MDXHEALTH
Limited Liability Company

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Belgium

Registered with the Register of Legal Persons
VAT BE 0479.292.440 (RLP Liège, division Liège)

REPORT OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLE 7:198 *JUNCTO* ARTICLES 7:179 AND 7:197 OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE

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1. INTRODUCTION

This report has been prepared by the board of directors of MDxHealth SA (the "**Company**") in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code of 23 March 2019 (as amended from time to time) (the "**Belgian Companies and Associations Code**").

It relates to the proposal of the board of directors to increase the share capital of the Company, within the framework of the authorised capital, with an amount of EUR 4,877,097.50, equivalent to USD 5,000,000.36 on the basis of the Exchange Rate (as defined in section 3.3 below), against the issuance by the Company of 6,911,710 new ordinary shares (the "**New Shares**"), to be delivered to Exact Sciences (as defined below) in the form of 691,171 American depositary shares ("**ADSs**") (on the basis of a ratio of 1 ADS per 10 New Shares), at an issue price per New Share of EUR 0.7056 (the "**Issue Price**"), as contemplated by the Asset Purchase Agreement (as defined below), for the purpose of the settlement of a portion of the purchase price for the Business (as defined below) in shares of the Company to be delivered in ADSs, by means of a contribution in kind.

The capital increase is to take place in the framework of the asset purchase agreement (the "**Asset Purchase Agreement**") entered into by and between the Company and Genomic Health, Inc. (a subsidiary of Exact Sciences Corporation referred to herein as "**Exact Sciences**") on August 2, 2022, pursuant to which, among other things and subject to the terms and conditions included in the Asset Purchase Agreement, Exact Sciences agreed to sell and assign, and the Company agreed to purchase and assume, the business of developing, marketing and performing the Oncotype DX Genomic Prostate Score test (the "**Business**") (the "**Transaction**").

In accordance with article 7:198 *juncto* article 7:179 of the Belgian Companies and Associations Code, the board of directors provides in this report a justification of the proposed Transaction, with notably a justification of the proposed Issue Price of the New Shares to be issued and a description of the consequences of the proposed Transaction for the financial and shareholder rights of the shareholders of the Company.

In accordance with article 7:198 *juncto* article 7:197 of the Belgian Companies and Associations Code, the board of directors also provides in this report a justification of the interest of the contribution in kind, a description of the contribution and a motivated valuation, and the remuneration granted for the contribution.

This report must be read together with the report prepared in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code by the Company's statutory auditor, BDO Réviseurs d'Entreprises SRL, a limited liability company organised and existing under the laws of Belgium, with registered office at Da Vincilaan 9 E.6, 1930 Zaventem, Belgium, represented by Mr. Bert Kegels.

2. AUTHORISED CAPITAL

2.1. Description of the authorised capital

By virtue of the resolution of the extraordinary general shareholders' meeting of the Company held on May 27, 2021, as published by excerpt in the Annexes to the Belgian Official Gazette of June 1, 2021 under number 21333389, the board of directors of the Company has been granted certain powers to increase the Company's share capital in the framework of the authorised capital. The powers under the authorised capital have been set out in article 6 of the Company's Articles of Association.

In the framework of this authorisation granted by the extraordinary general shareholders' meeting, the board of directors is authorised to increase the share capital of the Company in one or more transactions with a maximum amount of EUR 90,132,067.69 (excluding issue premium), for a period of five years as from June 1, 2021.

The capital increases that can be effected in accordance with the aforementioned authorisation can take place by means of contributions in cash or in kind, by capitalisation of reserves, whether available or unavailable for distribution, and capitalisation of issue premiums, with or without the issuance of new shares, with or without voting rights, that will have the rights as will be determined by the board of directors. The board of directors is also authorised to use this authorisation for the issuance of convertible bonds or subscription rights, bonds with subscription rights or other securities.

The board of directors is authorised, when exercising its powers within the framework of the authorised capital, to restrict or cancel, in the interest of the Company, the preferential subscription rights of the shareholders. This restriction or cancellation of the preferential subscription rights can also be done in favour of members of the personnel of the Company or of its subsidiaries, or in favour of one or more persons other than members of the personnel of the Company or of its subsidiaries.

