

Agenda Annual General Meeting Beter Bed Holding N.V.

Thursday, 25 April 2019 at 14.00 hours CET – Van der Valk Hotel, Rondweg 2, Uden (The Netherlands)

1. Opening.
2. Report of the Management Board on the 2018 financial year.
3. Report of the Supervisory Board.
4.
 - a. Remuneration policy.
 - b. Implementation of the remuneration policy for 2018.
 - c. Review of the granting of rights to shares in Beter Bed Holding N.V. (options) (resolution required)
 - d. Consideration of the financial statements for the 2018 financial year.
 - e. Presentation of the audit of the financial statements.
 - f. Adoption of the financial statements for the 2018 financial year (resolution required).
5. Dividend policy and payment of dividend.
6. Corporate Governance.
7.
 - a. Discharge of the Management Board from liability in respect of their management (resolution required).
 - b. Discharge of the Supervisory Board from liability in respect of their supervision (resolution required).
8. Proposal to appoint Ms G.E.A. Reijnen as a Supervisory Director (resolution required).
9. Reappointment of the external auditor (resolution required).
10. Authorisation of the Management Board to issue (rights to) new shares (resolution required).
11. Authorisation of the Management Board to limit or exclude preferential rights (resolution required).
12. Authorisation of the Management Board to acquire/repurchase shares in the company's own capital (resolution required).
13. Cancellation of acquired shares (resolution required).
14. Announcements.
15. Any other business.
16. Closing.

Notes to the Agenda of the Annual General Meeting

4.a. Remuneration policy

The Remuneration Committee has formulated the main points of the policy which have been approved by the Annual General Meeting in 2009 and were partly amended and adopted by the Annual General Meeting in 2013 and 2016. The remuneration of the Management Board consists of the following competitive components:

- A fixed salary.
- A pension scheme.
- A variable remuneration.
- Options for shares.
- Other employment benefits.

Notes

The remuneration report is included in the Annual Report and available on the company's website.

The relevant passages can be summarised as follows:

- Competitive: based on the knowledge, insight and experience of the individual Supervisory Directors and on a benchmark implemented by the Supervisory Board once every three years using a reference group of around ten comparable enterprises.
- Variable remuneration: largely performance-related and awarded at the discretion of the Supervisory Board.
- The maximum variable remuneration for the CEO and the CFO amounted to 60% and 50% of the fixed salary respectively. Of the variable remuneration of the CEO 50% is based on the achievement of quantitative targets; the remaining 50% is entirely at the discretion of the Supervisory Board. Of the CFO's variable remuneration 40% is based on the achievement of quantitative results while the remaining 60% is based on the achievement of qualitative targets.
- Options for shares: as a long-term incentive, the company awards options for shares. These options are awarded to both the Management Board and the management teams.
- Other employment benefits: the CEO has an allowance for mobility cost; the CFO has a lease car.

The regulations of the Remuneration Committee are available on the corporate website www.beterbedholding.com.

4.b. Implementation of the remuneration policy for 2018

This agenda item provides for the discussion, pursuant to Section 2:135 paragraph 5a of the Dutch Civil Code, of the implementation of the remuneration policy for the Management Board in 2018. This is based on the disclosures relevant to the remuneration policy, as referred to in Sections 2:383c to 2:383e of the Dutch Civil Code, which are included in the notes to the consolidated balance sheet and profit and loss account in the annual report 2018.

4.c. Review of the granting of rights to shares in Beter Bed Holding N.V. (options).

Mr A.J.G.P.M. Kruijssen was appointed by the Annual General Meeting (the 2018 AGM) on 26 April 2018 as a Director in the position of CEO of Beter Bed Holding N.V. for a term that will end on the date of the first Annual General Meeting to be held four years after his appointment, therefore in principle until the end of the first Annual General Meeting to be held in 2022. On the occasion of his appointment, and in line with the company's remuneration policy, Mr Kruijssen was awarded a single grant of 100,000 signing options, the conditions for which were listed in the note to item 11 of the agenda for the 2018 Annual General Meeting.

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Specifically, these conditions were:

- An exercise price of € 13.06 per option.
- Vesting period: three years in 36 monthly instalments, to be counted from the start date 1 April 2018 and lasting until 31 March 2021.
- Exercise period: during a period of 12 months after completion of the vesting period (therefore commencing on 1 April 2021 and ending on 31 March 2022).
- If and to the extent that the contract for provision of services with the CEO is terminated in the interim on the initiative of Beter Bed Holding N.V. (pursuant to resolution by the Annual General Meeting) due to reasons that were not mainly attributable to the CEO, 1/36th of the signing options (already vested options) may be exercised for each full month worked by the CEO for a period of 12 months after termination of the contract for provision of services.

