

**TiGenix**  
**Naamloze vennootschap**  
**die een openbaar beroep doet of heeft gedaan op het spaarwezen**  
**Romeinse straat 12 box 2**  
**3001 Leuven**  
**VAT BE 0471.340.123**  
**RLE Leuven**

## **CONVENING NOTICE TO THE EXTRAORDINARY SHAREHOLDERS' MEETING TO BE HELD ON 2 APRIL 2014**

The board of directors of TiGenix NV (the "Company") 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 2 April 2014 at 16:00 p.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 2 April 2014.

Agenda items 9 and 11 require a quorum to validly discuss and resolve. In the event that at the extraordinary shareholders' meeting of 2 April 2014 the legally required quorum to validly discuss and resolve on these items is not reached and a second convening notice is required, this extraordinary shareholders' meeting will take place as regards agenda items 6 to 12 (included) after such second convening notice, with an agenda identical to items 6 to 12 (included) of the agenda set out below, on 22 April 2014 at 11:30 a.m. at the same place and in the presence of a notary. This second extraordinary shareholders' meeting can validly discuss and resolve on agenda items 6 to 12 (included) regardless of the capital represented by the present and represented shareholders.

### **Agenda and proposed resolutions**

1. Confirmation of the appointment of Mr. Dirk Büscher as director.

Explanatory note: On 4 December 2013, the board of directors of the Company appointed Mr. Dirk Büscher as director on a provisional basis for the purposes of replacing LRM Beheer NV, with Mr. Nico Vandervelpen as its permanent representative, which resigned as a director effective as of 4 December 2013.

Proposed resolution: *The shareholders' meeting resolves to confirm the appointment of Mr. Dirk Büscher as director of the Company.*

2. Confirmation of the appointment of Mr. José Terencio as director.

Explanatory note: On 4 December 2013, the board of directors of the Company appointed Mr. José Terencio as director on a provisional basis for the purposes of replacing Ysios Capital Partners SGEGR SA, with Mr. Joël Jean Pierre Jean-Mairet as its permanent representative, which resigned as a director effective as of 4 December 2013.

Proposed resolution: *The shareholders' meeting resolves to confirm the appointment of Mr. José Terencio as director of the Company.*

3. Determination of term of office of new directors.

Proposed resolution: *The shareholders' meeting resolves that the term of office of Mr. Dirk Büscher and Mr. José Terencio will expire immediately after the annual shareholders' meeting which will be asked to approve the annual accounts for the financial year ending 31 December 2016.*

4. Determination of remuneration of new directors.

Proposed resolution: *The shareholders' meeting resolves that Mr. Dirk Büscher and Mr. José Terencio shall not receive any remuneration for the performance of their functions as directors.*

5. Approval of change of control provision relating to the Loan Facility Agreement and power of attorney for the filing of this resolution.

Proposed resolution: *The shareholders' meeting resolves (i) to approve, in accordance with the first paragraph of Article 556 of the Companies Code, those provisions of the agreement for the provision of a loan facility of up to EUR 10,000,000 dated 20 December 2013 entered into by the Company as borrower, Kreos Capital IV (UK) Limited as lender and TiGenix S.A.U. as guarantor (the "Loan Facility Agreement") which grant rights to third parties that either have an influence on the assets of the Company or create a debt or obligation for the Company and of which the exercise is dependent on the launch of a public takeover bid on the shares of the Company or on a change of the control exercised over it, in particular the following provisions of the Loan Facility Agreement: Clause 11.1.12 and 11.1.13 (Events of default) and (ii) to grant to Ms. An Moonen, acting individually with power to substitute, the power to file this resolution with the clerk's office of the Commercial Court of Leuven.*

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 1,994,302 warrants to Kreos Capital IV (Expert Fund) Limited, 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 to the benefit of Kreos Capital IV (Expert Fund) Limited.
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 to the benefit of Kreos Capital IV (Expert Fund) Limited.
9. Issue of 1,994,302 warrants, with cancellation of the preferential subscription right, grant of these warrants to Kreos Capital IV (Expert Fund) Limited, 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 8 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, to issue 1,994,302 warrants and to grant these warrants to Kreos Capital IV (Expert Fund) Limited;*

- (ii) to approve the terms and conditions of issue of these warrants as set out in the warrant plan attached as Annex 1 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 fix the Subscription Price (as defined in the warrants plan) of these warrants at EUR [AMOUNT], being the average closing price of the Company's shares on Euronext Brussels in the thirty (30) calendar day period prior to the issuance of the warrants;
  - (iv) to increase the registered capital of the Company, subject to and to the extent of the 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 with the same rights as the existing shares. The portion of the Subscription Price 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. Acknowledgement of the acceptance of the aforementioned warrants by Kreos Capital IV (Expert Fund) Limited.
11. Modification of Article 15 ("Composition of the board of directors") of the articles of association.

Proposed resolution: The shareholders' meeting resolves to replace the first paragraph of Article 15 of the articles of association as follows:

*"The company shall be managed by a board of directors of minimum three directors and maximum thirteen directors, who may be natural persons or legal entities and may but need not be shareholders. At least three members of the board shall be appointed as independent directors within the meaning set out in Article 526ter of the Companies Code. Any shareholder owning 20% or more of the shares of the company shall be entitled to propose candidates for the appointment of two directors, and if any such shareholder proposes candidates accordingly, two directors shall be appointed among the candidates proposed by such shareholder. Any shareholder owning at least 10% but less than 20% of the shares of the company shall be entitled to propose candidates for the appointment of one director, and if any such shareholder proposes candidates accordingly, one director shall be appointed among the candidates proposed by such shareholder."*

12. 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 for, among others, (i) the acknowledgement by authentic deed, in one or more times, of 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, (ii) the modification of the articles of association resulting therefrom, and (iii) 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 fulfil 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 19 March 2014 (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 27 March 2014; 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](http://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 19 March 2014 (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 27 March 2014, 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 (19 March 2014) and who have indicated at the latest on 27 March 2014 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 533ter 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 19 March 2014); 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 11 March 2014.

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](mailto:an.moonen@tigenix.com).

As the case may be, the Company shall publish on its website ([www.tigenix.com](http://www.tigenix.com)), in the Belgian State Gazette and in the press the modified agenda of the shareholders' meeting at the latest on 18 March 2014.

In this case, the Company will also make a revised proxy form available on its website ([www.tigenix.com](http://www.tigenix.com)) at the same time as the publication of the modified agenda of the shareholders' meeting, i.e. on 18 March 2014.

In case shareholders, in accordance with Article 533ter of the Companies Code, exercise their right to add items to the agenda and to file resolution proposals, proxies filed prior to the publication of the revised agenda shall remain valid for the agenda items they cover. In case new/alternative resolution proposals are filed with regard to existing agenda items, the proxy holder will always be entitled to deviate from previously given voting instructions should their implementation be detrimental to the interests of the shareholder. In that event, the proxy holder shall notify the shareholder of any such deviation as well as the justification thereof. The proxy should also indicate whether, in case new items are added to the agenda by shareholders, the proxy holder is entitled to vote on the new items or whether he/she/it should abstain.

## **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 27 March 2014.

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](mailto: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](http://www.tigenix.com)).

The signed proxy form must be received by the Company at the Company's registered office at the latest on 27 March 2014.

## **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](http://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](mailto: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.