

# MERCIALYS

## ORDINARY AND EXTRAORDINARY GENERAL MEETING

APRIL 27, 2017

### Meeting report

At the ordinary general meeting held on Thursday April 27, 2017 at La Maison de la Chimie, 28, rue Saint Dominique, 75007 Paris, the breakdown of the number of shareholders present, represented or voting by post or online was as follows:

- 1,007 for the ordinary general meeting, holding 74,191,695 shares (i.e. 80.88% of shares with voting rights) and representing 74,191,695 votes.
- 1,004 for the extraordinary general meeting, holding 74,182,638 shares (i.e. 80.87% of shares with voting rights) and representing 74,182,638 votes.

All the resolutions submitted to the shareholders for approval were adopted.

#### Ordinary general meeting

The parent company and consolidated financial statements for 2016 were approved (*first and second resolutions*), in addition to the appropriation of income, reflected in the dividend payment of Euro 1.06 per share (*third resolution*). Considering the Euro 0.43 interim dividend per share paid on October 13, 2016, the outstanding balance on the dividend, representing Euro 0.63 per share, will be paid out on May 4, 2017 (ex-dividend date of May 2, 2017).

Similarly, the general meeting approved all of the following regulated agreements:

- New partnership agreement with Casino, Guichard-Perrachon (*fourth resolution*);
- Amendment no. 1 to the document amending the current account advance agreement with Casino Finance (*fifth resolution*);
- Regulated agreements with Mr Vincent Ravat (*sixth resolution*).

The general meeting also approved the compensation due or awarded for 2016 to Mr Eric Le Gentil, Chairman and Chief Executive Officer, Mr Vincent Rebillard, Chief Operating Officer until August 30, 2016, and Mr Vincent Ravat, Chief Operating Officer since August 30, 2016 (*seventh to ninth resolutions*).

Note that in connection with the long-term variable incentive awarded to Mr Eric Le Gentil in March 2014, he was required to reinvest 100% of the long-term variable incentive acquired in cash in Mercialys shares, after deducting social security taxes and income tax at the maximum marginal rate. On March 13, 2017, Mr Eric Le Gentil acquired 17,400 Mercialys shares, reinvesting more than the amount of the established obligation. 9,775 of the 17,400 shares acquired will need to be retained until the end of his office as Chairman and Chief Executive Officer.

The general meeting also approved the components of the compensation policy for the Chairman and Chief Executive Officer and the Chief Operating Officer (*tenth and eleventh resolutions*).

In addition, it reappointed Mr Jacques Dumas, Mrs Ingrid Nappi-Choulet, Mr Michel Savart and the company Casino, Guichard-Perrachon as directors for a three-year period (*twelfth to fifteenth resolutions*).

Lastly, the general meeting renewed the authorization given to the Board of Directors to acquire Company shares (*sixteenth resolution*).

### **Extraordinary general meeting**

The general meeting then renewed, for 26 months, the various financial authorizations granted to the Board of Directors enabling the Company to call on the market, if applicable, to continue moving forward with its development strategy and improve its financial structure. In this way, the general meeting:

- Delegated the authority for the Board of Directors to decide to issue, with shareholders' preferential subscription rights maintained, shares or securities entitling them to new or existing Company shares (*seventeenth resolution*);
- Delegated the authority for the Board of Directors to decide to issue, with shareholders' preferential subscription rights waived, shares or securities entitling them to new or existing Company shares, through a public offering (*eighteenth resolution*);
- Delegated the authority for the Board of Directors to decide to issue, with shareholders' preferential subscription rights waived, shares or securities entitling them to new or existing Company shares, through a private placement as defined by Article L.411-2,II of the French monetary and financial code (*nineteenth resolution*);
- Authorized the Board of Directors, for issues carried out with preferential subscription rights waived, capped at 10% of the share capital per year, to set the issue price based on the weighted average share price for the last 10 trading days prior to it being set, less a potential discount of up to 5% (*twentieth resolution*);
- Authorized the Board of Directors, in the event of oversubscription, to increase the amount of the initial issue for capital increases, carried out with or without preferential subscription rights (*twenty-first resolution*);
- Delegated the authority for the Board of Directors to increase the share capital through the capitalization of reserves, profits, premiums or other amounts that can be capitalized (*twenty-second resolution*);
- Delegated the authority for the Board of Directors to issue, with shareholders' preferential subscription rights waived, shares or securities entitling them to access the capital in the event of a public exchange offer initiated by the Company (*twenty-third resolution*);
- Delegated the authority for the Board of Directors to issue shares or securities giving access to the capital, capped at 10% of the Company's share capital, in exchange for contributions in kind comprising capital securities or securities giving access to the share capital (*twenty-fourth resolution*);

