chief Executive Officers and a Delegate Committee from among its members. In the event of the appointment of a CEO, the corresponding contract must be signed in accordance with the terms established in the current legislation.

In such a case, the agreement must either list the powers delegated or indicate the delegation of all powers which may be legally delegated in accordance with the Bylaws and, when applicable, those which have been conferred to the Board by the General Shareholders Meeting and which may also be delegated. For this purpose, it must be noted that the powers detailed in Articles 249 bis and 529 ter of the Corporate Enterprises Act, and those detailed in Article 33 of these Bylaws, cannot be delegated.

The permanent delegation of the Board of Directors' powers to an Executive Committee or to one or more Chief Executive Officers and, when applicable, the designation of Directors who are to assume such posts, necessarily requires the favorable vote of two thirds of the members of the Board, and will not enter effect until its due registration in the Companies Register.

5.1.4.12. Article 36 bis. - THE AUDIT, COMPLIANCE AND CONFLICTS OF INTEREST COMMITTEE.

1. The Board of Directors shall create and maintain an Audit, Compliance and Conflict of Interest Committee, which shall be mandatory and permanent in nature.
2. The Audit, Compliance and Conflicts of Interest Committee is to be composed exclusively of non-executive directors appointed by the Board of Directors, two of whom, at least, must be independent directors, one of whom shall be appointed in accordance with their knowledge and experience in accounting, auditing or both.
3. The Bylaws or the Board of Directors Regulation must, in accordance with the provisions of the same, establish the number of members of the Audit, Compliance and Conflict of Interest Committee, as well as the Committee's competences and operational regulations.
4. The Chair of the Audit, Compliance and Conflict of Interest Committee will be appointed by the Board of Directors from among the Committee's members, and must be substituted each four years. A Director may be reelected Chair of the Committee one year after the termination of his/her previous term. The Audit, Compliance and Conflict of Interest Committee is also to appoint a Secretary, who need not be a member of the same.
5. Notwithstanding the provisions established in the Bylaws or the Board of Directors Regulation, the Audit, Compliance and Conflict of Interest Committee is to be composed of a minimum of 3 and a maximum of 5 directors, and is to be chaired by an independent Director.
6. The Audit, Compliance and Conflict of Interest Committee's members are to be appointed in accordance with their knowledge and experience in the field of accounts, audits or risk management.



7. Without prejudice to any other duties that may be assigned by the Board of Directors or its Chair, and under the current legislation, the Bylaws or the Board Regulations, the Audit, Compliance and Conflicts of Interest Committee shall exercise the following functions:
- a) Report on the annual financial statements, as well as on the half-yearly and quarterly financial statements, that must be filed with the regulatory or market supervision bodies, indicating the internal control systems, the monitoring procedures followed and compliance by means of the internal audit, and, where appropriate, the accounting principles applied.
 - b) Inform the Board of Directors of any amendments to accounting criteria and balance sheet and off balance risks.
 - c) Report to the General Meeting on the issues raised during the same on matters of its competence.
 - d) Propose to the Board of Directors, for submission to the General Shareholders Meeting, the appointment of the external Accounts Auditors.
 - e) Supervise the internal audit services. The Committee shall have full access to the internal audit and will report during the process of selection, appointment, renewal and removal of its Director and on the establishment of the Director's remuneration. The Committee must also report on the budget of this department.
 - f) Be informed of the Company's financial reporting process and internal control systems.
 - g) Liaise with the external auditors to receive information concerning matters that may jeopardize their independence, in addition to any other issues related to the development of the account auditing process.
 - h) Meet with the Directors deemed relevant to the Committee's meetings in order that they may inform to the extent agreed by the Audit Committee.
 - i) Prepare an annual report on the activities of the Audit Committee, which must be included in the management report.

1st. In relation with the information and internal control systems:

- a) Supervise the preparation and integrity of company's financial reporting, monitoring compliance with legal provisions, the accurate demarcation of the consolidation perimeter and the correct application of accounting principles
- b) Periodically review the internal control and risk management systems in order that the main risks, including tax risks, are identified, managed and disclosed properly, as well as discussing with the auditor any significant weaknesses detected in the internal control system in the course of the audit.
- c) Supervise and safeguard the independence and efficacy of the internal audit function and supervise the same, with full access to the audit; propose the selection, appointment, reappointment and removal of the head of the internal



audit; propose the budget for this service and establish the remuneration of its Director; receive regular reports on its activities and the service's budget; and verify that Senior Management is acting on the findings and recommendations of its reports.

