



Limited Liability Company ("naamloze vennootschap")
Registered Office: Generaal de Wittelaan 11B, 2800 Mechelen, Belgium
Company Number VAT BE 0505.640.808 RLP Antwerp, division Mechelen

EXPLANATORY NOTE

ANNUAL SHAREHOLDERS' MEETING
to be held on Friday 11 May 2018 at 2:00 p.m. CEST

Introduction

This explanatory note has been prepared on behalf of the Board of Directors of Biocartis Group NV (the "Company") in connection with the various items on the agenda of the annual shareholders' meeting of the Company, to be held on Friday 11 May 2018. Pursuant to Article 533bis, §2, d) of the Belgian Companies Code, this note contains for each of the items on the agenda of the aforementioned annual shareholders' meeting a proposed resolution or, if the item does not require a resolution, a commentary on behalf of the Board of Directors.

For further information on date, hour and venue of the annual shareholders' meeting, the manner in which the holders of securities issued by the Company can participate in the meeting and background documentation regarding the meeting, reference can be made to the notice convening the annual shareholders' meeting.

ANNUAL SHAREHOLDERS' MEETING

Agenda and proposed resolutions: The agenda and proposed resolutions of the annual shareholders' meeting of the Company, which, as the case may be, can be amended at the meeting on behalf of the Board of Directors, are as follows:

1. Reports on the statutory financial statements and on the consolidated financial statements

Explanation: This agenda item relates to the submission of, and discussion on: (a) the combined annual report of the Board of Directors on the statutory financial statements and the consolidated financial statements for the financial year ended on 31 December 2017, (b) the report of the statutory auditor on the statutory financial statements for the financial year ended on 31 December 2017, and (c) the report of the statutory auditor on the consolidated financial statements for the financial year ended on 31 December 2017. Copies of these documents are available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual shareholders' meeting.

Submission of, and discussion on: (a) the combined annual report of the Board of Directors on the statutory financial statements and the consolidated financial statements for the financial year ended on 31 December 2017, (b) the report of the statutory auditor on the statutory financial statements for the financial year ended on 31 December 2017, and (c) the report of the statutory auditor on the consolidated financial statements for the financial year ended on 31 December 2017.

2. Approval of the statutory financial statements

Explanation: This agenda item relates to the approval of the statutory financial statements for the financial year ended on 31 December 2017, and of the proposed allocation of the result. Pursuant to the Belgian Companies Code, the annual shareholders' meeting must decide on the approval of the statutory financial statements and the proposed allocation of the Company's profit or loss. A copy of this document is available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual shareholders' meeting.

Approval of the statutory financial statements for the financial year ended on 31 December 2017, and of the proposed allocation of the result.

Proposed resolution: The annual shareholders' meeting approves the statutory financial statements for the financial year ended on 31 December 2017, as well as the allocation of the result as proposed by the Board of Directors.

3. Consolidated financial statements

Explanation: This agenda item relates to the submission of, and discussion on, the consolidated financial statements for the financial year ended on 31 December 2017. A copy of this document is available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual shareholders' meeting.

Submission of the consolidated financial statements for the financial year ended on 31 December 2017.

4. Discharge from liability of the directors

Explanation: This agenda item relates to the release from liability of the directors for the performance of their mandate during 2017. Pursuant to the Belgian Companies Code, the annual shareholders' meeting must each year, after the approval of the statutory financial statements, decide separately on the release from liability of the directors. For an overview of the directors who were in office in 2017, reference can be made to the corporate governance statement included in the annual report of the Board of Directors that is referred to in item 1 of the agenda of the annual shareholders' meeting.

Proposed resolution: The annual shareholders' meeting grants discharge from liability to each of the directors who was in office during the financial year ended on 31 December 2017, for the performance of their mandate during that financial year.

5. Discharge from liability of the statutory auditor

Explanation: This agenda item relates to the release from liability of the statutory auditor for the performance of its mandate during 2017. Pursuant to the Belgian Companies Code, the annual shareholders' meeting must each year, after the approval of the statutory financial statements, decide on the release from liability of the statutory auditor.