2.2. Available amount in the framework of the authorised capital

So far, the board of directors has used its powers under the authorised capital (granted on May 27, 2021) on November 8, 2021 by the issuance of 37,500,000 new shares (which were delivered as 3,750,000 ADSs) for an aggregate amount of EUR 28,530,000.00 (excluding issue premium). As a result, by virtue of this authorisation, the board of directors is still authorised to increase the Company's share capital by a total amount of EUR 61,602,067.69 (excluding issue premium, if any).

3. PROPOSED TRANSACTION

3.1. Context

On August 2, 2022, the Company and Exact Sciences entered into the Asset Purchase Agreement, as further summarised.

Founded in February 1995, Exact Sciences is a leading, global, advanced cancer diagnostics company, listed on the Nasdaq Capital Market, which has developed some of the most impactful tests in cancer diagnostics.

3.2. Structure of the Transaction

Pursuant to the Asset Purchase Agreement and subject to its terms and conditions, Exact Sciences agreed to sell and assign, and the Company agreed to purchase and assume, the Business for an aggregate purchase price of up to USD 100,000,000.00. This aggregate purchase price is to be paid as follows:

(a) Cash consideration: An amount of USD 24,999,999.64 was paid on the date of the Asset Purchase Agreement.

(b) Closing Equity Consideration: An amount of USD 5,000,000.36 remained outstanding as a payable (without accruing interest) due by the Company as from the date of the Asset Purchase Agreement (the "**Closing Receivable**"), but which payable is to be contributed in kind by Exact Sciences to the Company within the context of a capital increase by the Company within the framework of the authorised capital of the Company against the issuance by the Company of 6,911,710 New Shares at the Issue Price, to delivered in the form of 691,171 ADSs (on the basis of a ratio of 1 ADS per 10 New Shares) (the "**Closing Equity Consideration**"). The Closing Receivable and the Closing Equity Consideration in remuneration of the contribution in kind of the Closing Receivable are to be issued within 15 days after the date of the Asset Purchase Agreement. The aggregate number of Company's shares representing the ADSs held by Exact Sciences shall not exceed more than 5% of the outstanding shares of the Company.

(c) Earn-Out Consideration: Following the signing of the Asset Purchase Agreement, an additional aggregate earn-out amount of up to USD 70,000,000.00 is to be paid by the Company to Exact Sciences upon achievement of certain revenue milestones related to fiscal years 2023 through 2025, with the maximum earn-out payable in relation to 2023 and 2024 not to exceed USD 30,000,000.00 and USD 40,000,000.00, respectively (the "**Earn-Out Consideration**"). At the option of the Company, amounts reflecting the Earn-Out Consideration can be settled in cash or through the issuance of additional shares of the Company by contribution in kind (at an issue price per share valued in function of a volume weighted average trading price of the Company's shares at the end of the relevant earn-out period) to be delivered in the form of ADSs to Exact Sciences, provided that the aggregate number of shares representing the ADSs held by Exact Sciences shall not exceed more than 5% of the outstanding shares of the Company.

In order settle the Closing Receivable due by the Company to Exact Sciences pursuant to the Asset Purchase Agreement, the board of directors proposes, in accordance with article 6 of the Company's Articles of Association, to increase the share capital of the Company, within the framework of the authorised capital, with an amount of EUR 4,877,097.50, equivalent to USD 5,000,000.36 on the basis of the Exchange Rate (see section 3.3), against the issuance by the Company of 6,911,710 New Shares, to be delivered to Exact Sciences in the form of 691,171 ADSs (on the basis of a ratio of 1 ADS per 10 New Shares), at the Issue Price of EUR 0.7056.

The underlying new shares representing the ADSs to be delivered to Exacts Sciences in the context of the Transaction will be placed with The Bank of New York Mellon as depositary of the newly issued shares on behalf of Exact Sciences as holder of the representative ADSs. The ADSs will be delivered to Exact Sciences by The Banks of New York Mellon following the issuance of the underlying new shares.

3.3. Issue Price

The number of New Shares to issue and the Issue Price are the result of independent and at-arms-length discussions between the Company and Exact Sciences. The Issue Price has been calculated on the basis of a weighted-average closing price of the Company's shares (as traded on Euronext Brussels) preceding the date of the Asset Purchase Agreement.

As the Company's share capital is expressed in EUR in the Company's articles of association, for the purpose of the capital increase and the amendment of the Company's articles of association, the Issue Price and the aggregate value of the Earn-Out Consideration (i.e., USD 5,000,000.36) is expressed in EUR on the basis of the USD/EUR exchange ratio of EUR 1,00 for USD 1.0252 as published on August 10, 2022 (i.e., on the business day preceding the date of the relevant notarial deed in which the issuance of the New Shares and the corresponding capital increase is established) by the European Central Bank ("**ECB**") on https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html (the "**Exchange Rate**"). The total issue price in EUR was rounded down to the nearest two decimals.