On the initiative of the Remuneration Committee, the Supervisory Board has consulted as to whether, in the light of developments and necessary intervention at Beter Bed Holding N.V., the option arrangement granted to the CEO was consistent with the purpose of the option arrangement of a long-term incentive and long-term value creation. The Supervisory Board is of the opinion that this is no longer the case and proposes, in the interests of Beter Bed Holding N.V. and its affiliated company, to fully terminate the existing package of signing options for the CEO (despite the fact that part of this has already been vested) and to replace this by granting an amended option scheme to Mr Kruijssen that is consistent with the aim of the original scheme. The proposal, the outlines of which are presented below, will be submitted to the Annual General Meeting for approval on the basis of the provisions of Section 2:135 (5) of the Dutch Civil Code. The other elements of the contract for provision of services with the CEO remain unchanged. The Supervisory Board is of the opinion that this amended scheme is consistent with the desire and need to bind Mr Kruijssen to the company as CEO for the longer term so that he can continue to direct and further implement the previously stated and already initiated strategy in order to create a solid basis for future growth. The Remuneration Committee wishes to stress that the design of this new option scheme achieves close alignment of interests between the CEO and the company's shareholders.

The conditions for the new option scheme for Mr Kruijssen as CEO of Beter Bed Holding N.V. should be understood in the light of the above-mentioned motivation, also in view of the fact that his existing option scheme will be terminated in full without his being able to derive rights from it in the future (although his option scheme had already come into effect on 1 April 2018).

The new conditions are as follows:

- A single grant of 200,000 options on shares in Beter Bed Holding N.V. on 25 April 2019 with an exercise price equal to the average of the opening price and the closing price on 29 April 2019 and the closing prices on the four subsequent trading days.¹
- Vesting period: two years in 24 monthly instalments, to be counted from 25 April 2019 (the date of the 2019 Annual General Meeting) to 24 April 2021.
- Exercise period: during a period of 12 months after completion of the vesting period (therefore commencing on the date of the 2021 Annual General Meeting and ending on the date of the 2022 Annual General Meeting).
- If and to the extent that the contract for provision of services with the CEO is terminated in the interim on the initiative of Beter Bed Holding N.V. (pursuant to resolution by the Annual General Meeting) due to reasons that were not mainly attributable to the CEO, 1/24th of the signing options (already vested options) may be exercised for each full month worked by the CEO for a period of 12 months after termination of the contract for provision of services (this element is unchanged from the existing package).
- Mr Kruijssen has undertaken to Beter Bed Holding N.V. that in the event that the Annual General Meeting resolves to approve the proposal of the Supervisory Board to grant the new option scheme, he will immediately acquire an additional 100,000 options on the Company's shares against payment of a consideration of € 50,000 to the Company in cash. The scheme described above will apply to these additional options by analogy as far as possible.

¹ Since no dividend is to be distributed for the 2018 financial year, there will be no ex-dividend date this year. The calculation of the exercise price according to provision 17 of the existing option scheme will not take place, since the calculation under that scheme is based on the ex-dividend date. The following solution will serve: last year (2018), the ex-dividend date for Beter Bed Holding (30 April 2018) was four days after the date of the AGM (26 April 2018). The proposal applies the same four days so that 29 April 2019 is taken as the starting point. This is in line with the system of the prevailing option scheme.

5. Dividend policy and payment of dividend

Beter Bed Holding N.V.'s dividend policy focuses on maximising shareholder returns whilst maintaining a healthy capital position. Subject to conditions, the company's objective is to pay out at least 50% of the realised net profit to the shareholders. This payment will be made in the form of an interim dividend following publication of the third-quarter figures and a final dividend following the approval of the dividend proposal by the Annual General Meeting. This system makes it possible to spread out payment of the dividend evenly over the year. The payment of the dividend may never result in the company's solvency falling below 30% on any publication date. Furthermore, the net interest-bearing debt/EBITDA ratio may not exceed two. Each year the Management Board determines, subject to the approval of the Supervisory Board, the percentage of profit that will be reserved. The decision to pay out an interim dividend is likewise subject to the approval of the Supervisory Board.