- Limited the overall amount of capital increases that may be carried out, immediately and/or in the future, under the aforementioned delegations at Euro 32 million, while the overall amount of capital increases that may be carried out, immediately and/or in the future, with preferential subscription rights waived may not exceed Euro 9.2 million, with a cap of Euro 200 million or its equivalent in another currency or composite monetary units for debt securities that may be issued under these delegations, while noting that the Board of Directors may not, unless previously authorized by the general meeting, make use of such authorizations or delegations granted under the seventeenth to twenty-fourth resolutions once a third party has filed a proposed public offer for the Company's stock and until the end of the offer period (*twenty-fifth resolution*).

In addition, the general meeting authorized the Board of Directors, for a period of 38 months, to:

- Award Company bonus shares (*twenty-sixth resolution*) to employees and corporate officers of the Company and its affiliates, while noting that the total number of bonus shares that may be awarded may not exceed 0.5% of the total number of shares representing the Company's share capital on the day of the general meeting, including 0.15% for corporate officers;

In addition, the general meeting authorized the Board of Directors, for a period of 26 months, to:

- Decide on and carry out a capital increase with subscriptions reserved for employees in accordance with Article L.3332-19 of the French employment code (*twenty-seventh resolution*), while noting that the total number of shares that may be issued may not exceed 2% of the total number of shares representing the Company's share capital on the day of the general meeting;
- Reduce the Company's share capital by canceling treasury stock representing up to 10% of the existing capital (*twenty-eighth resolution*);

The general meeting then approved the amendment to Paragraph 2 of Article 4 of the articles of association and Paragraph 2 of Subsection IV of Article 25 of the articles of association (*twenty-ninth resolution*), and delegated the authority for the Board of Directors to make any necessary amendments to the Company's articles of association to ensure their legislative and regulatory compliance, with such amendments subject to ratification by the general meeting (*thirtieth resolution*).

Lastly, the general meeting granted full powers for performing all filing, disclosure or other formalities required by law (*thirty-first resolution*).

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## Voting results

- **Resolutions for the ordinary general meeting**

Resolutions	Subject	For		Against		Abstained	
		%	Number of votes	%	Number of votes	%	Number of votes
1	Approval of the parent company financial statements for the year ended December 31, 2016	99.75%	74,009,896	0.25%	181,799	0%	0
2	Approval of the consolidated financial statements for the year ended December 31, 2016	99.89%	74,109,475	0.11%	82,220	0%	0
3	Appropriation of income and setting of the dividend	99.82%	74,058,213	0.18%	133,482	0%	0
4	Regulated agreement: new partnership agreement with Casino, Guichard-Perrachon <sup>1</sup>	99.82%	74,031,608	0.17%	125,453	0.01%	7,174
5	Regulated agreement: Amendment no. 1 to the document amending the current account advance agreement with Casino Finance <sup>1</sup>	99.80%	74,042,775	0.19%	141,274	0.01%	7,146
6	Regulated agreements with Mr Vincent Ravat	99.77%	74,022,800	0.22%	161,685	0.01%	7,210
7	Opinion on compensation due or awarded for 2016 to Mr Eric Le Gentil, Chairman and Chief Executive Officer	70.85%	52,568,425	29.14%	21,618,758	0.01%	4,512
8	Opinion on compensation due or awarded for 2016 to Mr Vincent Rebillard, Chief Operating Officer until August 30, 2016	72.56%	53,833,177	27.43%	20,351,308	0.01%	7,210
9	Opinion on compensation due or awarded for 2016 to Mr Vincent Ravat, Chief Operating Officer from August 30, 2016	72.56%	53,830,766	27.43%	20,352,911	0.01%	8,018
10	2017 compensation policy for the Chairman and Chief Executive Officer	95.80%	71,072,578	4.19%	3,111,697	0.01%	7,420
11	2017 compensation policy for the Chief Operating Officer	95.88%	71,134,981	4.11%	3,049,540	0.01%	7,174
12	Renewal of Mr Jacques Dumas' term of office as a Director	94.41%	70,045,335	5.59%	4,146,360	0%	0
13	Renewal of Mrs Ingrid Nappi-Choulet's term of office as a Director	99.97%	74,168,217	0.03%	23,478	0%	0

