Interim Financial Statements

First semester of 2019

Contents

The undersigned hereby declare that, to the best of their knowledge, the condensed consolidated financial statements for the six-month period ended 30 June 2019, which have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit and loss of the company and the undertakings included in the consolidation as a whole, and that the interim management report includes a fair review of the important events that have occurred during the first semester of the financial year and of other legal necessary information.

Rafael Padilla, CEO
Karin de Jong, CFO

1. Interim management report

A detailed report on the turnover of the first semester of 2019 can be found in the Fagron press release of the 5th of August 2019.

2. Condensed consolidated income statement

(x 1,000 euros)	Note	June 2019	June 2018
Operating income		**255,976**	**231,576**
Turnover		255,399	230,923
Other operating income		577	652
Operating expenses		**215,446**	**197,088**
Trade goods		99,465	89,228
Services and other goods		40,168	40,625
Employee benefit expenses		61,262	53,894
Depreciation and amortization	8	13,663	9,499
Other operating expenses	9	888	3,843
Operating profit		**40,530**	**34,487**
Financial income	10	610	399
Financial expenses	10	-7,655	-10,873
Profit before income tax		**33,485**	**24,013**
Taxes	21	6,714	5,241
Net profit (loss) from continued operations		**26,771**	**18,773**
Net result from discontinued operations	13	-13,839	0
Net result		**12,932**	**18,773**
Attributable to:			
Equity holders of the company (net result)		12,710	18,604
Non-controlling interest		222	169
Earnings (loss) per share attributable to owners of the parent entity during the period			
Profit (loss) per share (in euros)	11	**0.18**	**0.26**
From continued operations	11	0.37	0.26
From discontinued operations	11	-0.19	0.00
Diluted profit (loss) per share (in euros)	11	**0.18**	**0.26**
From continued operations	11	0.37	0.26
From discontinued operations	11	-0.19	0.00

3. Condensed consolidated statement of comprehensive income

(x 1,000 euros)	June 2019	June 2018
Net result for the period	**12,932**	**18,773**
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	3,577	-13,605
Other comprehensive income for the period	**3,577**	**-13,605**
Total comprehensive income for the period	**16,508**	**5,168**
Attributable to:		
Equity holders of the company	16,242	5,068
Non-controlling interest	266	100

The unrealized currency translation differences in 2019 of 3.6 million euros are mainly due to the strengthening of the Brazilian real against the euro at 31 December 2018.

4. Condensed consolidated statement of financial position

(x 1,000 euros)	Note	June 2019	December 2018
Non-current assets		**532,542**	**483,046**
Goodwill		376,033	365,135
Intangible fixed assets		25,796	26,252
Property, plant and equipment		76,924	73,302
Right-of-use assets	19	33,834	137
Financial fixed assets		2,377	2,158
Deferred tax assets		17,577	16,061
Current assets		**233,877**	**199,726**
Inventories		79,285	74,658
Trade receivables		46,599	38,289
Other receivables		12,606	9,200
Cash and cash equivalents		95,387	77,579
Total assets		**766,419**	**682,772**
Equity		**218,199**	**209,716**
Shareholders' equity (parent)		214,058	205,841
Non-controlling interest		4,141	3,875
Non-current liabilities		**349,748**	**285,250**
Provisions long-term	15	5,676	13,759
Pension obligations		5,276	5,183
Deferred tax liabilities		559	259
Borrowings	16	309,575	265,883
Right-of-use liabilities	19	28,105	35
Financial Instruments		557	131
Current liabilities		**198,472**	**187,806**
Borrowings	16	27,594	63,889
Right-of-use liabilities	19	6,516	66
Trade payables		72,337	63,918
Taxes, remuneration and social security		32,320	31,395
Provisions short-term	15	20,930	0
Other current payables	17	38,775	28,538
Total liabilities		**548,219**	**473,056**
Total equity and liabilities		**766,419**	**682,772**

