

“Barco”
Naamloze vennootschap te 8500 Kortrijk,
President Kennedypark 35
RPR Gent afdeling Kortrijk BTW BE 0473.191.041
BTW-plichtige

SPECIAL REPORT OF THE BOARD OF DIRECTORS

Report drawn up by the board of directors pursuant to article 7:154 of the Code on companies and associations (CCA) in view of the extraordinary general meeting of 27 March and 30 April 2020 (if the required attendance quorum for the first extraordinary general meeting is not met).

This report is the special report referred to in article 7:154 of the Code on companies and associations wherein the board of directors (“Board of Directors”) of Barco NV (the “Company”) justifies the proposal to change the purpose of the Company.

1. Justification of change of purpose of the Company

The Board of Directors has decided in its meeting of 10 February 2020 to convene an extraordinary meeting of shareholders of the Company to bring the articles of association of the Company in line with the rules of the Code of companies and associations which entered into force on 1 May 2019.

Upon review of the current articles of association, the Board of Directors has noted that the description of the activities in the purpose of the Company dates back from the incorporation of the Company on 9 November 2000. The economic context has changed since. New business models have been developed focusing on the supply of a service instead of the sale of hardware or software. This relates not only to so-called SaaS (‘software as a service’) business models, but also business models based on the supply of, for instance, projector laser light, the supply of certain outcomes based on artificial intelligence, or the supply of a broader package of after sales services of a product. Finally, the Company must be able to offer to its customers alternative ways of financing for the purchase of its products or services within the existing regulatory framework. An update of the articles of association in this respect is required in order to enable the Company to offer in the future an as broad as possible range of activities.

The current formulation of the purpose of the Company's is as follows:

“The purpose of the company is : the design, development, manufacture, assembly, sale, installation and/or implementation of any technological product and system, hardware and software, requisites, components and parts, in any material whatsoever, both domestically and abroad, in the broadest sense of the word, and anything connected directly or indirectly therewith.

The company may, in any manner whatsoever obtain, grant, operate, sell off and transfer all intellectual rights, brands, drawings, models, licences and patents.

In addition, the company may be involved, in any manner whatsoever, in businesses, enterprises or companies, which have the same, a similar or compatible objective, or which are able to promote the development of its activities, supply it with raw materials, or facilitate the sale of its products.

The company may take part, directly or indirectly, in the working of other companies, partnerships, enterprises, activities or associations, give security and guarantees, authorise advances and credit, and provide mortgages and other securities.

The above summaries are not limiting, and are to be understood in their broadest sense.

The objective of the company is also, both in Belgium and abroad, to acquire and/or maintain participations, in any form whatsoever, in companies, partnerships, enterprises, activities or other associations, whether existing, or to be incorporated. It can manage these participations, liquidate and valorise them among other things

by participating in the management and supervision of the enterprises, in which it participates, and by granting technical, administrative, legal and financial support.

The company seeks to promote, plan and coordinate the further positive development of the companies, in which it participates, via reorganisation and restructuring among other things.

The company can also, in the framework of its cash management, acquire or sell financial assets, directly or via subsidiaries in Belgium or abroad.

In addition, the company can undertake any activity that is of a nature to contribute directly or indirectly to the realisation of its purposes, in the broadest sense..”

The Board of Directors proposes to amend this formulation as follows:

“The company’s purpose is, as well in Belgium as abroad, as well in its own name and for its own account as in the name and/or for the account of third persons, alone or in collaboration with third persons:

the design, development, manufacture, assembly, sale, distribution, marketing, installation, implementation, after-sales service, maintenance, repair, and / or support of all technological products and systems, in particular regarding visualization, image processing and collaboration technology as well as workflow and artificial intelligence technology, hardware and software, supplies, components and spare parts, in whatever materials, both domestically and abroad, in the broadest meaning of the word, offering such financing for the aforementioned activities and everything that is directly or indirectly related thereto.