- d) Establish and supervise a mechanism whereby staff can report confidentially and, if necessary, anonymously, any irregularities of potential importance, especially those of a financial and accounting nature, detected within the company.
- e) Meet independently with any Company employee or manager, to the extent that it must be able to require their appearance without the presence of another senior officer.
- f) The Audit, Compliance and Conflict of Interest Committee is to report to the Board, prior to the Board's adoption of the corresponding decisions, on the following matters:
 - i. The financial reporting that all listed companies must periodically disclose. The Committee must ensure that interim financial statements are prepared under the same accounting principles as those employed for the annual financial statements and, to this end, may ask the external auditor to conduct a limited review.
 - ii. The creation or acquisition of shares in special purpose vehicles or entities resident in countries or territories considered tax havens, and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the Group.
 - iii. Transactions with related parties.
- g) Supervise compliance with the Internal Code of Conduct in relation to the Securities Market and the Policy on the Use of Relevant Information and corporate governance regulations.

2. In relation to the external auditor:

- a) Submit proposals to the Board of Directors, for their submission to the General Shareholders Meeting, for the selection, appointment, reappointment and removal of external auditors, and the terms of their engagement
- b) Receive regular information from the external auditor on the progress and findings of the audit program, and verify the Senior Management's observance of its recommendations.
- c) Ensure the independence of the external Auditor, and to this effect:
 - i. That the company reports any change of auditor to the Spanish Securities Market Commission as a significant event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.



- ii. That the Company and the auditor adhere to current regulations on the provision of services other than audit services, the limits applicable to the concentration of the auditor's business activity and, in general, all other regulations established to ensure the independence of the auditors. In all cases, the Committee must receive a statement from the external auditors on an annual basis relative to their independence in relation to the Company or companies directly or indirectly related thereto, as well as information on additional services of any kind provided and the corresponding fees perceived from such companies by the external auditor or by persons or entities related to the auditor pursuant to the provisions of the legislation applicable to account auditing.
 - iii. The examination of any circumstances giving rise to the resignation of the external auditor.
- d) Issue, prior to the issuance of the account audit report, an annual report expressing an opinion on the independence of the accounts auditor. This report shall include, in all cases, the assessment of the provision of additional services referred to in section (c)(ii) above, considered individually and collectively, other than the statutory audit and in relation with the regulations governing independence or the audit regulations.
 - e) Favor the undertaking by the Group auditor of the auditing of all the group companies

The functioning of the Audit Committee shall be governed by the rules determined by the Board of Directors in the corresponding internal Regulations.

Minutes of the Audit, Compliance and Conflict of Interests Committee meetings shall issued and copies sent to all Board members.

5.1.4.13. Article 36 ter.- APPOINTMENTS AND REMUNERATION COMMITTEE.

The Board of Directors shall create and maintain an Appointments and Remunerations Committee, which shall be mandatory and permanent in nature.

The Appointments and Remuneration Committee is to be composed of a minimum of three and a maximum of five Directors, to be appointed by the Board of Directors. All members must be external Directors. At least two of the members of the Appointment and Remuneration Committee shall be independent Directors.

The Chair of the Committee shall be appointed from among the independent Directors who form part of the same.

Without prejudice to any other duties that may be assigned by the Board of Directors or its Chair, and under the current legislation, the Bylaws or the Board Regulations, the Appointments and Remuneration Committee shall exercise the following functions:



- a) Evaluate the skills, knowledge and experience necessary for the Board of Directors. For this purpose, it will define the functions and capabilities to be met by the candidates for each vacancy, and determine the time and dedication necessary for them to properly perform their duties.
- b) Establish a target representation for the least-represented gender on the Board of Administrators and prepare guidelines on how this target may be met.
- c) Submit to the Board of Directors the proposals for the appointment of independent directors for their designation via co-optation or for their submission to the approval of the General Shareholders Meeting, as well as proposals for the re-election or removal of such directors by the General Shareholders Meeting.
- d) Inform the proposals for the appointment of the remaining directors for their designation via co-optation or for their submission to the decision of the General Shareholders Meeting, as well as proposals for the re-election or removal of such directors by the General Shareholders Meeting.
- e) Inform on the proposals for the appointment and removal of senior managers and the basic terms of their contracts.
- f) Review and organize the succession of the Chair of the Board of Directors and of the Company's chief executive and, where appropriate, make recommendations to the Board in order that the succession occurs in an orderly and well-planned manner.
- g) Propose to the Board of Directors the remuneration policy of the directors and the general managers, or that of those who carry out senior management duties and are directly dependent on the Board, executive committees or CEOs, as well as the individual remuneration and other contractual terms and conditions of the executive directors.
- h) Any matters within its competence as may be requested by the Chair of the Board of Directors.



