

**PUBLIC COMPANY "SMARTPHOTO GROUP"**  
**Public company making an appeal to the savings' system**  
**B-9230 Wetteren, Kwatrechtsteenweg 160**  
**RPR Dendermonde 0405.706.755**

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**Convocation to the Annual General Meeting of Shareholders**

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The Annual General Meeting of Shareholders of the Company will be held on Wednesday, May 14<sup>th</sup> 2014 at 14H00 at the registered office of the Company in B-9230 Wetteren, Kwatrechtsteenweg 160, in order to discuss and decide on the following agenda:

1. Discussion of the consolidated annual accounts concerning the financial year 2013.
2. Discussion of the annual report of the Board of Directors with respect to the statutory and consolidated annual accounts concerning the financial year closed on December 31<sup>st</sup> 2013.
3. Discussion and approval of the remuneration report.

*Proposed resolution:*

'The Meeting discusses the remuneration report. The Meeting approves the remuneration report.'

4. Discussion of the reports of the Committee of Statutory Auditors with respect to the statutory and consolidated annual accounts concerning the financial year closed on December 31<sup>st</sup> 2013.
5. Discussion and approval of the statutory annual accounts concerning the financial year closed on December 31<sup>st</sup> 2013, including the appropriation of the result, as proposed by the Board of Directors.

*Proposed resolution:*

'The Meeting discusses the statutory annual accounts concerning the financial year closed on December 31<sup>st</sup> 2013, including the appropriation of the result. The Meeting approves the annual accounts closed on December 31<sup>st</sup> 2013, including the appropriation of the result as proposed by the Board of Directors in its annual report.'

6. Discharge of liability of the directors and the Committee of Statutory Auditors concerning the financial year closed on December 31<sup>st</sup> 2013.

*Proposed resolution:*

'The Meeting grants, by separate vote, discharge of liability of the directors and the auditors for the exercise of their mandate during the financial year closed on December 31<sup>st</sup> 2013.'

7. Renomination and nomination directors, determination of remuneration and statement of independency

*Proposed resolution:*

'The General Meeting of Shareholders states that all mandates of the directors come to an end this year, and decides to renominate as a director: **Mr Philippe Vlerick**, living at Ronsevaal 2, 8510 Belleghem; **VIT NV**, with registered office at Doorniksewijk 49, 8500 Kortrijk, RPR Kortrijk 0428.616.571, permanently represented by Mrs Katrien Mattelaer; **Patrick De Greve BVBA**, with registered office at Putstraat 15, 9051 Gent, RPR Gent 0808.361.673, permanently represented by Mr Patrick De Greve; **MCM BVBA**, with registered office at Molenberg 44, 1790 Affligem, RPR Brussel 0458.492.868, permanently represented by Mr Geert Vanderstappen; **TCL NV**, with registered office at Goedingenstraat 24, 9051 Afsnee, RPR Gent 0433.015.027, permanently represented by Mr Tonny Van Doorslaer; and **Mr Stef De corte**, living at Drève des Hêtres Rouges, Bierg. 10, 1430 Rebecq, and this for a periode of 1 year, starting at 14 May 2014, and ending after the Annual General Meeting of Shareholders of 2015.

The General Meeting decides to renominate as a director for a period of 3 years: **Norbert Verkimpe BVBA**, with registered office at Bommelsrede 29, 9070 Destelbergen, RPR Gent 0894.504.108, permanently represented by Mr Norbert Verkimpe; **Fovea BVBA**, with registered office at Vronerodelaan 103, 1180 Ukkel, RPR Brussel 0892.568.165, permanently represented by Mrs Katya Degriecq, as from 14 May 2014, and ending after the Annual General Meeting of Shareholders of 2017.

The General Meeting decides to nominate as a new director: **LMCL Comm. VA**, with registered office at Stationsstraat 172, 9260 Schellebelle, RPR Dendermonde 0466.335.022, permanently represented by Mr Luc Vansteenkiste, for a period of 1 year, starting from 14 May 2014, and ending after the Annual General Meeting of Shareholders of 2015.

With exception of Mr Stef De corte (executive director) all directors are non-executive directors. Their remuneration is fixed at € 12.500 per year. The mandate of executive director is not remunerated.'

'A short biography of the directors to be nominated can be found in the Annual Report (paragraph concerning the members of the Board of Directors) on [www.smartphotogroup.com](http://www.smartphotogroup.com).'

'Based on the data known by the company and the information provided by the directors, the General Meeting confirms the independency of the directors Norbert Verkimpe BVBA and Fovea BVBA, as well as their permanent representatives, since they meet all requirements concerning independency, as provided for in article 526 ter Company Code and the Corporate Governance Code.'