5. Condensed consolidated statement of changes in equity

(x 1,000 euros)	Share capital & share premium	Other reserves	Treasury shares	Retained earnings	Total	Non-control-ling interest	Total equity
Balance at 1 January 2018	**507,670**	**-233,226**	**-18,823**	**-74,223**	**181,398**	**3,483**	**184,881**
Profit for the period	0	0	0	18,604	18,604	169	18,773
Other comprehensive income	0	-13,536	0	0	-13,536	-68	-13,605
Total comprehensive income for the period	**0**	**-13,536**	**0**	**18,604**	**5,068**	**100**	**5,168**
Declared dividends	0	0	0	-7,184	-7,184	0	-7,184
Share-based payments	0	229	0	0	229	0	229
Balance at 30 June 2018	**507,670**	**-246,533**	**-18,823**	**-62,804**	**179,511**	**3,583**	**183,094**
Profit for the period	0	0	0	23,882	23,882	250	24,132
Other comprehensive income	0	1,652	0	0	1,652	41	1,693
Total comprehensive income for the period	**0**	**1,652**	**0**	**23,882**	**25,534**	**291**	**25,825**
Declared dividends	0	0	0	0	0	0	0
Share-based payments	0	796	0	0	796	0	796
Balance at 1 January 2019	**507,670**	**-244,085**	**-18,823**	**-38,921**	**205,841**	**3,875**	**209,716**
Profit for the period	0	0	0	12,710	12,710	222	12,932
Other comprehensive income	0	3,533	0	0	3,533	44	3,577
Total comprehensive income for the period	**0**	**3,533**	**0**	**12,710**	**16,242**	**266**	**16,508**
Declared dividends	0	0	0	-8,621	-8,621	0	-8,621
Share-based payments	0	596	0	0	596	0	596
Balance at 30 June 2019	**507,670**	**-239,956**	**-18,823**	**-34,833**	**214,058**	**4,141**	**218,199**

6. Condensed consolidated statement of cash flows

(x 1,000 euros)	June 2019	June 2018
Operating activities		
Profit before income taxes from continued operations	33,485	24,013
Profit before income taxes from discontinued operations	-13,839	0
Taxes paid	-8,516	-3,630
Adjustments for financial items	7,052	10,474
Total adjustments for non-cash items	28,027	9,265
Total changes in working capital	-8,819	-5,707
Total cash flow from operating activities	**37,390**	**34,416**
Investment activities		
Capital expenditure	-10,338	-4,169
Investments in existing shareholdings (subsequent payments) and in new holdings	-1,536	-38,787
Total cash flow from investment activities	**-11,874**	**-42,957**
Financing activities		
Dividends paid	-3,473	-2,767
New borrowings	68,164	39,058
Reimbursement of borrowings	-65,952	-1,300
Interest received	610	399
Interest paid	-7,688	-8,829
Total cash flow from financing activities	**-8,338**	**26,561**
Total net cash flow for the period	**17,179**	**18,020**
Cash and cash equivalents – start of the period	77,579	60,771
Gains (or losses) from currency translation differences	630	-2,363
Cash and cash equivalents – end of the period	95,387	76,428
Changes in cash and cash equivalents	**17,179**	**18,020**
Net cashflow from discontinued operations		
Total cashflow from operating activities	-150	0
Total cashflow from investment activities	0	0
Total cashflow from financing activities	0	0
Total cashflow from discontinued operations	**-150**	**0**

7. Notes to the interim financial information

1. General information

Fagron is a leading global company active in pharmaceutical compounding and focuses on delivering personalized medicine to hospitals, pharmacies, clinics and patients in 36 countries worldwide.

The Belgian company Fagron NV is located in Nazareth and is listed on Euronext Brussels and Euronext Amsterdam under the ticker symbol ‘FAGR’. Fagron’s operational activities are driven by the Dutch company Fagron BV. Fagron BV’s head office is located in Rotterdam.

These consolidated financial statements were approved for publication by the Board of Directors on the 1st of August 2019.

In the event of differences between the English translation and the Dutch original of the interim financial statements, the latter prevails.