- i) Any other competences attributed by the Board of Directors in the corresponding Regulation.

The functioning of the Appointments and Remuneration Committee shall be governed by the rules determined by the Board of Directors in its corresponding Regulations.

Minutes of the Appointments and Remuneration Committee meetings shall issued and copies sent to all Board members.

5.2. Approval of the consolidated text of the Bylaws, incorporating the approved amendments.

Following the amendments to Bylaw articles approved in previous agreements, it is agreed to approve the following revised text of the Bylaws, incorporating the approved amendments and the amendments necessary to standardize its provisions, which is attached as **Annex I**.

Sixth - Approval of the period of fifteen days for the calling of the Extraordinary General Shareholders Meeting in accordance with Article 515 of the Corporate Enterprises Act.

Article 515 of the Corporate Enterprises Act allows listed companies who offer their shareholders the effective possibility to vote by electronic means which are accessible to all shareholders to reduce the call period for Extraordinary General Shareholders Meetings to a minimum of fifteen days, provided that such a reduction has been agreed in the Ordinary General Shareholders Meeting with the favorable vote of at least two thirds of the subscribed capital with voting rights.

Consequent to the introduction in the Company Bylaws of the possibility of voting by electronic means, the General Shareholders Meeting agrees to approve, in accordance with the provisions of Article 515 of the Corporate Enterprises Act, the right, up to the celebration of the next Ordinary General Shareholders Meeting, to call the Extraordinary General Shareholders Meetings, where appropriate, with a minimum of fifteen days notice.

Seventh - Amendment of the General Shareholders Meeting Regulations to adapt their content to the latest amendments to the Corporate Enterprises Act and incorporate best practices in corporate governance, and approval of the consolidated text.

The recent reforms in relation to corporate governance introduced by Law 31/2014, of December 3, whereby the Corporate Enterprises Act is modified to improve corporate governance, make it necessary to adapt the Company's internal regulations to these latest changes with the main aim of updating the references in the Regulation to the rules that have been repealed or which are not applicable to the Company, further develop the provisions of the Regulation concerning, among other aspects, the development of the celebration of the General Shareholders



Meeting or the exercise of voting rights and the granting of proxies; and finally, to standardize the terminology used throughout the body of the Regulation.

The proposed amendment extends to the entire body of the General Shareholders Meeting Regulation, making it advisable to consolidate its provisions in such a manner that all the articles are renumbered consecutively and the terms used throughout the same are homogenized.

By virtue of the above, it has been agreed to amend all the articles of the Laboratorio Reig Jofre, S.A. General Shareholders Meeting Regulations and to approve a consolidated text that incorporates the approved amendments, the amendments necessary to standardize its articles and to correlatively renumber the articles into which the Regulation is divided. The final version of the text is attached to this proposal as **Annex II** and has been made available to shareholders on the occasion of the call for the Meeting in the legally-established terms.

Eighth - Report to the General Shareholders Meeting on the amendments approved by the Board of Directors to the Board of Directors Regulation and reported by the Audit, Compliance and Conflict of Interest Committee.

The General Shareholders Meeting is informed that the Company's Board of Directors, during its Meeting held on April 29, 2015, unanimously approved to amend, in line with the amendments to the Bylaws and the General Shareholders Meeting Regulation proposed to the General Shareholders Meeting, certain articles of the Board of Directors Regulation and to draft a consolidated text of the same in order to reflect the compulsory measures that have been imposed on listed companies under Law 31/2014, of 3 December, amending the Corporate Enterprises Act for the improvement of corporate governance. The revised text of the Board of Directors Regulation has been made available to the shareholders as of the date of the call for this General Shareholders Meeting and has been the subject of a prior explanatory report by the Audit, Compliance and Conflicts of Interest Committee.