The company can:

- * execute all commercial, industrial, financial, movable or immovable transactions whatsoever that are directly or indirectly related to its purpose or that are of a nature to favor it;*
- * in whatever way be involved in businesses, enterprises or companies that have the same, similar or related purpose or that can promote the development of its business, supply its raw materials or facilitate the sale of its products;*
- * acquire, exploit and liquidate all intellectual rights, brands, models, drawings in any way;*
- * by way of subscription, contribution, merger, cooperation, financial intervention or otherwise acquire an interest or participation in all existing or to be established companies, enterprises, businesses or associations without distinction, in Belgium or abroad; the company may manage, valorize and liquidate these interests or participating interests;*
- * participate in the administration, management, control and liquidation of the companies, enterprises, businesses and associations in which it has a participation or an interest, and provide them with technical, administrative, legal, financial or any other authorized assistance;*
- * stimulate, plan and coordinate the development of companies, businesses and associations in which it participates or has an interest, including through synergies, reorganizations and restructurings;*
- * within the framework of its cash management acquire, manage or sell all tangible, intangible and / or financial assets, directly or via subsidiaries in Belgium or abroad;*
- * give security in favor of companies, companies, businesses and associations in which it has an interest or participation, or not, give bail, act as an agent or representative, grant advances, provide loans, mortgages or other securities.”*

This amendment is in the interest of the Company since it allows it to further develop its activities in an evolving economic environment. This amendment does not cause any disadvantageous consequences for the shareholders.

2. Proposal of resolutions by the Extraordinary General Meeting.

The Board of Directors proposes to the general meeting to decide:

1. Amendment of the company's purpose – Amendment to the articles of association

1.1 Proposal of resolution:

Resolution to amend the company's purpose as follows:

The meeting resolves to amend the company's purpose in accordance with the board's proposal and subsequently to replace the text of Article 3: Purpose of the articles of association currently applicable by the following text:

"The company's purpose is, as well in Belgium as abroad, as well in its own name and for its own account as in the name and/or for the account of third persons, alone or in collaboration with third persons:

the design, development, manufacture, assembly, sale, distribution, marketing, installation, implementation, after-sales service, maintenance, repair, and / or support of whichever technological products and systems, in particular regarding visualization, image processing and collaboration technology as well as workflow and artificial intelligence technology, hardware and software, supplies, components and spare parts, in whatever substances, both domestically and abroad, in the broadest meaning of the word, offering financing in whatever form for the aforementioned activities and everything that is directly or indirectly related thereto.

The company can:

- * execute all commercial, industrial, financial, movable or immovable transactions whatsoever that are directly or indirectly related to its purpose or that are of a nature to favor it;
- * in whatever way be involved in businesses, enterprises or companies that have the same, similar or related purpose or that can promote the development of its business, supply its raw materials or facilitate the sale of its products;
- * acquire, exploit and liquidate all intellectual rights, brands, models, drawings in any way;
- * by way of subscription, contribution, merger, cooperation, financial intervention or otherwise acquire an interest or participation in all existing or to be established companies, enterprises, businesses or associations without distinction, in Belgium or abroad; the company may manage, valorize and liquidate these interests or participating interests;
- * participate in the administration, management, control and liquidation of the companies, enterprises, businesses and associations in which it has a participation or an interest, and provide them with technical, administrative, legal, financial or any other authorized assistance;
- * stimulate, plan and coordinate the development of companies, businesses and associations in which it participates or has an interest, including through synergies, reorganizations and restructurings;
- * within the framework of its cash management acquire, manage or sell all tangible, intangible and / or financial assets, directly or via subsidiaries in Belgium or abroad;
- * give security in favor of companies, companies, businesses and associations in which it has an interest or participation, or not, give bail, act as an agent or representative, grant advances, provide loans, mortgages or other securities."

Kortrijk , February 10th, 2020