The results in the 2018 financial year do not permit a distribution of dividend, as the conditions set in the dividend policy cannot be met and no profit was realised in the 2018 financial year. There will also be no payment from the distributable portion of the Company's equity.

6. Corporate Governance

The Supervisory Board and the Management Board endorse the principles for good corporate governance as laid down in the Dutch Corporate Governance Code. A complete list of all the best practice provisions, including whether or not the company currently complies with each specific provision, is available on the company website, www.beterbedholding.com. There is a single deviation compared to the Corporate Governance Code of 8 December 2016.

8. Proposal to appoint Ms G.E.A. Reijnen as a Supervisory Director

Under the provisions of article 25 of the articles of association of Beter Bed Holding N.V., the Supervisory Board nominates for appointment Ms Gabrielle Reijnen as a Supervisory Director with effect from 25 April 2019, for a term ending on conclusion of the Annual General Meeting to be held after his four-year term has elapsed. With her 25 years' experience in financing, corporate finance, M&A advisory, debt & equity capital markets, risk management, cash management, corporate governance and compliance Ms Reijnen is considered to be a financial expert with the proper competences to become a member of the Supervisory Board of Beter Bed Holding N.V. and she will take upon the responsibilities of Chair of the Audit Committee.

Curriculum Vitae Ms G.E.A. Reijnen (1967)

Mrs Reijnen earned a master's degree in business economics from Erasmus University Rotterdam, the Netherlands, and is an alumna of Harvard Business School (AMP 182). She previously was Managing Director at ABN AMRO and Alvarez & Marsal, and Head of Corporate Coverage and member of the Management Team with Royal Bank of Scotland in the Netherlands. Mrs Reijnen serves as a Supervisory Board member at Avantium N.V., Aegon Bank N.V., Aspen Oss B.V. and a board member of Stichting Continuïteit Merus.

Mrs Reijnen has the Dutch nationality and owns no shares in Beter Bed Holding.

A Contract of Engagement has been concluded with Ms Reijnen in line with the remuneration that is applicable since 19 May 2015.

The Works Council has been given the opportunity to determine its position with reference to this proposed appointment in good time prior to the date of the convening notice.

9. Reappointment of the external auditor

The Supervisory Board proposes, based in part on the recommendation of the Management Board and the Audit Committee, to reappoint PwC Accountants to the post of external auditor to conduct the audit of the 2019 financial statements. The audit will be conducted by Mr W.C. van Rooij, partner at PwC Rotterdam.

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10. Authorisation of the Management Board to issue (rights to) new shares

This is a fixed item on the annual agenda. Based on Article 10 of the Articles of Association, the Supervisory Board and the Management Board request authorisation to issue new shares, and/or authorisation to grant rights to subscribe to shares, up to a maximum of 10% of the share capital outstanding at the time of the meeting. This authorisation is requested for a period of 16 months from the date of this Annual General Meeting and is subject to the approval of the Supervisory Board. If this authorisation is granted then the current authorisation shall no longer be exercised.

11. Authorisation of the Management Board to limit or exclude preferential rights

In connection with the previous item, authorisation is requested to limit or exclude the preferential rights as set out in Article 11 of the Articles of Association. This authorisation is requested for a period of 16 months from the date of this Annual General Meeting and is subject to the approval of the Supervisory Board. If this authorisation is granted then the current authorisation shall no longer be exercised.

12. Authorisation of the Management Board to acquire/repurchase shares in the company's own capital

This is a fixed item on the annual agenda. Implementation will depend in part on the company's financial performance. It is requested that the Management Board be authorised on the basis of Article 13 of the Articles of Association to repurchase shares in the company's own capital up to a maximum of 10% of the number of shares outstanding. The purchase price must not exceed the average closing price on the five stock exchange trading days prior to the date of acquisition by more than 10%. This authorisation is requested for a period of 16 months from the date of this Annual General Meeting. If this authorisation is granted then the current authorisation shall no longer be exercised.

13. Cancellation of acquired shares

The Management Board, with the approval of the Supervisory Board, proposes that authorisation be granted for the reduction of the issued capital, as provided for in Article 15 of the Articles of Association, by the cancellation of the company's shares acquired pursuant to the authorisation granted under item 14 of the agenda. The Management Board shall determine the number of shares to be cancelled pursuant to this authorisation, with a maximum of 10% of the number of outstanding shares equal to the maximum under item 14 of the agenda. The cancellation of shares can take place in one or more tranches. The cancellations will take place on the dates determined by the Management Board and with due regard for the mandatory two-month opposition period.