3.4. Allocation of the Issue Price

The Issue Price (expressed in EUR on the basis of the Exchange Rate) shall be fully booked as share capital as it is below the current fractional value (*i.e.*, rounded to EUR 0.7608). In accordance with article 7:178 of the Belgian Companies and Associations Code, after the issuance of the New Shares, all of the Company's outstanding shares will have the same fractional value, i.e., rounded to EUR 0.7585.

3.5. Rights attached to the New Shares

All of the New Shares to be issued in the context of the capital increase will have the same rights and benefits as, and rank *pari passu* in all respects, including as to entitlement to dividends and distributions, with, the existing and outstanding shares of the Company at the moment of their issuance and will be entitled to dividends and distributions in respect of which the relevant record date or due date falls on or after the date of issuance of the New Shares.

3.6. Representation of the New Shares by ADSs

The New Shares to be issued in the context of the Transaction will be delivered in the form of ADSs to Exact Sciences on the basis of a ratio of 1 ADS per 10 New Shares. For this purpose, the relevant New Shares will after their issuance be delivered to a depositary financial institution that will hold (directly or indirectly) the relevant New Shares and issue the ADSs representing such New Shares.

3.7. No preferential subscription right

As the increase of the Company's share capital will be realised by contribution in kind of the Closing Receivable due by the Company to Exacts Sciences, the existing shareholders of the Company and the holders of share options of the Company will not have a preferential right in said capital increase.

4. CONTIBUTION IN KIND

4.1. Description of the contribution in kind

The New Shares will be issued in consideration of the contribution in kind of the Closing Equity Consideration as summarised in section 3.2.

4.2. Remuneration of the contribution in kind

Upon contribution of the Closing Receivable, the Company will issue the New Shares at the Issue Price in accordance with the terms and conditions summarised in sections 3.2 and 3.3.

4.3. Valuation of the contribution in kind

The board of directors is of the opinion that, upon settlementof the Closing Receibale due by the Company to Exact Sciences and of the Closing Equity Consideration of the Closing Receivable via the issuance of the New Shares in accordance with the Asset Purchase Agreement, the Closing Receivable to be contributed in kind can be valued at 100% of the nominal value of the relevant amount. This is based on the following considerations:

(a) The Closing Equity Consideration must be settled by the Company via the issuance of the New Shares at the Issue Price.

(b) Following the contribution in kind of the Closing Receivable, the relevant payable that is contributed is settled by the mechanism of "confusion" in accordance with article 1300 of the former Belgian Civil Code of 21 March 1804, as amended. In other words, as a result of the contribution in kind, the Company's indebtedness will be reduced by an amount equal to the nominal amount of the Closing Equity Consideration.

(c) The disappearance of the payable underlying the Closing Equity Consideration also leads to the improvement of the situation of the other creditors of the Company for an amount equal to the nominal amount of the Closing Equity Consideration.

For further information on the description of the contribution in kind of the Closing Equity Consideration and its valuation, reference is made to the report prepared in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code by the Company's statutory auditor. In his report, the Company's statutory auditor concluded (*inter alia*) the following with regard to the contribution in kind and issues of the New Shares:

"*In accordance with article 7:198 BCAC juncto articles 7:197 and 7:179 BCAC, we hereby present our conclusion in the context of our auditor mission for which we were appointed by engagement letter dated 8 August 2022.*

We have performed our assignment in accordance with the Standard on the auditor's assignment in connection with a contribution in kind and quasi-contribution of the Institut des Réviseurs d'Entreprises. Our responsibilities under this standard are described below in the section "Auditor's responsibilities in connection with the contribution in kind and the share issue".

With respecto to the contribution in kind

In accordance with 7:197 BCAC, we have examined the matters described below in this report, as set out in the draft special report of the board of directors, and we have no significant findings to report in respect of

- the description of the assets to be contributed

- the valuation applied ;

- the valuation methods used for this purpose.

We also conclude that the valuation methods applied for the contribution in kind lead to the value of the contribution and the latter corresponds at least to the number and nominal value *or, in the absence of a nominal value, to the accounting fractional value and the share premium, if any, of the shares to be issued in consideration.*

The actual remuneration consists of 6,911,710 New Shares, to be issued to Exact Sciences in the form of 691,171 American depositary shares ("ADSs") of the Company.

