

TiGenix
Naamloze vennootschap
die een openbaar beroep doet of heeft gedaan op het spaarwezen
Romeinse straat 12 box 2
3001 Leuven
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RLE Leuven

CONVENING NOTICE TO THE EXTRAORDINARY SHAREHOLDERS' MEETING TO BE HELD ON 26 FEBRUARY 2013

The board of directors of TiGenix NV is pleased to invite you to the extraordinary shareholders' meeting of TiGenix NV that will be held at the registered office of TiGenix NV (Romeinse straat 12 box 2, 3001 Leuven) on 26 February 2013 at 11:00 a.m., in the presence of a notary, with the agenda and proposed resolutions set out below.

Agenda items 1 to 5 (included) do not require a quorum to validly discuss and resolve. These items will in any case be submitted to the extraordinary shareholders' meeting of 26 February 2013.

Agenda item 9 requires a quorum to validly discuss and resolve. In the event that at the extraordinary shareholders' meeting of 26 February 2013 the legally required quorum to validly discuss and resolve is not reached and a second convening notice is required, this extraordinary shareholders' meeting will take place as regards agenda items 6 to 10 (included) after such second convening notice, with an agenda identical to items 6 to 10 (included) of the agenda set out below, on 20 March 2013 at 11:00 a.m. at the same place and in the presence of a notary. This second extraordinary shareholders' meeting can validly discuss agenda items 6 to 10 (included) regardless of the capital represented by the present shareholders.

Agenda and proposed resolutions

1. Confirmation of the appointment of Innosté SA, with Mr. Jean Stéphane as its permanent representative, as independent director

Explanatory note: on 19 September 2012, the board of directors of the company appointed Innosté SA, with Mr. Jean Stéphane as its permanent representative, as director on a provisional basis for the purposes of replacing Mr. Koenraad Debackere, who resigned as a director effective as of 19 September 2012. The board of directors further resolved to appoint Innosté SA, with Mr. Jean Stéphane as its permanent representative, as new chairman of the company.

Proposed resolution: *The shareholders' meeting resolves to confirm the appointment of Innosté SA, having its registered office at Avenue Alexandre 8, 1330 Rixensart (enterprise number 0876.616.318, register of legal entities of Nijvel), with Mr. Jean Stéphane as its permanent representative, as independent director of the company within the meaning of Article 526ter of the Companies Code.*

Innosté SA and its permanent representative Mr. Jean Stéphane comply with the functional, family and financial criteria of independence as provided for in Article 526ter of the Companies

Code and in the company's Corporate Governance Charter. Moreover, the shareholders' meeting acknowledges that Innosté SA and its permanent representative Mr. Jean Stéphane expressly stated and that the board of directors is of the opinion that they do not have any relationship with any company which could compromise their independence.

2. Confirmation of the appointment of Greig Biotechnology Global Consulting, Inc., with Mr. Russell G. Greig as its permanent representative, as independent director

Explanatory note: on 19 September 2012, the board of directors of the company appointed Greig Biotechnology Global Consulting, Inc., with Mr. Russell G. Greig as its permanent representative, as director on a provisional basis for the purposes of replacing Ms. Mounia Chaoui-Roulleau, who resigned as a director effective as of 19 September 2012.

Proposed resolution: *The shareholders' meeting resolves to confirm the appointment of Greig Biotechnology Global Consulting, Inc., having its registered office at 1241 Karen Lane, Wayne, PA 19087, USA, with Mr. Russell G. Greig as its permanent representative, as independent director of the company within the meaning of Article 526ter of the Companies Code.*

Greig Biotechnology Global Consulting, Inc. and its permanent representative Mr. Russell G. Greig comply with the functional, family and financial criteria of independence as provided for in Article 526ter of the Companies Code and in the company's Corporate Governance Charter. Moreover, the shareholders' meeting acknowledges that Greig Biotechnology Global Consulting, Inc. and its permanent representative Mr. Russell G. Greig expressly stated and that the board of directors is of the opinion that they do not have any relationship with any company which could compromise their independence.

3. Determination of term of office of new directors

Proposed resolution: *The shareholders' meeting resolves that the term of office of Innosté SA and Greig Biotechnology Global Consulting, Inc., will expire immediately after the annual shareholders' meeting which will be asked to approve the annual accounts for the financial year ending 31 December 2015.*

4. Determination of fixed remuneration of new directors

Proposed resolution: *The shareholders' meeting resolves that Innosté SA and Greig Biotechnology Global Consulting, Inc. shall be entitled to receive, with effect as of 19 September 2012, a fixed annual fee which is equal to the fixed annual fee of the current independent directors of the company (i.e., a fixed annual fee of EUR 25,000, based on six board of directors' meetings and two committee meetings a year, supplemented with an amount of EUR 2,000 for each additional meeting that they attend and an additional fixed annual fee of EUR 5,000 for each independent director who is a member of a board committee; the latter additional fixed annual fee amounts to EUR 7,500 for each independent director who is the chairman of a board committee). However, the chairman of the board of directors (currently Innosté SA) shall receive a fixed annual fee of EUR 40,000 (instead of the fixed annual fee of EUR 25,000 of the other independent directors), based on six board of directors' meetings and two committee meetings a year, supplemented in the same way as the fixed annual fees of the independent directors are supplemented for additional meetings or for membership and chairmanship of board committees.*

5. Grant of warrants to independent directors

Explanatory note: As provided for in the TiGenix' corporate governance charter, the Nomination and Remuneration Committee advised the board of directors to propose to the shareholders' meeting, with a view to attract and retain independent directors with the most relevant experience and expertise, (i) to deviate from the principle in the Belgian Corporate Governance Code (and the TiGenix' corporate governance charter) that non-executive directors should not receive any performance related remuneration, and (ii) to grant warrants to all independent directors of the company.