2. Summary of the most important basis for the condensed consolidated interim financial information

This condensed consolidated interim financial information for the first semester of 2019, including the comparative figures for 2018, has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. The condensed consolidated interim financial information must be read in conjunction with the annual financial statements for the year 2018 (including the principles for financial reporting) which are available at www.fagron.com.

3. Summary of the most important accounting policies

The most important accounting policies used to prepare the consolidated interim financial statements for the first semester of 2019 are consistent with those applied in the Fagron consolidated financial statements for the year ended 31 December 2018, except for IFRS 16 and IFRIC 23, as explained below.

The valuation policies were consistently applied for all periods presented except for IFRS 16 and IFRIC 23.

A summary of the most important accounting policies can be found in the 2018 annual report. The annual report can be consulted on www.fagron.com.

This condensed consolidated interim financial information has been prepared in accordance with IFRS standards and IFRIC interpretations that apply, or which are applied early, as of 30 June 2019 and which have been endorsed by the European Union.

IFRS 16 ’Leases’ concerns the new standard for leases. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a ‘right-of-use asset’ for virtually all lease contracts. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The application of IFRS16 is effective as of the 1st of January 2019.

IFRIC 23 ‘Uncertainty over income tax treatments’ concerns a clarification of the accounting treatment of uncertainties regarding income taxes. This interpretation is effective as of the 1st of January 2019 and the application has no material impact on the consolidated figures of Fagron.

Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2019:

- Amendments to IAS 1 and IAS 8 Definition of Material (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU).
- Amendments to IFRS 3 Business Combinations (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU).
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (the effective date has been deferred indefinitely, and therefore the endorsement in the EU has been postponed).
- Amendments to references to the Conceptual Framework in IFRS standards (applicable for annual periods beginning on or after 1 January 2020, but not yet endorsed in the EU).
- IFRS 14 Regulatory Deferral Accounts (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU).
- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2021, but not yet endorsed in the EU).

4. Seasonality

Turnover and operating result of the Group are limitedly impacted by seasonal influences.

8. Depreciation and amortization

The increase in depreciation and amortization is largely explained by an additional charge of 3.7 million euros as a result of the application of IFRS 16.

9. Other operating expenses

The decrease in other operating costs is largely explained by costs in 2018 that relate to a settlement made with the former owners of JCB Laboratories in the United States.

10. Financial result

(x 1,000 euros)	June 2019	June 2018
Financial income	610	399
Financial expenses	7,655	10,873
Financial result	**7,045**	**10,474**

The decrease of the financial expenses can largely be explained by exchange rate differences.

11. Earnings per share

(x 1 euro)	June 2019	June 2018
Basic earnings (loss) per share	**0.18**	**0.26**
From continued operations	0.37	0.26
From discontinued operations	-0.19	0.00
Diluted earnings (loss) per share	**0.18**	**0.26**
From continued operations	0.37	0.26
From discontinued operations	-0.19	0.00

The earnings used in the calculations are as follows:

(x 1,000 euros)	June 2019	June 2018
Profit (loss) attributable to equity holders of the company	**12,710**	**18,604**
From continued operations	26,549	18,604
From discontinued operations	-13,839	0

The weighted average number of ordinary shares used in the calculations is as follows:

(number of shares x 1,000)	June 2019	June 2018
Weighted average number of ordinary shares	71,740	71,740
Effect of warrants and stock options	417	172
Weighted average number of ordinary shares (diluted)	**72,157**	**71,912**

On 30 June 2019, the capital represented 71,843,904 shares, of which 103,627 are treasury shares held by Fagron NV.

12. Non-recurring result

A non-recurring item is an event or transaction that is considered abnormal, not related to ordinary company activities, and unlikely to recur in the foreseeable future. This can be a gain or a loss. The total non-recurring result included in EBITDA amounts to -1.4 million euros (June 2018: -4.7 million euros). The 2019 non-recurring costs include primarily restructuring costs and acquisition costs. The 2018 non-recurring costs include primarily a settlement with the previous owners of JCB Laboratories, restructuring costs and acquisition costs.