All New Shares to be issued in connection with the capital increase will have the same rights and benefits, and will be pari passu in all respects, including with respect to dividend and distribution rights, with the existing and outstanding shares of the Company at the time of their issuance, and will be entitled to dividends and distributions in respect of which the record date or maturity date falls on or after the date of issue of the New Shares.

With respect to the issue of shares

Based on our review and evaluation of the accounting and financial information contained in the special report of the board of directors, nothing has come to our attention that causes us to believe that this information, which includes the justification of the issue price and the consequences for the shareholders' financial and shareholder rights, is not fair and sufficient in all material respects to inform the shareholders, notwithstanding the fact that, in view of the application of article 7:178, there will be no general meeting called to vote on this proposal.

The assumptions underlying the forward-looking financial information are likely to differ from what has actually occurred, as anticipated events often do not occur as expected, and the difference could be material.

No fairness opinion

In accordance with article 7:197 and article 7:179 BCAC, our task is not to express an opinion on the appropriateness or timing of the transaction, nor on the legitimacy and fairness of the transaction ("no fairness opinion")."

The board of directors concurs with, and does not deviate from, the conclusions of the statutory auditor in relation to the contribution in kind.

5. JUSTIFICATION OF THE PROPOSED TRANSACTION

The board of directors believes that the Transaction is in the interest of the Company because the Transaction further solidifies the Company’s leadership in the precision diagnostics urology market while incorporating a team of seasoned sales professionals to accelerate revenue growth.

This transformational acquisition of Oncotype DX GPS, a broadly commercialized and clinically validated test available today across the urology community, expands the Company’s current menu of tests targeted into urology and prostate cancer and reflects its strategy to generate sustainable growth. After discussions with the Exact Sciences team, it became clear to the board of directors the substantial value the Company could unlock by adding the Oncotype DX GPS test to the Company’s molecular test menu of Select mdx and Confirm mdx as well as the Company's newly launched advanced molecular test for urinary tract infections (UTIs). Through this acquisition, the board of directors believes the Company will increase its commercial footprint and provide its newly expanded sales team with a broader, highly complementary offering of precision diagnostic tests to better serve our combined customers in urology.

Furthermore, even though the issuance of the New Shares will lead to some dilution for the existing shareholders and holders of subscription rights of the Company, the board of directors believes this Transaction would position the Company as one of the clear leaders in the urology and prostate cancer space with one of the most comprehensive menus of precision diagnostics.

The board of directors believes that the Company's expanded menu would provide clear and clinically actionably results to guide both patients and clinicians through the complex and often confounding diagnostic pathway of prostate cancer.

Finally, the Transaction will allow the Company to welcome Exact Sciences in its share capital structure as an additional strategic partners, which is a form of validation of the Company's business and strategy.

For all of the above reasons, the board of directors believes that the Transaction is in the interest of the Company, its shareholders, and other stakeholders.

6. JUSTIFICATION OF THE ISSUE PRICE OF THE NEW SHARES

The Issue Price is the result of independent and at-arms-length discussions between the Company and Exact Sciences, as described in sections 3.2 and 3.3.

As abovementioned, the Issue Price has been calculated on the basis of a weighted-average closing price of the Company's shares (as traded on Euronext Brussels) preceding the date of the Asset Purchase Agreement.

Allowing the Company to pay up a portion of the purchase price for the Business in shares, rather than in cash allows the Company to preserve its cash runway. Furthermore, as mentioned in section 5 above, it also allows the Company to welcome Exact Sciences in its share capital structure.

Finally, as mentioned and further described in paragraph 7.1(d) below, part of the purchase price of the Business has been financed through a loan and security agreement with Innovatus (as defined below).

Therefore, in view of all the foregoing, the board of directors believes that the Issue Price is not unreasonable and is in the best interest of the Company, its shareholders and other stakeholders.

7. CERTAIN FINANCIAL CONSEQUENCES

7.1. Introductory comments

The following paragraphs provide an overview of certain financial consequences of the proposed Transaction. For further information with regard to the financial consequences of the proposed Transaction, reference is also made to the report prepared in accordance with article 7:198 *juncto* articles 7:179 and 7:197 of the Belgian Companies and Associations Code by the statutory auditor of the Company, BDO Réviseurs d'Entreprises SRL.