8. Nomination Statutory Auditor and determination of remuneration.

*Proposed resolution:*

'The General Meeting states that the mandates of the Committee of Statutory Auditors come to an end this year. The Meeting decides to nominate as a Statutory Auditor: BDO Bedrijfsrevisoren BV CVBA with registered office at Da Vincilaan 9 - The Corporate Village - Box E.6, Elsinore Building, 1935 Zaventem, RPR Brussel 0459.910.454; for a period of 3 years starting as from 14 May 2014, and ending after the General Meeting of Shareholders of 2017. BDO presents Mrs Veerle Catry as permanent representative. The annual remuneration is fixed at 15.000 EUR for the statutory and consolidated annual accounts, to be indexed annually, excl. VAT and costs (IBR contribution, displacement, ...).'

9. Miscellaneous.

**Conditions of participation**

The right to participate to the General Meeting is granted based on the accounting registration of the shares in name of the shareholder, at the registration date of 30 April 2014 at 24H00, by (i) the registration in the shareholders' register of the Company (registered shares), or by (ii) the registration in the accounts of an authorized account holder or clearing institution (dematerialized shares). The authorized account holder or the clearing institution provides the shareholder with a certificate reflecting the number of shares which the shareholder wishes to participate in the General Meeting. Only the shareholders that are actually shareholder on the mentioned registration date of 30 April 2014, and who can demonstrate this on the basis of such a certificate or registration in the shareholders' register of the company, can participate to the General Meeting. Each shareholder should express to the Company his intention of participating to the General Meeting on May 8<sup>th</sup> 2014 at the latest, by transferring this certificate to the Board of Directors. The registered shareholders and the warrant holders should also express in writing their intention to participate to the General Meeting to the Board of Directors, no later than May 8<sup>th</sup> 2014. The warrant holders are informed that they are allowed to attend the General Meeting, but only with an advisory vote.

**Use of proxies**

Each shareholder can give proxy to represent him at the General Meeting by means of a document carrying his signature (including the digital signature as meant in article 1322, par. 2 Civil Code) and which has been communicated by letter, fax or by e-mail (or by any other means mentioned in article 2281 Civil Code). The proxy holder should not be a shareholder. Except as stipulated in article 547 bis of the Company Law, only one proxy holder can be appointed. The proxy holder should vote according to the instructions of the shareholder. Therefore each proxy holder keeps a special register.

In case of a potential conflict of interest between the shareholder and the appointed proxy holder, the proxy holder should reveal the precise facts that are of interest to the shareholder in order to judge whether the proxy holder risks to pursue another interest than the shareholder's interest. When this case occurs, the proxy holder may only vote in the shareholder's name provided that he disposes of specific voting instructions for each agenda item. There is in particular a conflict of interest when the proxy holder: 1° is the company itself or an entity controlled by the company; or a shareholder controlling the company, or another entity controlled by such a shareholder; 2° is a member of the Board of Directors or of the governing bodies of the company, of a shareholder controlling the company or of a controlled entity as meant in 1°; 3° is an employee or an auditor of the company, of the shareholder controlling the company, or of a controlled entity as meant in 1°; 4° has a parent band with a natural person as referred to in 1° to 3°, or is the husband/wife, the legal cohabitant partner of such person or a relative of such a person.

A draft proxy taking into account the aforementioned provisions is available on the Company's website, as specified below.

The proxies should be deposited at the registered office of the Company no later than May 8<sup>th</sup> 2014.

### **Shareholders' rights**

For a comprehensive and detailed description of the specific terms and conditions of the shareholders' rights as described below reference is made to the information made available on the website of the Company as referred to hereinafter.

#### **- Enlargement of the agenda**

One or more shareholders together holding at least 3 % of the share capital of the company can add supplementary items to the agenda of the General Meeting and propose draft resolutions concerning the items included into the agenda or items to be included in it. These requests should reach the Company not later than 22 April 2014. They can be sent electronically to the Company, on the following address: [maggy.vandenstock@smartphoto.com](mailto:maggy.vandenstock@smartphoto.com). The company confirms receipt of these requests within a period of forty-eight hours from the moment of receipt. At the latest on 29 April 2014 a new agenda will be published, including the additional items to be discussed and the corresponding draft resolutions, and/or merely including the resolutions that would be formulated.

#### **- Right to ask questions**

The shareholders have the right to ask questions to the directors and auditors during the General Meeting or upfront (in writing) concerning their report or the agenda items. Those questions can be asked by electronic way to [maggy.vandenstock@smartphoto.com](mailto:maggy.vandenstock@smartphoto.com), on 8 May 2014 at the latest.

### **Participation and voting by correspondence or by electronic means**

Voting by correspondence or by electronic means is not possible.  
Participating to the General Meeting at distance or remote voting is not allowed.

### **Information for inspection and acquisition**

This convocation, the yearly financial report (according to article 12 of R.D. of 14 November 2007), the proxy forms, the information with respect to the rights of the shareholders and other information provided by law will be made available as from 14 April 2014 on the website of the Company: [www.smartphotogroup.com](http://www.smartphotogroup.com). As from the same date on these documents are also available at the registered office of the Company, against submission of the securities.

The Board of Directors