<sup>1</sup> The Shareholders concerned do not take part in the vote.

Resolutions	Subject	For		Against		Abstained	
		%	Number of votes	%	Number of votes	%	Number of votes
14	Renewal of Mr Michel Savart's term of office as a Director	94.44%	70,064,178	5.56%	4,127,517	0%	0
15	Renewal of the company Casino, Guichard-Perrachon's term of office as a Director	91.68%	68,022,280	8.32%	6,169,415	0%	0
16	Authorization for the Company to purchase its own shares	77.41%	57,433,037	22.59%	16,758,584	NS	74

« NS »: of no significance

- Resolutions for the extraordinary general meeting

Resolutions	Subject	For		Against		Abstained	
		%	Number of votes	%	Number of votes	%	Number of votes
17	Capital increase with shareholders' preferential subscription rights maintained	98.17%	72,824,865	1.83%	1,357,773	0%	0
18	Capital increase through a public offering with shareholders' preferential subscription rights waived	97.79%	72,542,870	2.21%	1,639,768	0%	0
19	Capital increase through a private placement with shareholders' preferential subscription rights waived	97.48%	72,311,624	2.52%	1,870,940	NS	74
20	Exceptional setting of issue price in connection with capital increases with withdrawal of preferential rights of shareholders	97.46%	72,296,252	2.54%	1,886,312	NS	74
21	Authorization to increase the issue amount in the event of oversubscription in connection with capital increases with or without preferential subscription rights of shareholders	95.84%	71,093,521	4.16%	3,089,117	0%	0
22	Capital increase by the capitalization of reserves, profits, premiums or other items	99.97%	74,157,694	0.03%	24,944	0%	0
23	Capital increase as part of a public offer initiated by the Company	99.83%	74,055,627	0.17%	127,011	0%	0
24	Capital increase in exchange for contribution of shares granted to the Company	99.68%	73,947,779	0.32%	234,859	0%	0

« NS »: of no significance

Resolutions	Subject	For		Against		Abstained	
		%	Number of votes	%	Number of votes	%	Number of votes
25	Overall limitation of financial authorizations	97.90%	72,622,265	2.10%	1,560,373	0%	0
26	Authorization to award bonus shares in the Company	82.22%	60,993,447	17.78%	13,189,191	0%	0
27	Authorization to increase the capital for the benefit of employees	98.24%	72,873,773	1.76%	1,308,865	0%	0
28	Cancellation through capital reduction of the shares acquired by the Company	99.82%	74,051,969	0.18%	130,669	0%	0
29	Amendment to Paragraph 2 of Article 4 and Paragraph 2 of Subsection IV of Article 25 of the Company's articles of association	99.95%	74,142,701	0.05%	39,937	0%	0
30	Delegation of authority for the Board of Directors to bring the articles of association into line with all laws and regulations	81.59%	60,528,283	18.41%	13,654,355	0%	0

- **Resolutions for the ordinary general meeting**

Resolutions	Subject	For		Against		Abstained	
		%	Number of votes	%	Number of votes	%	Number of votes
31	Powers for carrying out formalities	100%	74,180,055	NS	2,583	0%	0

« NS »: of no significance