13. Result discontinued operations

In June 2019, Fagron reached a settlement in-principle with the US Department of Justice regarding the previously announced civil investigation in the context of the sector-wide investigation into the pricing of pharmaceutical products. The settlement in-principle consists of a payment by Fagron of 22.3 million US dollars. The result of discontinued operations in the first semester reflects the difference between the earlier provisioned amount, the amount of settlement in-principle and legal costs.

14. Segment information

Fagron's divisional structure is tailored to the various activities of Fagron and supports also effective decision-making and individual responsibility. This is in accordance with IFRS 8, which states that the operational segments must be determined based on the components used by the Executive Committee to assess the performance of the operational activities and on which the decisions are based. Fagron reports according to the following segments: Fagron Europe, Fagron North America, Fagron Latin America and HL Technology.

The segment results for the reporting period ending 30 June 2019 are as follows:

(x 1,000 euros)	Fagron Europe	Fagron North America	Fagron Latin America	Fagron Total	HL Technology	Total
Turnover	128,677	69,924	52,417	251,019	4,380	**255,399**
Intersegment turnover	143	125	28	295	0	**295**
Total turnover	**128,819**	**70,050**	**52,445**	**251,314**	**4,380**	**255,694**
Operating result per segment	28,493	3,107	8,348	39,948	581	**40,530**
Financial result						**-7,045**
Profit before taxes						**33,485**
Taxes on profits						**6,714**
Net result from continued operations						**26,771**

The segment results for the reporting period ending 30 June 2018 are as follows:

(x 1,000 euros)	Fagron Europe	Fagron North America	Fagron Latin America	Fagron Total	HL Technology	Total
Turnover	127,536	50,869	48,880	227,285	3,638	**230,923**
Intersegment turnover	172	106	16	294	0	294
Total turnover	**127,707**	**50,975**	**48,897**	**227,579**	**3,638**	**231,217**
Operating result per segment	28,282	-1,783	8,329	34,828	-340	**34,487**
Financial result						**-10,474**
Profit before taxes						**24,013**
Taxes on profits						**5,241**
Net result from continued operations						**18,773**

A detailed explanation of the segment results and disaggregated turnover are provided in the press release of the 5th of August 2019.

On 30 June 2019, the assets and liabilities, as well as the capital expenditures (investments) are as follows:

(x 1,000 euros)	Fagron Europe	Fagron North America	Fagron Latin America	HL Technology	Unallocated/inter segment elimination	Total
Total assets	317,106	233,286	157,164	7,656	51,206	**766,419**
Total liabilities	53,700	211,807	39,033	3,365	240,314	**548,219**
Capital expenditure	4,444	4,055	1,640	801	0	**10,940**

On 31 December 2018, the assets and liabilities, as well as the capital expenditures (investments) are as follows:

(x 1,000 euros)	Fagron Europe	Fagron North America	Fagron Latin America	HL Technology	Unallocated/inter segment elimination	Total
Total assets	293,608	214,453	129,085	6,111	39,514	**682,772**
Total liabilities	53,752	176,495	20,101	2,466	220,242	**473,056**
Capital expenditure	7,005	6,251	2,916	1,506	0	**17,678**

The gross capital expenditure in the first semester of 2019 mainly consists of investments in a new repacking facility in Poland, existing facilities in the United States, Brazil and Spain and software implementations. The capex excludes the change in investment payables. The unallocated assets include primarily cash and cash equivalents. The unallocated liabilities include primarily the borrowings.

15. Provisions

In June 2019, Fagron announced that it had reached a settlement in-principle with the US Department of Justice regarding the previously announced civil investigation in the context of the sector-wide investigation into the pricing of pharmaceutical products. The final, legally binding, settlement is expected to be formalized in the second semester of 2019. The settlement consists of a payment by Fagron of 22.3 million US dollars. The existing provision of 8.4 million US dollars has therefore been reclassified to short-term provisions. In addition to the existing provision, Fagron took an additional provision of 13.9 million US dollars.

The Group has a number of other small, immaterial provisions, in particular with regard to product liability claims and employee matters related to the normal course of business.