Ninth - Approval of reverse split affecting the totality of the Company shares. Reverse split and cancellation of the 1,264,284,408 currently outstanding shares, for their exchange for new shares to be issued, at a ratio of one new share for every twenty existing shares, resulting in a maximum of 63,214,221 shares of two Euros (2 €) par value and delegation to the Board of Directors.

9.1. Reverse split and cancellation of the 1,264,284,408 currently outstanding shares, for their exchange for new shares to be issued, at a ratio of one new share for every twenty existing shares, resulting in a maximum of 63,214,221 shares of two Euros (2 €) par value.

It is agreed to concentrate the number of outstanding Company shares by transforming each twenty (20) existing shares of ten cents (€ 0.10) par value into



one (1) new share with a par value of two Euros (€ 2). The number of shares resulting from the reverse split will be a maximum of 63,214,221.

The new shares issued and outstanding will be common shares, represented by book entries, the accounting registration of which will be the responsibility of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and its participating entities. The new shares will be of the same class and series and will grant the same economic and political rights as the current shares, in proportion to their nominal value.

Effective date and exchange procedure

The exchange of shares will become effective on the date determined by the Board of Directors once the concentration agreement and the subsequent statutory amendments have been registered in the Companies Registry. The exchange will be effected as of the date indicated in the announcements to be published in the Official Bulletin of the Companies Registry, on the website of the Company and, if mandatory, in the Trading Bulletins of the Spanish Stock Exchanges. Additionally, this date shall be communicated through the publication of the corresponding significant event. Shareholders who have been authenticated as such upon the closure of the markets on the trading day prior to the effective date determined by the Board of Directors shall be entitled to receive one (1) new share for every twenty (20) existing shares, pursuant to the accounting records of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("Iberclear") and its participating entities. The exchange will be effected automatically.

The exchange of shares will be effected in accordance with the procedures established for securities represented by account entries, through the relevant participating entities, in accordance with the instructions issued to this effect by Iberclear and, if designated, by the agent entity.

Treatment of fractions

Those shareholders who, after applying the exchange ratio resulting from the reverse split, hold a number of shares that is not a multiple of twenty may:

- (i) Purchase or transfer the shares required to complete a number of shares that is a multiple of the volume established in the exchange ratio; or
- (ii) Group together with other shareholders to reach a number of shares that is a multiple of the volume established in the exchange ratio.

In the event, at the closure of the session of the day prior to the date on which the exchange of shares is to take effect, as described above, any shareholder is still in possession of a number of shares that is not a multiple of the figure established in the exchange ratio, the remaining shares will be acquired by the Company. The acquisition price of each remaining share will be the closure price on the day in question, multiplied by the remaining shares. The sale shall not generate any cost for the shareholders owning such remaining shares, with the exception of the charges and brokerage fees that may be charged by their respective depository entities. The amount corresponding to the purchase of the remaining shares will be satisfied by



the Company to the entities participating in Iberclear, for payment into the accounts of those shareholders who have deposited their Company shares in these entities. Such payment will take place between the effective date of the exchange and the third business day thereafter. The Board of Directors may, if it deems necessary, appoint an agent entity, which it may authorize to acquire, on behalf of the Company, the rest of the shares.

9.2 Request for admission to trading

It is agreed to request that, following the registration in the Madrid Companies Register of the public deed formalizing the concentration of the outstanding shares, the exchange of the existing shares for the newly issued shares and the amendment of the shares' par value, that the old shares are simultaneously excluded from trading and the new shares admitted for trading on the stock exchanges on which the share is traded, as well as implementing the processes and actions necessary and present the documents required before the competent organizations for the admission to trading of the new shares issued as a result of the resolution adopted, with express mention of the Company's submission to the existing and future regulations relative to the stock markets and, specifically, relative to contracting, permanence and exclusion from official trading. It is expressly stated that, in the event of a subsequent request for the exclusion from trading of the Company's shares, such a measure will be adopted with the applicable formalities and, in such a case, the interests of any shareholders who oppose or who do not vote in favor of the exclusion agreement will be guaranteed, in compliance with the requirements of the Corporate Enterprises Act and related provisions, and in accordance with the provisions of Law 24/1988, of 28 July, regarding the Securities Market, and the implementing provisions in force at all times. Under Articles 26.1.b) and 41.1.a) of Royal Decree 1310/2005, of November 4, which partially develops Law 24/1988, of July 28, on the Securities Market, in relation to the admission to trading of securities on official secondary markets, public offerings for sale or subscription and the prospectus required for such purposes, the obligation to publish a public offer prospectus does not apply, given that the new shares are to be issued in substitution of the existing shares of the same class and the issue does not suppose an increase in the issued share capital.