Proposed resolution: The annual shareholders' meeting grants discharge from liability to the statutory auditor for the performance of its mandate during the financial year ended on 31 December 2017.

6. Remuneration report

Explanation: This agenda item relates to the submission of, discussion on and approval of the remuneration report prepared by the Remuneration and Nomination Committee. Pursuant to the Belgian Companies Code, the annual shareholders' meeting must decide separately on the approval of the remuneration report. The remuneration report is included in the annual report of the Board of Directors that is referred to in item 1 of the agenda of the annual shareholders' meeting.

Submission of, discussion on and approval of the remuneration report prepared by the Remuneration

and Nomination Committee, and included in the annual report of the Board of Directors for the financial year ended on 31 December 2017.

Proposed resolution: The annual shareholders' meeting approves the remuneration report included in the annual report of the Board of Directors for the financial year ended on 31 December 2017.

7. Re-appointment of directors

Explanation: The mandate of the following directors will expire with effect as from the closing of the annual shareholders' meeting of 11 May 2018:

- Gengest BVBA, represented by Rudi Mariën as permanent representative.
- Valetusan Ltd., represented by Rudi Pauwels as permanent representative.
- Hilde Windels BVBA, represented by Hilde Windels as permanent representative.
- Roald Borré.
- Peter Piot.
- Be@dvised BVBA, represented by Renaat Berckmoes as permanent representative.
- Shaffar LLC, represented by Mark Shaffar as permanent representative.

Citros vof, represented by Hilde Eylenbosch as permanent representative, was appointed as director for a term up to and including the closing of the annual shareholders' meeting to be held in 2019. Citros vof, represented by Hilde Eylenbosch as permanent representative, informed the Company that it will resign as director of the Company with effect as from the closing of the annual shareholders' meeting of 11 May 2018. Hilde Eylenbosch however remains active within the Company as chief commercial officer of Biocartis.

This agenda item relates to the proposed re-appointment of three of the above-mentioned directors whose mandate will expire with effect as from the closing of the annual shareholders' meeting of 11 May 2018. Reference is made to the explanation regarding item 8 on the agenda for an overview of the composition of the Board of Directors after the annual shareholders' meeting of 11 May 2018, subject to the annual shareholders' meeting (re-)appointing the directors proposed by the Board of Directors in agenda items 7 and 8.

Taking into account the advice of the Remuneration and Nomination Committee, the Board of Directors recommends that Hilde Windels BVBA, represented by Hilde Windels as permanent representative, and Roald Borré each be re-appointed as director of the Company for a term of one year, and that Peter Piot be re-appointed as independent director of the Company for a term of one year. For further information regarding these proposed directors, reference is made to the corporate governance statement included in the annual report of the Board of Directors for the financial year ended on 31 December 2017.

Proposed resolutions:

- (i) Hilde Windels BVBA, represented by Hilde Windels as permanent representative, is re-appointed as director of the Company for a term of one year, up to and including the closing of the annual shareholders' meeting to be held in 2019 which will have decided upon the financial statements for the financial year ended on 31 December 2018.
- (ii) Roald Borré is re-appointed as director of the Company for a term of one year, up to and including the closing of the annual shareholders' meeting to be held in 2019 which will have decided upon the financial statements for the financial year ended on 31 December 2018.
- (iii) Peter Piot is re-appointed as independent director of the Company, within the meaning of Article 526ter of the Belgian Companies Code and provision 2.3 of the Belgian Corporate Governance Code, for a term of one year, up to and including the closing of the annual shareholders' meeting to be held in 2019 which will have decided upon the financial statements for the financial year ended on 31 December 2018. It appears from the information available to the Company and from information provided by Peter Piot that he satisfies the applicable requirements with respect to independence.