16. Borrowings

In the first semester of 2019, no new borrowings were acquired. Additional amounts were added using the existing credit facilities. On the 31st of December 2018, the 15.0 million euros 4.04% Serie C Senior Notes, the 5.0 million euros Floating Rate Serie D Senior Notes and the 20.0 million US dollars 5.07% Serie E Senior Notes were classified as short term borrowings. These borrowings have been repaid on the 15th of April 2019.

All financial instruments are valued at amortised cost except for derivative financial instruments and contingent considerations for acquisitions, which are valued at fair value. The fair value of the financial instruments valued at the amortised cost price approximates the carrying amount.

On the 30th of June 2019, the net financial debt / EBITDA ratio excluding the provision for the settlement in-principle with the US Department of Justice amounts to 2.55. The EBITDA / net interest expenses ratio is 6.83. These ratios include the impact of the application of the IFRS 16 standard.

17. Business combinations

Fair value of the acquired assets and liabilities of Humco

In March 2018, Humco was acquired for a total acquisition sum of approximately 57.6 million euros, which resulted in an increase of goodwill of 44.5 million euros. Reference is made to the press release of Fagron of the 5th August 2019 for details of the revenue and results over the first half of 2019. The final fair value of assets and liabilities has been determined and is further explained below.

Fair value of the acquired assets and liabilities (x 1,000 euros)	**2019**	**2018**
Intangible fixed assets	6,632	6,632
Property, plant and equipment	993	993
Deferred tax assets	188	160
Inventories	4,707	4,626
Trade receivables	2,944	3,137
Other receivables	293	293
Cash and cash equivalents	996	996
Total assets	**16,752**	**16,837**
Trade payables	2,153	2,153
Other current payables	1,483	1,483
Total liabilities	**3,636**	**3,636**
Net acquired assets	**13,116**	**13,201**
Goodwill	44,495	44,410
Total acquisition amount	**57,611**	**57,611**

Fair value of the acquired assets and liabilities of other companies

In the first semester of 2019, two smaller companies were acquired in Brazil for a total acquisition sum of approximately 7.1 million euros. The provisional fair value of the acquired assets and liabilities has been determined and is further explained below.

Fair value of the acquired assets and liabilities (x 1,000 euros)	**2019**
Intangible fixed assets	63
Property, plant and equipment	836
Financial fixed assets	12
Deferred tax assets	183
Inventories	774
Trade receivables	689
Other receivables	722
Cash and cash equivalents	589
Total assets	**3,868**
Borrowings	994
Trade payables	1,807
Other current payables	2,108
Total liabilities	**4,909**
Net acquired assets	**-1,042**
Goodwill	8,100
Total acquisition amount	**7,059**

Contingent considerations
At the semester closing, the Group had 25.2 million euros in contingencies. These fees payable to former shareholders were determined on the basis of business plans at the time of acquisition. The increase of these contingent considerations is related to the smaller acquisitions in Brazil.

The contingent considerations relate primarily to North America and Brazil and vary between 0 euros and a maximum of 25.2 million euros. The considerations are measured at the fair value at the moment of acquisition. This is estimated based on the maximum compensation if the conditions are met.

18. Related parties

The members of the Executive Committee, the CEO and the non-executive directors are considered as related parties. The remuneration policy is described in the Corporate Governance Statement which is part of the 2018 annual report. The remuneration is determined on a yearly basis; therefore, no further details are provided in these interim financial statements.

19. IFRS 16 Impact

IFRS 16 "Leases" concerns the new standard for leases, as described in note 3, as of the 1st of January 2019.

Fagron has applied the "modified retrospective" method for the implementation of IFRS 16, without adjusting comparative figures for 2018. Fagron opts to use the exemptions for lease agreements where the lease term ends within 12 months after the date of first application and lease agreements where the underlying assets have a low value. The incremental loan rate applied on the opening balance sheet as at January 1, 2019, is between 0.7% and 8.92%, depending on the region where Fagron is active.