Subject to the foregoing reservations, for the purposes of the illustration of some of the financial consequences and notably the dilution for the shareholders, the following parameters and assumptions were used:

(a) Current share capital: At the date of this report, the share capital of the Company amounts to EUR 118,662,067.69 represented by 155,969,226 shares without nominal value, each representing the same fraction of the share capital, *i.e.*, (rounded) EUR 0.7608. The share capital is entirely and unconditionally subscribed for and is fully paid-up.

(b) Share Options: Furthermore, the following 14,013,030 subscription rights issued by the Company are still outstanding at the date of this report (the "**Share Options**"):

(i) 516,000 outstanding share options issued under the form of subscription rights on June 23, 2014 ("**2014 Share Options**");

(ii) 1,972,030 outstanding share options issued under the form of subscription rights on June 19, 2017 ("**2017 Share Options**");

(iii) 2,925,000 outstanding share options issued under the form of subscription rights on June 21, 2019 ("**2019 Share Options**") (of which 26,500 share options have not yet been granted);

(iv) 3,600,000 outstanding share options issued under the form of subscription rights on May 27, 2021 ("**2021 Share Options**") (of which 5,000 share options have not yet been granted); and

(v) 5,000,000 outstanding share options issued under the form of subscription rights on May 25, 2022 ("**2022 Share Options**") (of which 1,855,000 share options have not yet been granted).

Each of the aforementioned Share Options entitles the holders thereof to subscribe for one new share of the Company upon exercise of the relevant Share Option. For the purpose of the full-dilution scenario calculations further below, it is assumed that all of the 14,013,030 outstanding Share Options (including the 26,500 outstanding 2019 Share Options, the 5,000 outstanding 2021 Share Options and the 1,855,000 outstanding 2022 Share Options that can still be granted) have been effectively granted, have vested and are exercisable. On that basis, if all 14,013,030 Share Options were exercised, 14,013,030 new shares would need to be issued by the Company.

(c) Earn-Out Consideration: For the purpose of the full-dilution scenario calculations further below, it is assumed that the full Earn-Out Consideration amount of USD 70,000,000.00 is converted, by applying the Exchange Rate, into EUR 68,279,360.12 and is fully paid in kind by the Company to Exact Sciences by the issuance of new shares of the Company at the same issue price as the Issue Price in consideration of the settlement of the receivable due by the Company to Exact Sciences up to the Earn-Out Consideration. On that basis, 96,763,933 new shares would have to be issued by the Company to settle the maximum Earn-Out Consideration in full. To reflect maximum dilution, the maxium 5% shareholding cap (as described in paragraph 3.2(c)) is not taken into account in the simulations below. Should this 5% shareholding cap be applied, only 14,206,420 new shares could be issued to Exact Sciences on a fully diluted basis, taking into account all parameters used herein.

(d) Innovatus Convertible Right: To finance the acquisition of the Business on August 2, 2022, the Company entered into loan and security agreement with Innovatus Life Sciences Lending Fund I, LP ("**Innovatus**") pursuant to which Innovatus agreed to provide a loan facility for up to USD 70,000,000.00, which can be drawn in multiple tranches. On August 2, 2022, an amount of USD 35,000,000.00 was drawn, with an additional USD 35,000,000.00 remaining available as a USD 20,000,000.00 term B loan and a USD 15,000,000.00 term C loan that can be drawn in 2024 and 2025 respectively, subject to certain conditions. Under the loan and security agreement, Innovatus has the right to convert, prior to August 2, 2025, up to 15% of the outstanding principal amount of the loans into ADSs of the Company at a 45% premium to the volume-weighted average price yielding at a conversion price per ADS equal to USD 11.21 (i.e., USD 1.121 by shares on the basis of the ratio of 1 ADS per 10 shares), prior to August 2, 2025 (the "**Innovatus Convertible Right**"). Amounts converted into ADSs of the Company will be reduced from the principal amount outstanding of the loan.

For the purpose of the full-dilution scenario calculations further below, it is assumed that (i) the full amount of USD 70,000,000.00 is drawn by the Company before August 2, 2025, (ii) the Innovatus Convertible Right is fully exercised by Innovatus, and (iii) the exchange rate applied to convert USD amounts in EUR amount is the same as the Exchange Rate. On that basis, EUR 10,241,904.01 would be contributed in kind by Innovatus to the Company against the issuance 9,396,242 new shares of the Company at a conversion price of EUR 1.09 per share.