Proposed resolution: *The shareholders' meeting resolves (a) to approve the principle that non-executive directors may receive performance related remuneration and (b) subject to the approval of the issue of warrants as proposed under item 9 of the agenda, to grant to each of the independent directors (i.e., Innosté SA, Greig Biotechnology Global Consulting, Inc., Mr. Willy Duron, Mr. Eduard Enrico Holdener and R&S Consulting BVBA) 54,600 warrants, free of charge, issued in accordance with the warrant plan and the special board reports referred to in items 6 and 7 of the agenda.*

The exercise price of each of the warrants to be granted to the independent directors will amount to the higher of (i) EUR 1.00 and (ii) the average closing price of the TiGenix share on the stock exchange over the 30 day period preceding the date of issuance of the warrants.

6. Acknowledgement of the special report of the board of directors pursuant to Article 583 of the Companies Code with respect to the issue of 777,000 warrants including the proposed terms and conditions of issue of the warrants
7. Acknowledgement of the special report of the board of directors pursuant to Articles 596 and 598 of the Companies Code with respect to the issue of warrants with cancellation of the preferential subscription right. The following persons, who currently are a consultant or an independent or an executive director of the company, may in principle, in accordance with the report, qualify as beneficiaries of the new warrants in their capacity as consultant or independent or executive director of the company: Innosté SA (represented by Jean Stéphane), Greig Biotechnology Global Consulting, Inc. (represented by Russell G. Greig), Willy Duron, Eduard Enrico Holdener, R&S Consulting BVBA (represented by Dirk Reyn) and Gil Beyen BVBA (represented by Gil Beyen).
8. Acknowledgement of the special report of the auditor pursuant to Articles 596 and 598 of the Companies Code with respect to the issue of warrants with cancellation of the preferential subscription right
9. Issue of 777,000 warrants intended for the personnel of the company or its subsidiaries, its independent directors, its executive directors and other key persons, with cancellation of the preferential subscription right, determination of the terms and conditions of issue of the warrants as set out in the special report of the board of directors referred to under item 6 of the agenda and conditional increase of the registered capital of the company

Proposed resolution: *The shareholders' meeting resolves:*

- (i) *to cancel the preferential subscription right of the existing shareholders and to issue 777,000 warrants that can be granted by the shareholders' meeting to independent directors and by*

the board of directors to current and future employees of the company or its subsidiaries, executive directors and other key persons;

- (ii) to approve the terms and conditions of issue of these warrants as set out in the warrant plan attached to the special report of the board of directors pursuant to Article 583 of the Companies Code with respect to the issue of these warrants;*
- (iii) to increase the registered capital of the company, subject to and to the extent of the grant and exercise of the warrants, with a maximum amount that is equal to the par value of the existing shares (i.e., EUR 0.10) multiplied by the number of newly issued warrants. The capital increase shall be effected through a contribution in cash and by issue of new common shares (without VVPR strip) with the same rights as the existing shares. The portion of the exercise price of the warrants exceeding the par value of the existing shares (i.e., EUR 0.10) shall be recorded on a separate account unavailable for distribution called "Issuance premiums" which will serve as a guarantee for third parties to the same extent as the registered capital and which, save for the possibility of conversion into capital, can only be disposed of in accordance with the conditions for a capital decrease set forth in Article 612 of the Companies Code.*

- 10.** Power of attorney for the implementation of the decisions taken in accordance with the previous items on the agenda

Proposed resolution: The shareholders' meeting resolves to grant to each director of the company, acting individually, the power to implement the decisions taken in accordance with the previous items on the agenda, and more in particular, among others, (i) to implement the grant of warrants to the independent directors approved by the shareholders' meeting, (ii) to acknowledge by authentic deed, in one or more times, the exercise of the warrants, the increase of the registered capital resulting therefrom, the number of new shares representing such capital increase, the issuance premium (if any) and the recording of such issuance premium on an account unavailable for distribution, and to take all other actions that are necessary or useful in relation thereto, (iii) the modification of the articles of association resulting therefrom and (iv) the coordination of the articles of association.

Admission conditions

In order to be admitted to the shareholders' meeting, the holders of securities issued by the company must comply with Article 536 of the Companies Code and Article 30 of the articles of association, and fulfill the formalities and make the notifications described below.

In accordance with Article 537 of the Companies Code, the holders of warrants issued by the company can only attend the shareholders' meeting with a consultative vote.