The reclassifications and adjustments resulting from the application of the new lease rules have been incorporated in the opening balance sheet as at January 1, 2019, whereby the right-of-use assets and lease obligations have increased by 38.1 million euros.

The application of IFRS 16 changed the net financial debt / REBITDA ratio as of January 1, 2019 from 2.63 to 2.81

Adjustments resulting from the application of IFRS 16 are shown as follows.

Lease liabilities	
Operating lease commitments at 31 December 2018	42,928
Discounted using the lessee’s incremental borrowing rate at the date of initial application	-4,642
Add: finance lease liabilities recognised at 31 December 2018	101
Less: short-term leases recognised as expense	-167
Less: low-value leases recognised as expense	-6
Lease liability recognised at 1 January 2019	**38,214**

Opening balance of the leases on the 1st of January 2019.

	31 December 2018	Initial recognition under IFRS 16	Opening balance of leases on 1 January 2019
Assets			
Buildings & land	87	36,012	36,099
Machinery & installations	35	613	648
Furniture and vehicles	14	1,489	1,503
Total right-of-use assets	**137**	**38,113**	**38,250**
Liabilities			
Lease liabilities - non-current	35	31,874	31,909
Lease liabilities – current	66	6,239	6,305
Total lease liabilities	**101**	**38,113**	**38,214**

20. Subsequent events

In July 2019, Fagron closed the acquisition of Central de Drogas, S.A. de C.V. (‘Cedrosa’), following the announcement on 13 May 2019, the acquisition of the Brazilian Apace and the acquisition of the Czech Dr. Kulich Pharma. Cedrosa realized a turnover of 480 million Mexican pesos in 2018 (approximately 22.5 million euos) and an EBITDA-margin of 14.5%. The acquisition price for Cedrosa amounts to approximately 16.5 million euros in cash and is maximized to approximately 21.7 million euros. The acquisition price for Dr. Kulich Pharma is approximately 5.5 million euros.

On 1nd of August 2019, Fagron closed a new syndicated multi-currency credit facility of 375 million euros with improved conditions resulting in more flexibility and decreased financing cost. The new credit facility has a duration of 5 years with an option to extend twice for a one-year period. This new credit facility has, with the extension option, a maturity until 2026 at the latest and replaces the terminated credit facility of 325 million euros.

The interest on the new credit facility is linked to Fagron’s sustainability aim to reduce greenhouse emissions (Scope 1 and Scope 2 of the GHG protocol) with approximately 30% in six years. Based on the annual progress measured, a decrease or an increase can be applied to the credit facility’s interest rate.

21. Effective tax rate

Recognised income tax expenses are based on management’s best estimate of the weighted average effective income tax rate of 20.1% for 2019 (S1 2018: 21.8%).

22. Alternative performance measures

In addition to the performance measures defined in IFRS, other measures are also used in these interim financial statements. These "alternative performance measures" are set out below:

(x 1,000 euros)	June 2019	June 2018
Operating profit (EBIT)	**40,530**	**34,487**
Depreciation and amortization	13,663	9,499
EBITDA	**54,193**	**43,986**
EBITDA	**54,193**	**43,986**
Non-recurring result	1,397	4,666
REBITDA	**55,590**	**48,652**
Net financial debt		
Borrowings non-current	309,575	265,883
Lease liabilities - non-current	28,105	35
Borrowings - current	27,594	63,889
Lease liabilities - current	6,516	66
Cash and cash equivalents	95,387	77,579
Total net financial debt	**276,403**	**252,294**