9.3. Delegation of powers to the Board of Directors

It was agreed to delegate to the Board of Directors, as broadly as permitted by Law, with powers of substitution in favor of the Chair and the CEO, the implementation of the reverse split operation, including but not limited to:

- (i) The power to implement the reverse split agreement. The date of the exchange transaction will be opportunely communicated by means of notification to the Governing Bodies of the Stock Exchanges, the National Securities Market Commission, and through its publication in the Official Bulletin of the Companies Registry.
- (ii) The power to draft, report, and manage any document, publication or certification required in relation to the reverse split process.



- (iii) The power to determine the exact amount of the number of new shares, following the implementation of the reverse split, as well as to determine the effective date of the concentration and to declare the conclusion of the reverse split process.
- (iv) The power to redraft Article 5 of the Company's Bylaws, relative to the share capital, in order to adapt it to the result of the reverse split.
- (v) The power to proceed with all necessary arrangements to enable the registration of the new shares in Iberclear's accounting records in accordance with the legally-established procedures.
- (vi) The power to proceed, at the time it deems appropriate, with the application and process before the CNMV, the Governing Bodies of the Stock Exchanges, Iberclear and any other public or private, national or foreign body, entity or registry, with the admission to trading of the total shares making up the Company's share capital on the Stock Exchanges, as well as their contracting through the Automated Quotation System (Continuous Market) and the simultaneous exclusion of the existing, cancelled shares, together with any other procedures, actions, statements or processes necessary or convenient for the purpose, among others, of obtaining the authorization, verification and admission to trading of the shares.
- (vii) The power to undertake any actions necessary or appropriate to implement and formalize the reverse split before any public, private, Spanish or foreign entities and organizations, including declarations, supplementary actions or the correction of defects or omissions that might prevent or hinder the full effectiveness of the resolutions.
- (viii) The power to determine, when applicable, the entities which are to intervene in the process, coordinating the operation (including the designation of an agent entity and the granting of a mandate to the same in the terms stated above) and, in general, all the criteria to be followed in the process.
- (ix) The power to draft and subscribe such commitments, agreements, contracts or any other documents, under the terms considered appropriate, with any entities related in any way to the operation.
- (x) The power to grant all public and private documents required for the total or partial implementation of the reverse split, and the power to undertake whatever actions are deemed appropriate in connection with the prior resolutions relative to the registration of the same in the Companies Register and in any other register, including, specifically, and among other powers, the power to appear before a notary to grant



the public deeds and notary's certificates that are necessary or appropriate for such purpose, to correct, rectify, ratify, interpret or supplement the agreements and to formalize any other public or private documents that are necessary or appropriate to achieve the full registration of the resolutions adopted by the General Shareholders Meeting, and thus avoiding the need for new resolutions.

- (xi) And, in general, the power to carry out such acts and to subscribe all such public or private documents necessary or appropriate in the judgment of the Board, the Chair and the CEO, or the corresponding delegates, if applicable, for the full effectiveness and compliance of the previous agreements

9.4. Amendment of the Article 5 of the Bylaws

Following the implementation of the reverse split, Article 5 of the Bylaws regarding share capital shall be amended in such terms as the Board of Directors determines once the exchange procedure has been legally completed in accordance with and as provided in the applicable legislation.

Tenth - Delegation of powers for the development, documentation and enforcement of the agreements adopted by the General Shareholders Meeting.

To expressly empower the Board of Directors Chairman and Secretary, in order that they may indistinctively, and acting as a special representative of this Meeting, appear before a notary, execute the public deeds necessary and appropriate, if any, for the registration in the Companies Registry of those legally-adopted resolutions that so require, and formalize as many documents as necessary in compliance with the mentioned agreements. Similarly, authorize the Board of Directors, with the power of substitution, to freely interpret, apply, execute and develop the resolutions approved, including the rectification and fulfillment thereof, as well as to delegate to any of its members the power to issue any rectification or complementary deed necessary to correct any error, defect or omission that could prevent the registration of any resolution, in order to fulfill the compliance with any legally-demanded requirements necessary for the effectiveness of the mentioned resolutions.