(e) Kreos Convertible Loan Payables: On September 23, 2019, the Company entered into loan agreements with Kreos Capital VI (UK) Limited ("**Kreos Capital**") with respect to a loan facility of up to EUR 9,000,000, which was fully drawn on 1 November 2019. The Company and Kreos Capital agreed that (i) a drawdown fee equal to 7% of the amounts drawn down under the loan agreements (being EUR 630,000 in aggregate) would remain outstanding as a payable (without accruing interest), and would be convertible into ordinary shares by means of a contribution in kind to the share capital of the Company at a price of EUR 0.85 per share (the "**DF Convertible Loan Payable**"), (ii) according to an amendment to the loan agreements dated October 19, 2020, an amount of EUR 180,000 out of the EUR 9,000,000 loan facility would be convertible into ordinary shares by means of a contribution in kind to the share capital of the Company at a conversion price representing a 25% premium to the 30-day volume weighted average price immediately prior to signing the amendment (*i.e.,* EUR 0.95) (rounded) (the "**2020 Discretionary Convertible Loan Payable**"), and (iii) according to an amendment to the loan agreements dated April 19, 2021, an additional amount of EUR 202,500 out of the EUR 9,000,000 loan facility would be convertible into ordinary shares by means of a contribution in kind to the share capital of the Company at a conversion price representing a 25% premium to the 30-day volume weighted average price ending 10 days prior to signing the amendment (*i.e.,* EUR 1.41) (rounded) (the "**2021 Discretionary Convertible Loan Payable**", and together with the DF Convertible Loan and the 2020 Discretionary Convertible Loan Payable, the "**Kreos Convertible Loan Payables**"). As part of the Innovatus loan and security agreement, the Company's loan facility with Kreos Capital was repaid in cash, except that the outstanding amount of the 2020 Discretionary Convertible Loan Payable and 2021 Discretionary Convertible Loan Payable will be converted into new shares of the Company or repaid in cash. In addition, the DF Convertible Loan Payable was not repaid, but will remain outstanding in accordance with its terms.

For the purpose of the full-dilution scenario calculations further below, it is assumed that the full amount of the Kreos Convertible Loan Payables have been converted into new shares of the Company, by means of contributions in kind to the share capital of the Company at their respective conversion prices per share. On that basis, 1,074,267 new shares would have to be issued by the Company to the benefit of Kreos Capital.

(f) Allocation of the issue price of the outstanding dilutive instruments: Upon the issuance of new shares upon exercise of the Innovatus Convertible Right and/or the contribution of the Kreos Convertible Loan Payables or exercise of the Share Options, the amount of the issue price of the relevant new shares will be booked as equity (in the form of share capital and share premium, sat the case may be). The amount that shall be booked as share capital shall, on a per share basis, be equal to the amount of the applicable fractional value of the Company's shares at the relevant time. The balance shall be booked as issue premium.

In this report, when reference is made to "*outstanding dilutive instruments",* it refers, respectively, to the issuance of new shares upon exercise of the Innovatus Convertible Right, contribution of the Kreos Convertible Loan Payables and exercise of the outstanding Share Options.

Whether the outstanding Share Options, the Kreos Convertible Loan Payables or the Innovatus Convertible Right will be effectively exercised or converted will ultimately depend on the decision of the Share Options holders, Kreos Capital and Innovatus, respectively. Such decision will likely be in function of the market price of the shares of the Company at the moment of exercise or conversion, compared to their respective exercise or conversion prices. The holders of Share Options, Kreos Capital and Innovatus will likely not exercise or convert if the market price of the shares of the Company is less than the relevant exercise price or conversion price, respectively.

Whether an Earn-Out Consideration amount is due and converted into shares of the Company will depend the fulfilment (or not) of the respective conditions provided by the Asset Purchase Agreement. Furthermore, should an Earn-Out Consideration amount be due by the Company to Exact Sciences, the Company can also ultimately opt to pay such Earn-Out Consideration amount in cash rather than in shares.

In order to reflect the maximum dilution below, it is assumed that none of the existing shareholders, holders of Share Options, Kreos Capital or Innovatus will subscribe for the New Shares to be issued by the Company in the framework of the Transaction.

7.2. Evolution of the share capital, voting power, participation in the results and other shareholder rights

Each share in the Company currently represents an equal part of the share capital of the Company and provides for one vote in function of the part of the capital it represents. The issuance of the New Shares in the framework of the Transaction will lead to a dilution of the existing shareholders of the Company and of the relative voting power of each share in the Company.