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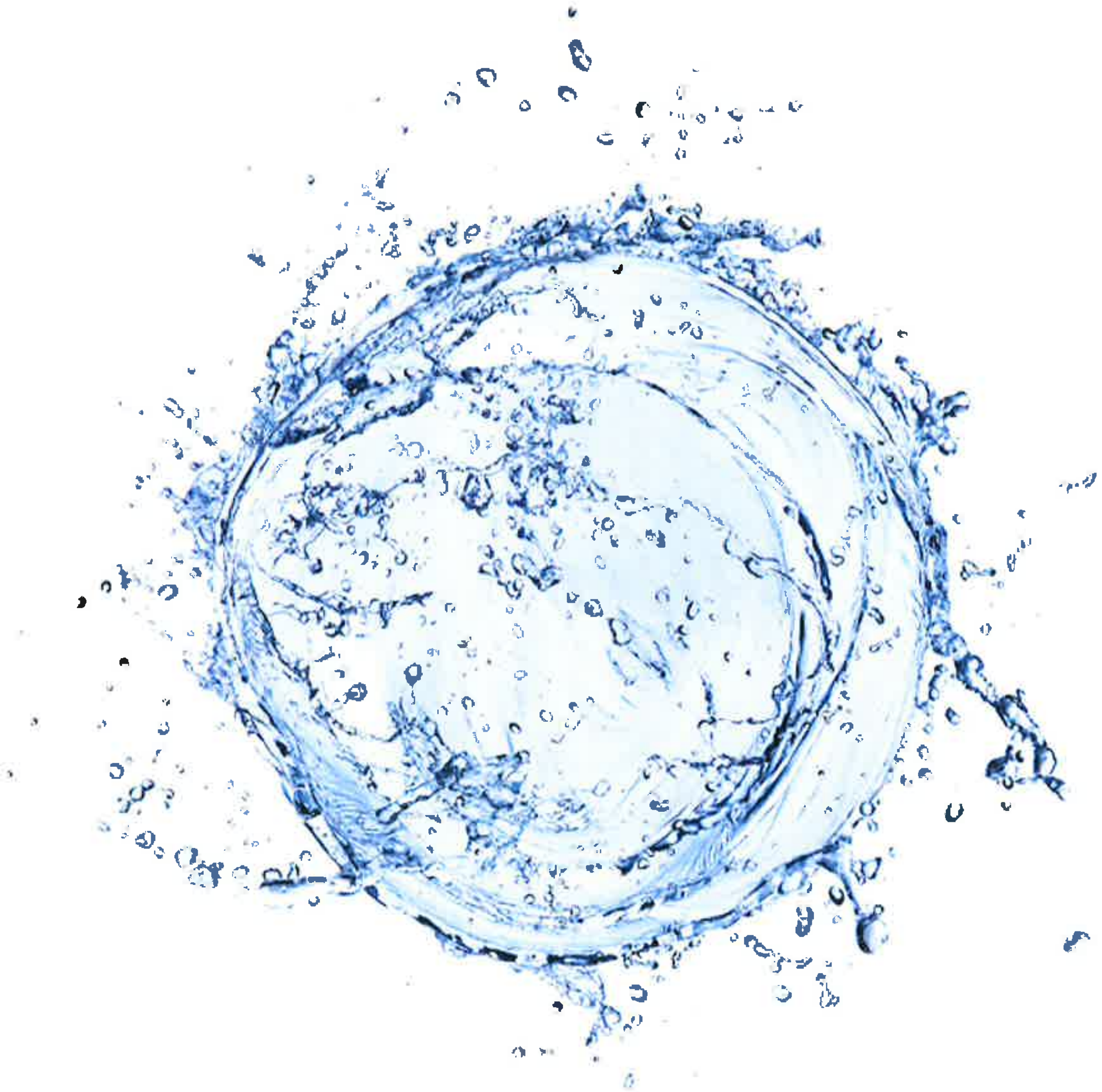

Fagron NV

Report on the review of the consolidated interim financial information for the six-month period ended 30 June 2019

The original text of this report is in Dutch

Report on the review of the consolidated interim financial information of Fagron NV for the six-month period ended 30 June 2019

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the condensed consolidated statement of financial position as at 30 June 2019, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the period of six months then ended, as well as selective notes 7 to 22.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Fagron NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed consolidated statement of financial position as at 30 June 2019 shows total assets of 766 419 (000) EUR and the condensed consolidated income statement shows a net profit (group share) for the period then ended of 12 710 (000) EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Fagron NV has not been prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Antwerp, 2 August 2019

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Ine Nuyts