1. Holders of registered shares and warrants

The holders of registered shares and warrants are entitled to participate in and, in the case of shares, to vote at the shareholders' meeting, provided that:

- their shares or warrants are recorded in their name in the register of registered shares or warrants at midnight (24:00) (CET) on 12 February 2013 (the "**record date**") and this irrespective of the number of shares or warrants that they own on the date of the shareholders' meeting; and

- they notify the company in writing of (i) their intention to participate in the shareholders' meeting, and (ii) the number of securities for which they wish to participate in the shareholders' meeting, by means of a signed form that must be received by the company at the company's registered office at the latest on 20 February 2013; a model of this form is available at the company's registered office and on the company's website under the tab "Investors / Shareholder meeting" (www.tigenix.com).

2. Holders of dematerialized shares

The holders of dematerialized shares are entitled to participate in and to vote at the shareholders' meeting, provided that:

- their shares are recorded in their name in the accounts of a recognized account holder or a settlement institution at midnight (24:00) (CET) on 12 February 2013 (the "**record date**") and this irrespective of the number of shares that they own on the date of the shareholders' meeting; and
- at the latest on 20 February 2013, they deliver or have delivered at an office of ING Belgium (before closing time) a certificate issued by the recognized account holder or the settlement institution certifying the number of dematerialized shares recorded in the shareholder's accounts on the record date in respect of which the shareholder has indicated his intention to participate in the shareholders' meeting.

Only persons who are a shareholder or a warrant holder of the company on the record date (12 February 2013) and who have indicated at the latest on 20 February 2013 their intention to participate in the shareholders' meeting as set out above will be admitted to the shareholders' meeting.

The shares are not blocked as a result of the above-mentioned process. As a result, the shareholders are free to dispose of their shares after the record date.

Right to add agenda items and to submit proposed resolutions

In accordance with Article 533^{ter} of the Companies Code and Article 35 of the articles of association, one or more shareholders holding together at least three percent (3%) of the registered capital of the company may request for items to be added to the agenda of the shareholders' meeting and submit proposed resolutions in relation to existing agenda items or new items to be added to the agenda, provided that:

- they prove ownership of such shareholding as at the date of their request and record their shares representing such shareholding on the record date (i.e., on 12 February 2013); the shareholding must be proven either by a certificate evidencing the registration of the relevant shares in the register of registered shares of the company or by a certificate issued by a recognized account holder or a settlement institution certifying the book-entry of the relevant number of dematerialized shares in the name of the relevant shareholder(s).
- the additional agenda items and/or proposed resolutions have been submitted in writing by these shareholder(s) to the board of directors at the latest on 4 February 2013.

These additional agenda items and/or proposed resolutions may be sent to the company by mail to the company's registered office for the attention of Ms. An Moonen or by e-mail to an.moonen@tigenix.com.

As the case may be, the company shall publish the modified agenda of the shareholders' meeting at the latest on 11 February 2013.

Right to ask questions

In accordance with Article 540 of the Companies Code and Article 35 of the articles of association, all shareholders are entitled, whether during the meeting or in writing before the meeting, to ask questions to the directors with respect to their report or the agenda items and to the auditor with respect to its report.

Questions asked in writing will only be answered if the relevant shareholder has fulfilled the formalities set out above to be admitted to the shareholders' meeting and if the written question has been received by the company at the latest on 20 February 2013.

Written questions may be sent to the company by mail to the company's registered office for the attention of Ms. An Moonen or by e-mail to an.moonen@tigenix.com.

Proxy

In accordance with Article 547bis of the Companies Code and Article 31 of the articles of association, each shareholder may be represented at the shareholders' meeting by a proxy holder, who does not need to be a shareholder. Except in cases provided for in the law, a shareholder may only appoint one person as proxy holder for a particular shareholders' meeting.

Shareholders who so wish to be represented by proxy, are requested to use the model of proxy form (with voting instructions) that is available at the company's registered office and on the company's website under the tab "Investor / Shareholder meeting" (www.tigenix.com).

The signed proxy form must be received by the company at the company's registered office at the latest on 20 February 2013.

Availability of documents

In accordance with Article 535 of the Companies Code, the shareholders and warrant holders of the company can, upon presentation of their security or of a certificate issued by a recognized account holder or a settlement institution certifying the number of dematerialized shares recorded in the name of the shareholder, obtain at the company's registered office, free of charge, a copy of the documents and reports that relate to this meeting or that must be made available to them pursuant to law.

These documents and reports, as well as the total number of shares and voting rights at the date of the convening notice, are also available on the company's website (www.tigenix.com).

Miscellaneous

In order to facilitate an expedient registration, the participants are requested to be present at least half an hour prior to the start of the shareholders' meeting.

In order to be admitted to the shareholders' meeting, the shareholders, warrant holders and proxy holders must be able to prove their identity (ID card / passport).

Please contact Ms. An Moonen at the following telephone number +32 (0)16 39 79 37 or e-mail address an.moonen@tigenix.com for more information. Correspondence may be sent to TiGenix NV, for the attention of Ms. An Moonen, Romeinse straat 12 box 2, 3001 Leuven.

The board of directors.