The dilution relating to the voting right also applies, *mutatis mutandis*, to the participation of each share in the profit and liquidation proceeds and other rights attached to the shares of the Company, such as the statutory preferential subscription right in case of a capital increase in cash through the issuance of new shares or in case of the issuance of new subscription rights or convertible bonds.

Specifically, prior to the Transaction (and prior to the issuance of new shares pursuant the other outstanding dilutive instruments), each share of the Company participates equally in the profit and liquidation proceeds of the Company and each shareholder has a statutory preferential subscription right in case of a capital increase in cash or in case of the issuance of new subscription rights or convertible bonds. Upon the issuance of the New Shares in the framework of the Transaction, the new shares to be issued will have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of the Company at the moment of their issuance and delivery, and will be entitled to dividends and other distributions in respect of which the relevant record date or due date falls on or after the date of issuance and delivery of the New Shares. As a result (and to the extent the New Shares will be issued and subscribed for), the participation by the existing shareholders in the profit and liquidation proceeds of the Company and their holders' statutory preferential subscription right in case of a capital increase in cash, shall be diluted accordingly.

Furthermore, as indicated above, the Isue Price is below the fractional value of the existing shares of the Company (*i.e.*, rounded to EUR 0.7608). Therefore, to some extent, the issuance of the New Shares might have had a reduced voting right, a reduced participation in the profit and liquidation proceeds, and a reduced preferential subscription right. However, all of the New Shares to be issued will have to have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of the Company. Therefore, in accordance with article 7:178 of the Belgian Companies and Associations Code, after the completion of the issuance of the New Shares, all of the Company's outstanding shares will have the same fractional value, *i.e.*, rounded to EUR 0.7585. This also entails that, at least conceptually, there is a dilution of the voting right, the right to participate in the profit and liquidation proceeds, and the preferential subscription right of the existing shares of the Company to the benefit of the New Shares.

A similar dilution occurs upon exercise or conversion of the other outstanding dilutive instruments.

Subject to the methodological reservations noted in paragraph 7.1, the evolution of the share capital and the number of shares, with voting rights attached thereto, of the Company as a result of the issuance of the New Shares is simulated below in a scenario before dilution due to outstanding dilutive instruments, as well as in a scenario after dilution due to outstanding dilutive instruments.

Evolution of the number of outstanding shares

After the Transaction but before dilution due to outstanding dilutive instruments	
(A) Outstanding shares	155,969,226
(B) New Shares to be issued in the Transaction	6,911,710
(C) Total number of shares outstanding after (B)	162,880,936
(D) Dilution	4.24%
After dilution due to outstanding dilutive instruments but before the Transaction	
(A) Outstanding shares	155,969,226
(B) New shares to be issued upon exercise of outstanding Share Options	14,013,030
(C) New shares to be issued upon contribution of the Kreos Convertible Loan Payables	1,074,267
(D) New shares to be issued upon contribution of the Earn-Out Consideration	96,763,933
(E) New shares to be issued upon exercise of the Innovatus Convertible Right	9,396,242
(F) Total number of new shares to be issued under (B), (C), (D) and (E)	121,247,472
(G) Total number of shares outstanding after (B), (C), (D) and (E)	277,216,698
After the Transaction and after dilution due to outstanding dilutive instruments	
(A) Outstanding shares after dilution due to outstanding dilutive instruments	277,216,698
(B) New Shares to be issued in the Transaction	6,911,710
(C) Total number of shares outstanding after (B)	284,128,408
(D) Dilution	2.43%

Subject to the methodological reservations noted in paragraph 7.1, the table below reflects the evolution of the share capital, assuming the issuance of the New Shares at the Issue Price. The maximum amount of the capital increase is calculated by multiplying the number of New Shares to be issued with the Issue Price (as it is below the fractional value of the shares of the Company, *i.e.,* currently rounded EUR 0.7608 per share).

Evolution of the share capital[1]

Before the Transaction	
(A) Share capital (in EUR)	118,662,067.69
(B) Outstanding shares	155,969,226
(C) Fractional value (in EUR)	0.7608
Transaction	
(A) Increase of share capital (in EUR)[2]	4,877,097.50
(B) Number of New Shares to be issued	6,911,710
After the Transaction	
(A) Share capital (in EUR)	123,539,165.19
(B) Outstanding shares	162,880,936
(C) Fractional value (in EUR) (rounded) [3]	0.7585

Notes:

(1) This simulation does not take into account the exercise or conversion of outstanding dilutive instruments.