8. Appointment of independent directors

Explanation: This agenda item relates to the proposed appointment of five new independent directors:

- Christian Reinaudo is president and CEO and member of the board of directors of Agfa-Gevaert, a leading eHealth & Digital Imaging solutions provider, since 1 May 2010. Mr. Reinaudo has a longstanding career of close to 30 years within Alcatel, leading several business units including as president of the Alcatel Optics Group, president of Alcatel Asia Pacific and president Europe & North for Alcatel-Lucent. Mr Reinaudo is also member of the supervisory board of Domo Chemicals GmbH.
- Ann-Christine Sundell has more than 30 years of experience in the diagnostics and life science sector, where she held various global senior positions. For 10 years, she served as president of the Genetic Screening (diagnostics) strategic business unit within PerkinElmer, one of the world's leading life science companies. Mrs. Sundell has deep strategic and operational experience from building, developing and managing global growth businesses. She holds a MSc in biochemistry from Åbo Akademi, Turku, Finland.
- Harry Glorikian has more than three decades of international experience in the health care and life science industries worldwide. With a deep commercial background in diagnostics, healthcare IT and molecular biology and a unique understanding of technologies, operations and strategy, he is known for his capabilities to scale and grow companies. He currently serves as general partner at New Ventures Funds, director of GeneNews Ltd. and advisory board member of several other biotech companies. Mr. Glorikian holds a Masters of Business Administration from the Boston University and a BA in general biology from San Francisco State University.
- Leo Steenbergen has a longstanding international experience having served both privately held and listed companies as CFO and general manager, including at Galapagos, Telenet and the Bekaert Group. Prior to that, he was active in a variety of senior international finance and administration roles at Hewlett Packard Europe and served as director in several companies based in Europe, the US, Canada, Australia and Hong Kong.
- Luc Gijssens is an experienced international executive with deep knowledge in a wide range of areas in finance and capital markets, asset management, corporate and investment banking. For 40 years he served KBC Group, an international bank and insurance group, in different responsibilities including as CEO of the business unit International Markets, as chairman of the board of the banking and insurance subsidiaries in Ireland, the Slovak Republic, Hungary and Bulgaria, and as chairman of the board of KBC Securities and KBC Asset Management.

Subject to the annual shareholders' meeting (re-)appointing the directors proposed by the Board of Directors in agenda items 7 and 8, and taking into account the aforementioned resignation of Citros vof, represented by Hilde Eylenbosch, as director with effect as from the closing of the annual shareholders' meeting of 11 May 2018, the Board will be composed as follows as from the closing of the annual shareholders' meeting of 11 May 2018:

- CRBA Management BVBA, represented by Christian Reinaudo as permanent representative (independent director).
- Herman Verrelst (executive director).
- Ann-Christine Sundell (independent director).
- Harry Glorikian (independent director).
- CLSCO BVBA, represented by Leo Steenbergen as permanent representative (independent director).
- Luc Gijssens BVBA, represented by Luc Gijssens as permanent representative (independent director).
- Peter Piot (independent director).
- Hilde Windels BVBA, represented by Hilde Windels as permanent representative (non-executive director).
- Roald Borré (non-executive director).

Taking into account the advice of the Remuneration and Nomination Committee, the Board of Directors

recommends that CRBA Management BVBA, represented by Christian Reinaudo as permanent representative, be appointed as independent director of the Company for a term of three years, and that Ann-Christine Sundell, Harry Glorikian, CLSCO BVBA, represented by Leo Steenbergen as permanent representative, and Luc Gijsens BVBA, represented by Luc Gijsens as permanent representative, be appointed as independent director of the Company for a term of two years. For further information regarding these proposed directors, reference is made to the explanatory note prepared by the Board of Directors.

Proposed resolutions:

- (i) CRBA Management BVBA, a private company with limited liability under Belgian law, represented by Christian Reinaudo as permanent representative, is appointed as independent director of the Company, within the meaning of Article 526ter of the Belgian Companies Code and provision 2.3 of the Belgian Corporate Governance Code, for a term of three years, up to and including the closing of the annual shareholders' meeting to be held in 2021 which will have decided upon the financial statements for the financial year ended on 31 December 2020. It appears from the information available to the Company and from information provided by Christian Reinaudo that each of CRBA Management BVBA and Christian Reinaudo satisfy the applicable requirements with respect to independence.
- (ii) Ann-Christine Sundell is appointed as independent director of the Company within the meaning of Article 526ter of the Belgian Companies Code and provision 2.3 of the Belgian Corporate Governance Code, for a term of two years, up to and including the closing of the annual shareholders' meeting to be held in 2020 which will have decided upon the financial statements for the financial year ended on 31 December 2019. It appears from the information available to the Company and from information provided by Ann-Christine Sundell that she satisfies the applicable requirements with respect to independence.
- (iii) Harry Glorikian is appointed as independent director of the Company within the meaning of Article 526ter of the Belgian Companies Code and provision 2.3 of the Belgian Corporate Governance Code, for a term of two years, up to and including the closing of the annual shareholders' meeting to be held in 2020 which will have decided upon the financial statements for the financial year ended on 31 December 2019. It appears from the information available to the Company and from information provided by Harry Glorikian that he satisfies the applicable requirements with respect to independence.
- (iv) CLSCO BVBA, a private company with limited liability under Belgian law, represented by Leo Steenbergen as permanent representative, is appointed as independent director of the Company within the meaning of Article 526ter of the Belgian Companies Code and provision 2.3 of the Belgian Corporate Governance Code, for a term of two years, up to and including the closing of the annual shareholders' meeting to be held in 2020 which will have decided upon the financial statements for the financial year ended on 31 December 2019. It appears from the information available to the Company and from information provided by Leo Steenbergen that each of CLSCO BVBA and Leo Steenbergen satisfy the applicable requirements with respect to independence.
- (v) Luc Gijsens BVBA, a private company with limited liability under Belgian law, represented by Luc Gijsens as permanent representative, is appointed as independent director of the Company within the meaning of Article 526ter of the Belgian Companies Code and provision 2.3 of the Belgian Corporate Governance Code, for a term of two years, up to and including the closing of the annual shareholders' meeting to be held in 2020 which will have decided upon the financial statements for the financial year ended on 31 December 2019. It appears from the information available to the Company and from information provided by Luc Gijsens that each of Luc Gijsens BVBA and Luc Gijsens satisfy the applicable requirements with respect to independence.

9. Remuneration of directors

Explanation: This agenda item relates to the proposed remuneration for the non-executive directors.

Proposed resolution: Upon recommendation of the Remuneration and Nomination Committee, the annual shareholders' meeting resolves that the non-executive directors shall be entitled to the following remuneration for the exercise of their mandate: (i) an annual fixed fee of EUR 36,000 for the chairperson of the Board of Directors, EUR 18,000 for the chairperson of the Audit Committee, EUR 14,000 for the chairperson of the Remuneration and Nomination Committee, and EUR 12,000 each for the other non-executive directors, (ii) an attendance fee of EUR 3,000 for each of the non-executive

directors per meeting of the Board of Directors attended in person (to be increased, as the case may be, with a fee for travel time of EUR 1,500 for each of Ann-Christine Sundell and Harry Glorikian per meeting of the Board of Directors attended in person, in accordance with Biocartis' remuneration policy and practices), or an attendance fee of EUR 1,500 per meeting of the Board of Directors attended remotely, and (iii) an attendance fee of EUR 1,000 per meeting of the Audit Committee and EUR 500 per meeting of the Remuneration and Nomination Committee for each non-executive director who is a member thereof. The attendance fees referred to in sections (ii) and (iii) are in addition to the annual fixed fees referred to in section (i). The aforementioned fees are exclusive of costs, expenses and similar charges of the respective directors in relation to the exercise of their mandate.

10 Warrants for members of the Board of Directors and executive management

Explanation: This agenda item relates to the proposed entitlement of the independent directors and the members of the executive management to warrants to subscribe for new shares of the Company under one or more warrant plans to be created by the Board of Directors within the framework of the authorized capital.

Proposed resolution: Upon recommendation of the Remuneration and Nomination Committee, the annual shareholders' meeting (i) resolves that each of the independent directors of the Company shall be entitled to receive up to 15,000 warrants to subscribe for new shares under one or more warrant plans to be created by the Board of Directors for the benefit of directors, employees and independent consultants of the Company and its affiliates within the framework of the authorized capital, (ii) grants a special power of attorney to the chief executive officer of the Company to implement the granting of warrants to the independent directors, and (iii) to the extent required, approves that new warrant plan(s) be created for members of the Company's executive management under which each member of the executive management (excluding the chief executive officer) shall be entitled to receive 65,000 warrants to subscribe for new shares upon hiring or promotion to the executive management level (if applicable), and to receive 10,000 warrants to subscribe for new shares annually in each subsequent year, in accordance with Biocartis' remuneration policy and practices. To the extent necessary and applicable, the annual shareholders' meeting acknowledges that the aforementioned warrants will not be deemed to constitute "variable remuneration", "fixed remuneration" or "annual remuneration" pursuant to the Belgian Companies Code (such as Articles 96, 520bis, 520ter, 525, 526quater and 554 (if applicable) of the Belgian Companies Code) (and similar or equivalent provisions of the Belgian Corporate Governance Code dated 12 March 2009), Provision 7.7 of the Belgian Corporate Governance Code dated 12 March 2009, and any similar or equivalent provisions of any laws or codes replacing the Belgian Companies Code or Belgian Corporate Governance Code dated 12 March 2009. In deviation of Articles 520ter and 525 and in accordance with Article 556 of the Belgian Companies Code, the annual shareholders' meeting also approves that the aforementioned warrants can be definitively and fully vested and exercisable before the third anniversary of their offer or allocation, such as in case of a change of control over the Company or a public tender offer for the Company's outstanding securities.

11. Re-appointment of statutory auditor and determination of statutory auditor's remuneration

Explanation: This agenda item relates to the proposed re-appointment of the statutory auditor for a period of three years, taking into account the expiration of the previous mandate of the statutory auditor, and its proposed remuneration.

Proposed resolution: Upon recommendation of the Company's Audit committee, and in line with the Audit committee's preference, the shareholders' meeting resolves: (i) to re-appoint Deloitte Bedrijfsrevisoren BV o.v.v.e. CVBA, Gateway Building, Luchthaven Nationaal, 1J, 1930 Zaventem, Belgium, represented by Mr. Gert Vanhees, as statutory auditor of the Company, for a period of three years up to and including the closing of the annual shareholders' meeting to be held in 2021 which will have decided upon the financial statements for the financial year ended on 31 December 2020, and (ii) to determine the annual remuneration of the statutory auditor at EUR 120,000 for the audit of the statutory and the consolidated accounts of the group. This amount is exclusive of expenses and VAT, and is subject to an annual indexation as from 2019.

12. Application of Article 556 of the Belgian Companies Code

Explanation: This agenda item relates to the proposed approval, in accordance with Article 556 of the Belgian Companies Code, of certain provisions of credit contracts entered into by the Company.

Proposed resolution: In accordance with Article 556 of the Belgian Companies Code, the annual shareholders' meeting resolves to approve, and to the extent required, ratify all of the provisions granting rights to third parties which could affect the assets of the Company, or could impose an obligation on the Company, where the exercise of those rights is dependent on a public takeover bid on the shares of the Company or a change of control in respect of the Company, as included in: (a) the general terms and conditions of KBC Bank NV applicable to the credit contract between KBC Bank NV, the Company and Biocartis NV dated 10 October 2017, including but not limited to clause 7.3 (*termination/suspension with immediate effect*) of the aforementioned general terms and conditions, (b) the general terms and conditions of BNP Paribas Fortis NV applicable to the credit contract between BNP Paribas Fortis NV, the Company and Biocartis NV dated 6 October 2017, including but not limited to clause 20 (*termination with immediate effect and suspension with immediate effect*) of the aforementioned general terms and conditions, and (c) the credit contract between the European Investment Bank, the Company and Biocartis NV dated 28 February 2018, including but not limited to clause 5.3.3 (*change events*) and clauses 11 (*disposal of assets*), 16 (*merger*) and 18 (*ownership*) of schedule H of the credit contract read together with paragraph (m) of clause 10.1 (*right to demand repayment*) of the credit contract. The annual shareholders' meeting grants a special power of attorney to each director of the Company, as well as to Mr. Ewoud Welten, each acting individually and with the power of substitution, to file this resolution with the clerk's office of the Commercial Court of Antwerp, division Mechelen, in accordance with Article 556 of the Belgian Companies Code.

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On behalf of the Board of Directors