(2) The Issue Price shall be fully booked as share capital as it is below the current fractional value (i.e., rounded to EUR 0.7608).

(3) The Issue Price is below the fractional value of the existing shares of the Company (i.e., (rounded) EUR 0.7608). Therefore, in accordance with article 7:178 of the Belgian Companies and Associations Code, after the completion of the issuance of the New Shares, all of the Company's outstanding shares will have the same fractional value, i.e., rounded to EUR 0.7585.

7.3. Participation in the consolidated accounting net equity

The evolution of the consolidated accounting net equity of the Company as a result of the issuance of the New Shares is simulated below.

The simulation is based on the audited consolidated annual financial statements of the Company for the financial year ended on December, 31 2021 (which have been prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union ("**IFRS**")). The consolidated accounting net equity of the Company as at December, 31 2021 amounted to EUR 45,746 (000) (*i.e.*, USD 46,899 (000), on te basis of the Exchange Rate) or EUR 0.2933 (rounded) per share (based on 155,969,226 outstanding shares as at December, 31 2021). The simulation does not take into account any changes in the consolidated accounting net equity since December, 31 2021.

For further information on the Company's net equity position on December 31, 2021, reference is made to the financial statements of the Company, which are available on the Company's website.

Based on the assumptions set out above, as a result of the issuance of the New Shares, without taking into account the other dilutive instruments, the Company's accounting net equity on a consolidated basis would be increased as indicated below:

Evolution of the consolidated accounting net equity

Consolidated net equity for FY21	
(A) Net equity (in EUR '000) (rounded)	45,746
(B) Outstanding shares	155,969,226
(C) Net equity per share (in EUR) (rounded)	0.2933

<u>Transaction</u>	
(A) Increase of net equity (in EUR '000)[(1)]	4,877
(B) Number of New Shares to be issued	6,911,710
<u>After the Transaction</u>	
(A) Net equity (in EUR '000) (rounded)	50,623
(B) Outstanding shares	162,880,936
(C) Net equity per share (in EUR) (rounded)	0.3108

Notes:

(1) Consisting of the amount of the capital increase. From an IFRS perspective, however, part of the proceeds reflecting the expenses of the Transaction might not be recognized as equity. This is not reflected in the simulation.

The table above demonstrates that the issuance of the New Shares will, from a pure accounting point of view, lead to an increase of the amount represented by each share in the consolidated accounting net equity of the Company.

7.4. Financial dilution

The evolution of the market capitalisation as a result of the issuance of the New Shares is simulated below.

Subject to the methodological reservations noted in paragraph 7.1, the table below reflects the impact of the issuance of the New Shares, without taking into account other outstanding dilutive instruments, on the market capitalisation and the resulting financial dilution.

On August 10, 2022, the Company's market capitalisation was EUR 128,986,549.90, on the basis of a closing price of EUR 0.8270 per share. Assuming that, following the issuance of the New Shares, the market capitalisation increases exclusively with the contributed value on the basis of the parameters set out above, the new market capitalisation would then be rounded to EUR 0.8218. This would represent a (theoretical) financial dilution of 0.63% per share.

Evolution of the market capitalisation and financial dilution

Before the Transaction[(1)]	
(A) Market capitalisation (in EUR)	128,986,549.90
(B) Outstanding shares	155,969,226
(C) Market capitalisation per share (in EUR)	0.8270
The Transaction	
(A) Funds raised (in EUR)	4,877,097.50
(B) Number of New Shares to be issued	6,911,710
After the Transaction[(1)]	
(A) Market capitalisation (in EUR)	133,863,647.40
(B) Outstanding shares	162,880,936
(C) Market capitalisation per share (in EUR) (rounded)	0.8218
Dilution	**-0.63%**

Notes:

(1) As of the date of this report and without taking into account the exercise or conversion of other outstanding dilutive instruments.

7.5. Other financial consequences

For a further discussion on the financial consequences of the proposed Transaction, the board of directors refers to the reports prepared in connection therewith by the statutory auditor of the Company.

* * *

Done on August 10, 2022.

On behalf of the board of directors,

[*Signed*]	[*Signed*]
By: ______________________	By: ______________________

ANNEX

REPORT OF THE STATUTORY AUDITOR PREPARED IN ACCORDANCE WITH ARTICLE 7:198 *JUNCTO* ARTICLES 7:179 AND 7:197 OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE