



BIOCARTIS

Biocartis Group NV
Limited Liability Company (Naamloze Vennootschap)
Generaal de Wittelaan 11B
2800 Mechelen
Belgium
Company Number VAT BE 0505.640.808 (RLP Antwerp, division Mechelen)

(the "**Company**")

**SPECIAL REPORT OF THE BOARD OF DIRECTORS
IN ACCORDANCE WITH ARTICLES 583, 596 AND 598
OF THE BELGIAN COMPANIES CODE**

1. INTRODUCTION

This special report has been prepared by the board of directors of the Company in accordance with Articles 583, 596 and 598 of the Belgian Companies Code. It relates to the proposal of the board of directors to issue, in the framework of the authorised capital of the Company, a total number of 1,335,426 warrants (the "**Warrants**") in order to enable the Company to offer them to (mainly) certain selected employees of the Company and its subsidiaries, as well as to consultants of the Company and its subsidiaries, independent directors of the Company and directors of the Company's subsidiaries (the "**Beneficiaries**") in the framework of a warrant plan, called the "**Warrant Plan 2018**", and the proposal of the board of directors to dis-apply, in the interest of the Company, the statutory preferential subscription right of the existing shareholders and, in so far as required, of the existing warrant holders, for the benefit of the Beneficiaries.

In accordance with Article 583 of the Belgian Companies Code, the board of directors provides in this special report a justification of the proposed issuance of Warrants.

Furthermore, in order to enable the Company to offer the Warrants to the Beneficiaries, the board of directors proposes to dis-apply, in the interest of the Company, the statutory preferential subscription right of the existing shareholders and, in so far as required, of the existing warrant holders, in favour of the Beneficiaries. Therefore, in accordance with Articles 596 and 598 of the Belgian Companies Code, the board of directors also explains and clarifies in this special report the proposed dis-application of the statutory preferential subscription right of the existing shareholders and, in so far as required, of the existing warrant holders, and more particularly the exercise price of the Warrants and the financial consequences of the issuance and exercise of the Warrants for the shareholders.

This special report must be read together with the report prepared in accordance with Articles 596 and 598 of the Belgian Companies Code by the Company's statutory auditor, Deloitte Bedrijfsrevisoren BV ovve CVBA, a civil company having the form of a cooperative company with limited liability organized and existing under the laws of

Belgium, with registered office at Gateway Building, Luchthaven Nationaal 1J, 1930 Zaventem, Belgium, represented by Mr. Gert Vanhees, auditor.

2. AUTHORISED CAPITAL

By virtue of the resolution of the extraordinary general shareholders' meeting of the Company held on 13 April 2015, as published by excerpt in the Annexes to the Belgian Official Gazette of 13 May 2015 under number 15069280, 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 10 of the Company's Articles of Association.

Pursuant to the authorization granted by the extraordinary general shareholders' meeting, the board of directors was authorised to increase the share capital of the Company in one or more transactions with a maximum amount of EUR 391,440.13 (excluding issue premium). The authorization is valid for a period of five years as from 13 May 2015.

The capital increases that can be effected in accordance with the aforementioned authorization can take place by means of contributions in cash or in kind, by capitalization of reserves, whether available or unavailable for distribution, and capitalization of issue premium, with or without the issuance of new shares with or without voting rights. The board of directors may also use the authorization for the issuance of convertible bonds or warrants, bonds with warrants or other securities.

When exercising its powers under the authorised capital, the board of directors is authorised to limit or dis-apply the statutory preferential subscription right of the shareholders (within the meaning of Article 592 and following of the Belgian Companies Code) in the interest of the Company. This limitation or dis-application of the statutory preferential subscription right can also be done in favour of members of the personnel of the Company or its subsidiaries or in favour of one or more specific persons, other than members of the personnel of the Company or its subsidiaries.

The board of directors has used its powers under the authorised capital in November 2016, for an amount of EUR 40,589.17 (excluding issue premium), through the issuance of 4,058,917 new shares. The board of directors has also used its powers under the authorised capital in November 2017, for an amount of EUR 64,000.00 (excluding issue premium), through the issuance of 6,400,000 new shares. The board of directors therefore still has the authority under the authorised capital to increase the Company's share capital with an aggregate amount of EUR 286,850.96 (excluding issue premium).

3. PROPOSED ISSUANCE OF WARRANTS

The board of directors proposes to issue, in the framework of the authorised capital, a total number of 1,335,426 Warrants to the Beneficiaries (consisting of (mainly) certain selected employees of the Company and its subsidiaries, as well as consultants of the Company and its subsidiaries, independent directors of the Company and directors of the Company's subsidiaries), in order to enable the Company to attract, encourage, motivate and retain the Beneficiaries and to align the interests of the Beneficiaries with the interests of the Company and its shareholders by giving them the opportunity to share in the potential increase in the value of the Company.

In order to enable the Company to offer the Warrants to the Beneficiaries in accordance with the proposed terms and conditions of the Warrant Plan 2018 attached hereto as Annex A, the board of directors proposes to dis-apply the statutory preferential subscription right of the existing shareholders and, in so far as required, of the existing warrant holders, in favour of the Beneficiaries. The issuance of the Warrants and the resolution on the dis-application of the statutory preferential subscription right shall be submitted to the board of directors of the Company, resolving within the framework of the authorised capital of the Company.

The main terms governing the Warrants can be summarized as follows:

- (a) Duration of the Warrants: The duration of the Warrants shall be ten (10) years starting from the date on which the Warrant Plan 2018 is approved by the board of directors. Unless otherwise provided, the Warrants shall therefore (in any event) automatically lapse and become null and void at 24:00 hours (midnight) on the day preceding the tenth (10th) anniversary date of the date on which the Warrant Plan 2018 is approved by the board of directors.
- (b) Nature of the Warrants: The Warrants shall be issued as warrants in registered form.
- (c) Underlying shares: Each Warrant shall entitle a Beneficiary to subscribe for one new share to be issued by the Company. The new shares shall have the same rights and benefits as, and shall rank *pari passu* in all respects, including as to entitlement to dividends, with, the existing and outstanding shares of the Company at the moment of their issuance and will be entitled to distributions in respect of which the relevant record date or due date falls on or after the date of issuance of the new shares.
- (d) Dis-application of the statutory preferential subscription right of the shareholders: The board of directors proposes to dis-apply the statutory preferential subscription right of the existing shareholders and, in so far as required, of the existing warrant holders, for the benefit of the Beneficiaries in accordance with Articles 596 and 598 of the Belgian Companies Code, as relevant.
- (e) Change of control of the Company: In the event of a change of control of the Company, the board of directors can decide to accelerate the vesting of all or part of the then unvested Warrants and determine the conditions applicable in case of such accelerated vesting.
- (f) Issuance price of the Warrants: The Warrants will be offered free of charge.
- (g) Exercise price of the Warrants: The exercise price of a Warrant shall be determined by or on behalf of the board of directors on the date of the offer of such Warrant to a Beneficiary. The exercise price per Warrant will at least be equal to the average closing price of the shares of the Company on Euronext Brussels during the thirty (30) day period prior to the date of the offer, and to the extent the Warrants are offered to a Consultant or a Director (as such Beneficiaries are further defined in the terms and conditions of the Warrant Plan 2018 attached hereto as Annex A), the exercise price per Warrant will furthermore at least be equal to the average closing price of the shares of the Company on Euronext Brussels during the thirty (30) day period prior to the date on which the Warrant Plan 2018 is approved by the board of directors. The exercise price per Warrant shall never be less than the fractional value of the shares of the Company at the date on which the Warrant Plan 2018 is approved

by the board of directors. At the date of this special report, the fractional value of the shares of the Company is EUR 0.01.

- (h) Vesting policy: Except to the extent expressly stated otherwise in the Warrant Plan 2018 or decided otherwise (*i.e.*, more favorably for a Beneficiary) by the board of directors or any other body or person designated by the board of directors, the Warrants accepted by a Beneficiary will vest as follows:
- (i) for each Beneficiary who is an Employee or a Consultant (as such Beneficiaries are further defined in the terms and conditions of the Warrant Plan 2018 attached hereto as Annex A) or a director of a subsidiary of the Company: 25% of the Warrants will vest on March 30 of the year following the year in which the date of acceptance by the Beneficiary of the offered Warrants occurs, and 6.25% of the Warrants will vest at the end of each subsequent calendar quarter (June 30, September 30, December 31); and
 - (ii) for each Beneficiary who is an independent director of the Company: the Warrants will vest in X equal instalments on each anniversary date of the date of his or her appointment as director, whereby X shall be equal to the duration of his or her director's mandate expressed in years.

Notwithstanding the above, the board of directors can at all times decide to accelerate the vesting of (all or part of) the Warrants and can determine the conditions of such accelerated vesting.

- (i) Exercisability: A Warrant may not be exercised until the end of the third (3rd) calendar year following the calendar year in which the offer of such Warrant is accepted by the relevant Beneficiary. As from the commencement of the fourth (4th) calendar year following the calendar year in which the acceptance of offered Warrants occurred, all such Warrants which have vested may be exercised during an exercise period. The board of directors or any other body or person designated by the board of directors will establish at least one (1) exercise period of two (2) weeks per semester. The board of directors may, however, in its absolute discretion, provide for additional exercise periods.
- (j) Transferability of the Warrants: The Warrants granted to a Beneficiary will generally not be transferable (except in case of decease or if the board of directors, or any body or person designated by the board of directors, decides otherwise).
- (k) Increase of the share capital of the Company: Upon exercise of Warrants and issue of new shares, the aggregate amount of the exercise price of the Warrants will be allocated to the net equity of the Company. To the extent that the amount of the exercise price of the Warrants, per share to be issued upon exercise of the Warrants, would exceed the fractional value of the then existing shares of the Company existing immediately prior to the issue of the new shares concerned, a part of the exercise price per share to be issued upon exercise of the Warrants equal to such fractional value shall be booked as share capital, whereby the balance shall be booked as issue premium. Following the capital increase and issuance of new shares, each new and existing share shall represent the same fraction of the share capital of the Company.
- (l) Issue premium: Any issue premium that will be booked in connection with the Warrant Plan 2018 shall be accounted for on the liabilities side of the Company's balance sheet as net equity. The account on which the issue

premiums will be booked shall, like the share capital, serve as the guarantee for third parties and can, except for its incorporation into the share capital, only be reduced on the basis of a lawful resolution of the general shareholders' meeting passed in the manner required for an amendment to the Company's Articles of Association.

For a detailed description of the issuance and exercise conditions of the Warrants, reference is made to the terms and conditions of the Warrant Plan 2018 attached hereto as Annex A.

4. JUSTIFICATION OF THE PROPOSED ISSUANCE OF WARRANTS

The board of directors of the Company deems the proposed issuance of the Warrants to be in the Company's interest because, on the one hand, it enables the Company to receive new financial resources if and when the Warrants are exercised and, on the other hand, it enables the Company to offer to the Beneficiaries a (potential) participation in the Company's share capital, which, according to the board of directors, can be considered as an appropriate tool to value the loyalty and motivation of the Beneficiaries and to encourage such loyalty and motivation. The ability to remunerate the Beneficiaries with Warrants allows to limit the portion of remuneration in cash that the Company would otherwise need to pay to attract and retain the Beneficiaries.

For a more detailed description of the purpose of the proposed issuance of the Warrants, reference is made to Section 1 of the terms and conditions of the Warrant Plan 2018 attached hereto as Annex A.

5. JUSTIFICATION OF THE PROPOSED ISSUANCE PRICE AND EXERCISE PRICE OF THE WARRANTS

Pursuant to the terms and conditions of the Warrant Plan 2018, the Warrants will be offered to the Beneficiaries free of charge.

The exercise price of the Warrants shall be determined as summarized in section 3(g) of this special report. For a detailed overview of the conditions concerning the exercise price of the Warrants, reference is made to Section 3.3 of the terms and conditions of the Warrant Plan 2018 attached hereto as Annex A.

The board of directors considers the proposed exercise price of the Warrants to be justified since (amongst other things) the exercise price as determined above has as a consequence that the shares to be issued following the exercise of the Warrants will not be issued at a discount relative to (a) the average closing price of the share of the Company on Euronext Brussels during the thirty (30) day period prior to the date of offering of the Warrants, and (b) specifically with respect to Warrants offered to Consultants or Directors of the Company (as such Beneficiaries are further defined in the terms and conditions of the Warrant Plan 2018 attached hereto as Annex A), the average closing price of the share of the Company on Euronext Brussels during the thirty (30) day period prior to the date on which the Warrant Plan 2018 is approved by the board of directors. The foregoing limits the potential financial dilution to a certain extent and it enables the Company to obtain additional cash resources as mentioned above and further described below.

Whether or not a Warrant will be exercised depends on the (sole) decision of the holder of the Warrant. Such decision will depend on the price of the share of the Company at the moment of the decision whether or not to exercise as compared with the exercise

price of the Warrant, since essentially, the holder can realize a capital gain at the exercise of the Warrant if the price of the share of the Company at that moment is higher than the exercise price of the Warrant (not taking into account the possible tax related costs and assuming that the holder of the Warrant can sell the underlying share at such price on the market).

Upon exercise of the Warrants, the exercise price shall be booked as share capital and issue premium as further described in section 7.3 of this special report.

6. JUSTIFICATION OF THE DIS-APPLICATION OF THE STATUTORY PREFERENTIAL SUBSCRIPTION RIGHT

The board of directors proposes to issue, in the framework of the authorised capital, a total number of 1,335,426 Warrants, to be offered to the Beneficiaries, in accordance with the terms and conditions of the Warrant Plan 2018.

Each Warrant shall entitle the Beneficiary to acquire one (1) share of the Company, to which the same rights and benefits as the outstanding shares of the Company are attached. All Warrants together entitle the holders thereof to subscribe for an aggregate 1,335,426 new shares of the Company, which equals to approximately 2.60% of the existing shares representing the share capital of the Company immediately prior to the issuance of the Warrants (assuming all the granted Warrants are fully exercisable and exercised under the terms and conditions of the Warrant Plan 2018 attached hereto as Annex A).

In order to be able to offer the Warrants to the Beneficiaries in accordance with the proposed terms and conditions of the Warrant Plan 2018 attached hereto as Annex A, the board of directors proposes to dis-apply the statutory preferential subscription right of the existing shareholders and, in so far as required, of the existing warrant holders.

Each currently known Beneficiary who is not an employee of the Company or its subsidiaries, is listed in the overview attached hereto as Annex B. The board of directors is however also authorized to grant Warrants to consultants, independent and/or executive directors, or other key persons, of the Company or any of its subsidiaries, the identity of which is not yet known on the date of this report.

7. CERTAIN FINANCIAL CONSEQUENCES

The following paragraphs provide an overview of certain financial consequences of the proposed issuance of the Warrants. For further information, reference is also made to the special report prepared in accordance with Articles 596 and 598 of the Belgian Companies Code by the statutory auditor of the Company, Deloitte Bedrijfsrevisoren BV ovve CVBA.

7.1. Introductory comments

The actual financial consequences of the proposed issuance of the Warrants cannot yet be accurately determined, as the final exercise price of the respective Warrants is still to be determined and will depend on the price of the Company's shares on Euronext Brussels prior to the date of the offer of the Warrants. In addition, whether or not certain financial consequences will materialize will depend on whether the Warrants will ultimately be exercised, which is a decision that solely rests with the holder of the Warrants.

Accordingly, the discussion herein of the financial consequences of the proposed issuance of the Warrants for existing shareholders is purely illustrative and hypothetical, and is based on purely indicative financial parameters (where relevant).

7.2. Current capital structure of the Company

At the date of this special report, the share capital of the Company amounts to EUR 513,250.88, represented by 51,325,088 shares without nominal value, each representing the same fraction of the share capital, *i.e.*, EUR 0.01. The share capital is entirely and unconditionally subscribed for and is fully paid-up.

Furthermore, at the date of this special report, 7,490,003 shares can still be issued by the Company, of which:

- 552,755 shares can be issued upon the exercise of 552,755 outstanding stock options (each stock option having the form of a warrant) that are still outstanding under the '2013 Plan' for employees, consultants and management members, entitling the holders thereof to acquire one new share per option ("**2013 Stock Options**");⁽¹⁾
- 250,422 shares can be issued upon the exercise of 250,422 outstanding stock options (each stock option having the form of a warrant) that are still outstanding under the '2015 Plan' for employees, consultants, management members and directors, entitling the holders thereof to acquire one new share per option ("**2015 Stock Options**");⁽¹⁾
- 1,340,000 shares can be issued upon the exercise of 1,340,000 outstanding stock options (each stock option having the form of a warrant) that are still outstanding under the '2017 Plan' for the CEO, entitling the holder thereof to acquire one new share per option ("**2017 Stock Options**");⁽¹⁾ and
- 5,346,826 shares can be issued pursuant to a conversion option agreement entered into between Koninklijke Philips N.V. and the Company ("**Conversion Option**").⁽²⁾

The 2013 Stock Options, the 2015 Stock Options and the 2017 Stock Options are hereinafter jointly referred to as the "**Stock Options**".

Notes:

- (1) Outstanding stock options means all stock options (each such stock option having the form of a warrant) created under the '2013 Plan', the '2015 Plan' and the '2017 Plan', which have not yet been exercised and which have not yet become null and void for any reason.
- (2) The conversion option agreement allows Koninklijke Philips N.V. to convert certain royalty and other payments due to it up to a maximum of 10% of the then outstanding capital of the Company on a fully diluted post-money basis, but only if the Company has not yet made a lump sum payment in lieu of such royalty and other payments, and the conversion can only be exercised by Koninklijke Philips N.V. upon the acceptance of the exercise by the Company at its sole discretion. The number of 5,346,826 shares that can still be issued assumes that all outstanding Stock Options (entailing the

issuance of up to 2,143,177 new shares) have been exercised, it being understood that the actual number of shares issuable depends on a number of factors.

For the purpose of the full-dilution scenario calculations further below, it is assumed that the remaining number of shares that can still be issued pursuant to the Stock Options and the Conversion Option, has indeed been issued.

7.3. Evolution of the share capital and participation in the results

The exercise of the Warrants during their term will lead to an increase of the share capital and the issuance of new shares of the Company. Specifically, upon exercise of the Warrants, the share capital of the Company will be increased as follows. The aggregate amount of the exercise price of the Warrants will be allocated to the net equity of the Company. To the extent that the amount of the exercise price of the Warrants, per share to be issued upon exercise of the Warrants, would exceed the fractional value of the then existing shares of the Company existing immediately prior to the issue of the new shares concerned, a part of the exercise price per share to be issued upon exercise of the Warrants equal to such fractional value shall be booked as share capital, whereby the balance shall be booked as issue premium. The issue premiums, if any, shall be accounted for on the liabilities side of the Company's balance sheet as net equity. The account on which the issue premiums will be booked shall, like the share capital, serve as the guarantee for third parties and can, except for its incorporation into the share capital, only be reduced on the basis of a lawful resolution of the general shareholders' meeting passed in the manner required for an amendment to the Company's Articles of Association.

The precise evolution of the share capital will depend (amongst other things) on whether or not the Warrants (and the Stock Options and Conversion Option) will be exercised, taking into account that it is not possible to make accurate predictions in this respect. The exercise of the Warrants (and the Stock Options and Conversion Option) is neither automatic, nor mandatory. It depends upon (amongst other things) the compliance with the terms and conditions governing the issuance and exercise of these securities and the decision of the individual holders of the Warrants (and the Stock Options and Conversion Option). This decision also depends (amongst other things) on the price of the share of the Company as quoted on Euronext Brussels on the date of exercise. To the extent that the trading price of the share of the Company would be lower than the exercise price of the Warrants (or as applicable, the Stock Options or Conversion Option), it will be less attractive for a holder of these Warrants (or Stock Options or Conversion Option) to acquire shares of the Company by exercising these Warrants (or Stock Options or Conversion Option), since, under such circumstances, that would imply that such holder would be required to pay a purchase price exceeding the trading price of the share of the Company. As a result, there is no certainty whether the Warrants (and the Stock Options and Conversion Option) will be exercised or not.

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 new shares upon exercise of the Warrants (and the Stock Options and Conversion Option) 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 shares.

Specifically, prior to the exercise of the Warrants (and the Stock Options and the Conversion Option), each share participates equally in the profit and liquidation proceeds of the Company and provides the holder thereof a statutory preferential subscription right in case of a capital increase in cash. Upon the exercise of Warrants (and upon the exercise of the Stock Options and the Conversion Option), 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 will be entitled to distributions in respect of which the relevant record date or due date falls on or after the date of issuance of the shares. As a result (and to the extent the new shares will be issued and subscribed for), the participation by the existing shares in the profit and liquidation proceeds of the Company and their holder's statutory preferential subscription right in case of a capital increase in cash, shall be diluted accordingly.

The evolution of the share capital and the number of shares, with voting rights attached, of the Company as a result of the exercise of all Warrants is simulated below in table 1. Subject to the methodological reservations noted in paragraph 7.1, the table below reflects the evolution of the number of outstanding shares, assuming the exercise of all of the 1,335,426 Warrants and a subsequent issuance of a maximum of 1,335,426 new shares resulting therefrom.

Table 1 – Evolution of the number of outstanding shares

Before exercise of existing Stock Options and Conversion Option, and after exercise of the Warrants

Outstanding shares	51,325,088
New shares to be issued upon exercise of the Warrants ⁽¹⁾	1,335,426
Total shares outstanding.....	52,660,514
Dilution	2.54%

After exercise of existing Stock Options and Conversion Option, and after exercise of the Warrants ⁽²⁾

Outstanding shares	51,325,088
New shares to be issued upon exercise of 2013 Stock Options.....	552,755
New shares to be issued upon exercise of 2015 Stock Options.....	250,422
New shares to be issued upon exercise of 2017 Stock Options.....	1,340,000
New shares to be issued upon exercise of Conversion Option ⁽³⁾	5,346,826
Sub-total shares outstanding	58,815,091
New shares to be issued upon exercise of the Warrants ⁽¹⁾	1,335,426
Total shares outstanding.....	60,150,517
Dilution	2.22%

Notes:

- (1) For the purposes of this simulation, it is assumed that all of the Warrants have vested, are immediately exercisable, regardless of the relevant terms and conditions, and have been exercised.
- (2) For the purposes of this simulation, it is assumed that all of the 7,490,003 shares that can still be issued pursuant to the exercise of the Stock Options and the Conversion Option (regardless of their relevant terms and conditions), have indeed been issued.

- (3) Which corresponds to 10% of the total shares outstanding after exercise of all outstanding Stock Options. This number does not take into account the new shares that could be issued as a result of the exercise of the Warrants. If all of the Warrants are issued and vested and all 1,335,426 shares that could be issued pursuant to the exercise of the Warrants are issued, the Conversion Option would provide Koninklijke Philips N.V. the right to subscribe for a maximum of 10% of the then outstanding capital of the Company on a fully diluted post-money basis, being 5,480,369 shares, taking into account 52,660,514 outstanding shares following the exercise of the Warrants, and a maximum of 2,143,177 new shares issuable upon exercise of the outstanding Stock Options and it being understood that the actual number of shares issuable depends on a number of factors.

Currently, each share represents 1/51,325,088 of the current share capital in the amount of EUR 513,250.88 or EUR 0.01 per share. The above simulation demonstrates that, assuming that all 1,335,426 Warrants are exercised and new shares are issued as a result thereof, the shares would no longer represent 1/51,325,088 of the share capital, but 1/52,660,514 of the resulting share capital. For the 51,325,088 shares outstanding immediately prior to the exercise of all 1,335,426 Warrants, this would represent a dilution of the participation in the share capital and the results of the Company of 2.54%.

Assuming that all Stock Options and the Conversion Option are exercised and new shares would be issued as a result thereof, each share would no longer represent 1/51,325,088 of the share capital, but 1/58,815,091 of the resulting share capital. Assuming that subsequently all 1,335,426 Warrants are exercised and new shares are issued as a result thereof, each share would no longer represent 1/58,815,091 of the share capital, but 1/60,150,517 of the resulting share capital. For the 58,815,091 shares outstanding immediately prior to the exercise of all 1,335,426 Warrants, this would represent a dilution of the participation in the share capital and the results of the Company of 2.22%.

The examples mentioned above are merely illustrative. Moreover, it is assumed that the Warrants can effectively be exercised. Furthermore, relevant taxes due are not taken into account in the examples mentioned above. It needs to be stressed that a holder of Warrants will only be able to realize an effective gain if the gain which it could realize upon the exercise of the Warrants exceeds the total sum of the taxes due.

Subject to the methodological reservations noted in paragraph 7.1, table 2 below reflects the evolution of the share capital, assuming the exercise of all of the 1,335,426 Warrants and a subsequent issuance of a maximum of 1,335,426 new shares resulting therefrom with a maximum amount of share capital increase of EUR 13,354.26 (excluding issue premium). The maximum amount of share capital increase is computed by multiplying the number of new shares to be issued with the fractional value of the shares of the Company, *i.e.*, EUR 0.01 per share.

Table 2 – Evolution of the share capital ⁽¹⁾

Before exercise of the Warrants	
Share capital (in EUR)	513,250.88
Outstanding shares	51,325,088
Fractional value (in EUR)	0.01
Exercise of the Warrants ⁽²⁾	
Increase of share capital (in EUR) ⁽³⁾	13,354.26
Number of new shares issued	1,335,426
After exercise of the Warrants ⁽²⁾	
Share capital (in EUR)	526,605.14

Outstanding shares	52,660,514
Fractional value (in EUR)	0.01

Notes:

- (1) This simulation does not take into account the existing Stock Options and Conversion Option.
- (2) For the purposes of this simulation, it is assumed that all of the Warrants have vested, are immediately exercisable, regardless of the relevant terms and conditions, and have been exercised.
- (3) A portion of the exercise price of a Warrant that is equal to the fractional value of the existing shares of the Company (*i.e.*, EUR 0.01 per share) shall be booked as share capital. The portion of the exercise price of a Warrant in excess of the fractional value of the existing shares of the Company shall be booked as issue premium.

7.4. Participation in the consolidated accounting net equity

The evolution of the consolidated accounting net equity of the Company is simulated in table 3 below, assuming the exercise of all of the 1,335,426 Warrants and a subsequent issuance of a maximum of 1,335,426 new shares resulting therefrom.

The simulation set forth below is based on the consolidated accounting net equity of the Company on December 31, 2017, as set forth in the audited consolidated annual financial statements of the Company for the financial year ended on December 31, 2017 (which have been prepared in accordance with the International Financial Reporting Standards or IFRS, as adopted by the European Union). This simulation is in particular based on the following:

- On December 31, 2017, the consolidated accounting net equity amounted to EUR 132,239,000 or EUR 2.59 (rounded) per share (based on 51,102,272 outstanding shares on December 31, 2017).
- For the purposes of calculating the evolution of the consolidated accounting net equity, it is further assumed that the exercise price per share upon the exercise of the Warrants is EUR 12.50, taking into account the price of the Company's shares as tracked on Euronext Brussels. Accordingly, should all Warrants be exercised, this would entail the issuance of 1,335,426 new shares for a total cash contribution amounting to EUR 16,692,825.00.
- The simulation does not take into account any changes in the net equity since December 31, 2017, including, notably, the potential effects on the consolidated accounting net equity as a result of any capital increase upon the exercise of the existing Stock Options and Conversion Option.

For further information on the Company's net equity position on December 31, 2017, 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 exercise of all of the 1,335,426 Warrants, the Company's accounting net equity on a consolidated basis, would be increased as indicated below:

Table 3 – Evolution of the consolidated accounting net equity

	<u>Exercise price of EUR 12.50</u>
Consolidated net equity for FY 2017	
<u>On December 31, 2017</u>	
Net equity	132,239,000
Outstanding shares ⁽¹⁾	51,102,272
Net equity per share (in EUR) (rounded)	2.59
<u>Exercise of Warrants ⁽²⁾</u>	
Increase of net equity (in EUR) ⁽³⁾	16,692,825.00
Number of new shares issued	1,335,426
<u>After exercise of Warrants ⁽²⁾</u>	
Net equity ⁽³⁾	148,931,825
Outstanding shares	52,437,698
Net equity per share (in EUR) (rounded) ⁽⁴⁾	2.84

Notes:

- (1) On the basis of the shares outstanding on December 31, 2017, not taking into account the issuance of 222,816 new shares pursuant to the exercise of 2013 Stock Options and 2015 Stock Options after December 31, 2017.
- (2) For the purposes of this simulation, it is assumed that all of the Warrants have vested, are immediately exercisable, regardless of the relevant terms and conditions, and have been exercised.
- (3) Consisting of the amount of the capital increase and the amount of the increase of issue premium.
- (4) Not taking into account changes in the consolidated net equity after December 31, 2017 (other than the exercise of 1,335,426 Warrants), nor taking into account the potential issuance of new shares upon exercise of the Stock Options or the Conversion Option after December 31, 2017.

Table 3 above illustrates that the issuance of 1,335,426 Warrants and the subsequent exercise of all of the Warrants at an assumed exercise price of EUR 12.50 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. Notably, the consolidated accounting net equity as per December 31, 2017, would amount to EUR 2.84 (rounded) per share (instead of EUR 2.59 (rounded) per share).

7.5. Financial dilution

As indicated above, the Warrants will normally be exercised when the exercise price is lower than the trading price of the Company's shares. In that event, the exercise of the Warrants will in principle entail a financial dilution for the existing shareholders at that time. Table 4 below provides a simulation of the impact of the exercise of all Warrants on the market capitalization and the resulting financial dilution, assuming a maximum number of 1,335,426 new shares.

For the purpose of this simulation, it is assumed that the current market capitalization of the Company is EUR 12.50 per outstanding share. On this basis, the current market

capitalization amounts to EUR 641,563,600.00 (*i.e.*, 51,325,088 shares multiplied by EUR 12.50 per share).

For the purpose of the simulation, it was further assumed that the exercise price of the Warrants would be equal to the price used for the calculation of the market capitalization (*i.e.*, EUR 12.50 per Warrant) minus a discount (a Beneficiary will normally only exercise a Warrant if the exercise price is lower than the trading price of the Company's shares at that time), which for illustrative purposes was set at 10% (*i.e.*, EUR 1.25 per Warrant). As a result, it was assumed that the 1,335,426 Warrants would be exercised at a price of EUR 11.25, for a total consideration of EUR 15,023,542.50.

On the basis of the aforementioned assumptions, the current market capitalization plus the cash consideration of the Warrants exercised at a 10% discount would be equal to EUR 656,587,142.50 and the new total number of shares outstanding would be 52,660,514. As a result, the market capitalization per share would be equal to EUR 12.47 (rounded), *i.e.*, lower than the price used for the calculation of the market capitalization, resulting in a (theoretical) financial dilution of 0.24%.

Table 4 – Evolution of the market capitalization and financial dilution

	Market capitalization of EUR 12.50
Before exercise of the Warrants	
Market capitalization (in EUR)	641,563,600.00
Outstanding shares.....	51,325,088
Market capitalization per share (in EUR).....	12.50
Exercise of the Warrants	
Total consideration (in EUR).....	15,023,542.50
Number of new shares issued	1,335,426
After exercise of the Warrants	
Market capitalization (in EUR)	656,587,142.50
Outstanding shares.....	52,660,514
Market capitalization per share (in EUR) (rounded) .	12.47
Dilution	-0.24%

7.6. Other financial consequences

Within the framework of the Company's consolidated financial statements in accordance with IFRS as adopted by the European Union, the Warrants will be accounted for in accordance with "IFRS 2 – Share-based Payment", using the fair value of the Warrants. For the purpose of IFRS 2, the fair value of each Warrant will be measured using the Black & Scholes methodology. This is a typical valuation method for share options. For illustration purposes only, when applying the Black & Scholes model to the Warrants, the following assumptions could be used: a duration for the Warrants of 3,650 days, a risk-free interest rate of -0.01%, a volatility of 31,12%, and an exercise price of EUR 12.50 per Warrant. Based on these assumptions, the total value of the Warrants, to be reflected in the consolidated financial statements, could be estimated, for illustration purposes only, at an aggregate amount of EUR 4,502,366, or EUR 3,37 (rounded) per Warrant. This amount would then be charged over the vesting period of the Warrants in the Company's consolidated financial statements. The actual amount will ultimately depend on the actual exercise price of the relevant Warrants.

For a further discussion of the financial consequences of the proposed issuance of the Warrants, the board of directors refers to the special report prepared in connection therewith by the statutory auditor of the Company.

* * *

Done in Mechelen, on 30 August 2018.

On behalf of the board of directors,

By: *[signed]*

Herman Verrelst

Director

By: *[signed]*

Roald Borré

Director

ANNEX A

TERMS AND CONDITIONS OF THE WARRANT PLAN 2018

BIOCARDIS GROUP NV

WARRANT PLAN 2018

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1. Basis and Purpose

This Warrant Plan 2018 (the "**Plan**") has been approved by the Board of Directors of Biocartis Group NV (hereinafter referred to as the "**Company**") on 10 September 2018 (the "**Approval Date**"). The Plan sets out the terms and conditions under which the Company is willing to offer Warrants to the Beneficiaries. The purpose of the Plan is to attract, encourage, motivate and retain the Beneficiaries and to align the interests of the Beneficiaries with the interests of the Company and its shareholders by giving them the opportunity to share in the potential increase in the value of the Company.

2. Definitions and Interpretation

2.1. Definitions

In this Plan, the words and terms mentioned below have the meanings given thereto in this Section 2.1:

Acceptance Form:	the form that a Beneficiary receives at the moment of the Offer and that the Beneficiary needs to return, duly completed and executed, to the Company for the acceptance of the Offer;
Approval Date	has the meaning set out in Section 1 above;
Bad Leaver Situation:	the termination of the employment agreement, consultancy agreement or Director's mandate of a Warrant Holder by the Company or the relevant Subsidiary for serious cause, breach of contract or breach of the duties inherent to the relevant Director's mandate by the Warrant Holder;
Beneficiaries:	the Employees, Consultants and Directors to whom Warrants have been offered pursuant to this Plan, whereby such Beneficiaries should mainly be Employees;
Board of Directors:	the board of directors of the Company;
Business Day:	a day on which banks are open for business in Belgium, excluding Saturdays and Sundays;
Company:	Biocartis Group NV, a limited liability company (" <i>naamloze vennootschap</i> ") organized and existing under Belgian law, with registered office at Generaal de Wittelaan 11B, 2800 Mechelen, Belgium and registered with the register of legal entities Antwerp (division Mechelen) under number 0505.640.808;
Consultant:	a natural person or legal entity who provides services to the Company or a Subsidiary on a contractual basis, other than pursuant to an employment agreement;
Control:	the power, de jure or de facto, to have a decisive influence on the appointment of the majority of the Directors or on the orientation of the management, within the meaning of Article 5 et seq. of the Belgian Companies Code (as amended from time to time). The terms "to Control" and "Controlled by" shall be construed accordingly;
Director:	a natural person or legal entity who exercises a director's mandate (i) in a Subsidiary, or (ii) in the Company, to the extent (in case of (ii)) such director is an independent director;
Employee:	an employee of the Company or a Subsidiary;

Exercise:	to make use of the right attached to the Warrant that was acquired by accepting the Offer, to acquire a Share at the Exercise Price;
Exercise Period:	a period to be determined by the Board of Directors during which Warrants can be exercised;
Exercise Price:	the pre-determined price at which a new Share can be acquired when exercising a Warrant in accordance with the terms and conditions of the Plan and the Acceptance Form;
Exercise Term:	the term during which the Warrant Holder can exercise his or her Warrants to acquire new Shares, taking into account the Exercise Periods and the exercise conditions set forth in this Plan, in the Acceptance Form and in any other arrangement that may exist between a Warrant Holder and the Company;
Good Leaver Situation:	<p>any of the following:</p> <ul style="list-style-type: none">(i) the termination of the employment agreement, consultancy agreement or Director's mandate of a Warrant Holder by the Company or relevant Subsidiary other than for serious cause, breach of contract or breach of the duties inherent to the mandate by the Warrant Holder (including the relevant employing entity ceasing to be a Subsidiary of the Company);(ii) the unilateral termination by a Warrant Holder of his or her employment agreement, consultancy agreement or Director's mandate with the Company or a Subsidiary; or(iii) the termination of the employment agreement, consultancy agreement or Director's mandate of a Warrant Holder as a consequence of reaching the age at which the Warrant Holder can receive state pension entitlement, as a result of decease or as a result of disability or serious disease, <p>it being provided that a termination accompanied by a simultaneous (other) employment or appointment of the relevant Warrant Holder (or a company Controlled by the relevant Warrant Holder) as a Consultant, Employee or Director of the Company or a Subsidiary shall not be considered as a termination of the employment agreement, consultancy agreement or Director's mandate;</p>
Grant:	the moment upon which the Beneficiary accepts the Warrants offered;
Offer:	the written and dated notification to a Beneficiary as to the opportunity for him or her to acquire Warrants in accordance with the terms and conditions of the Plan and the Acceptance Form;
Plan:	the present Warrant Plan 2018, as amended from time to time by the Board of Directors in accordance with the provisions of this Plan;
Rightful Claimant:	the person or persons validly designated by a Warrant Holder, being either his or her spouse, legal heirs or other family members, in order to exercise the rights of the Warrant Holder under the Plan after his or her decease;
Share:	a share issued by the Company, representing the Company's

	share capital;
Subsidiary:	a company under the Control of the Company, within the meaning of Article 6 of the Belgian Companies Code (as amended from time to time);
Warrant:	the right to subscribe to one (1) new Share, in accordance with the terms and conditions of the Plan and the Acceptance Form;
Warrant Holder:	each Beneficiary who has accepted one or more Warrants in accordance with this Plan.

2.2. Interpretation

In this Plan, and save where specifically indicated otherwise:

- a) Words importing the singular shall be treated as importing the plural and vice versa;
- b) Any reference to a day shall be a reference to a calendar day;
- c) Any reference to an hour of a day shall be a reference to Brussels time (CET / CEST);
- d) Any term shall start on the day after the day on which the event triggering such period of time has occurred. The expiry day of a term shall be included in the term.

3. **Terms and Conditions of the Warrants**

3.1. Number of Warrants – Warrant price

The total number of Warrants issued in the framework of this Plan amounts to 1,335,426. These Warrants will be designated as "Warrants 2018". The Warrants can be granted by the Company to the Beneficiaries from time to time.

Each Warrant entitles a Beneficiary to subscribe to one (1) new Share in accordance with the terms and conditions of the Plan and the Acceptance Form.

3.2. Vesting

Except to the extent expressly stated otherwise in this Plan or the applicable Acceptance Form or except to the extent decided otherwise (i.e. more favorably for a Warrant Holder) by the Board of Directors or any other body or person designated by the Board of Directors, the Warrants of a Warrant Holder will vest as follows:

- for each Warrant Holder who is an Employee, a Consultant or a Director of a Subsidiary: 25% of the Warrants will vest on March 30 of the year following the year in which the date of Grant occurs, and 6.25% of the Warrants will vest at the end of each subsequent calendar quarter (June 30, September 30, December 31);
- for each Warrant Holder who is a Director of the Company: the Warrants will vest in X equal instalments on each anniversary date of the date of his or her appointment as Director of the Company, whereby X shall be equal to the duration of his or her Director's mandate expressed in years.

Notwithstanding the above and without prejudice to Section 5.5, the Board of Directors can at all times decide to accelerate the vesting of (all or part of) the Warrants and can determine the conditions of such accelerated vesting.

3.3. Exercise Price

The Exercise Price per Warrant will be determined by or on behalf of the Board of Directors at the time of the Offer. As the Shares are listed and admitted to trading on the regulated market of Euronext Brussels, the Exercise Price per Warrant will at least be equal to the average closing price of the Share on Euronext Brussels during the thirty (30) day period prior to the date of the Offer. To the extent the Warrants are offered to a Consultant or a Director, the Exercise Price per Warrant will furthermore at least be equal to the average closing price of the Share on Euronext Brussels during the thirty (30) day period prior to the Approval Date. The Exercise Price per Warrant shall never be less than the par value ("*fractiewaarde*") of the existing and outstanding Shares at the Approval Date.

Upon exercise of a Warrant and the subsequent capital increase in respect thereto, the Exercise Price must be booked as capital for an amount equal to the par value ("*fractiewaarde*") of the existing and outstanding Shares at the moment of the respective capital increase. The part of the Exercise Price that exceeds the par value ("*fractiewaarde*") must be booked as an issuance premium ("*uitgiftepremie*"). Any issue premium that will be booked shall be accounted for on the liabilities side of the Company's balance sheet as net equity. The account on which the issue premium will be booked shall serve, like the share capital, as the guarantee for third parties and can only be reduced, save for the possibility of conversion into share capital, on the basis of a lawful resolution of the general shareholders' meeting passed in the manner required for an amendment to the Company's articles of association.

3.4. Nature of the Warrants

The Warrants are and will remain in registered form ("*op naam*"). They will be recorded in the register of warrant holders of the Company, mentioning the identity of each Warrant Holder and the number of Warrants held by such holder. Only the person who has been recorded in the warrant register of the Company as owner of a Warrant will be recognized as Warrant Holder.

3.5. Transfer restrictions

The Warrants received are registered in the name of the Warrant Holder and cannot be transferred *inter vivos*, except if the Board of Directors or any other body or person designated by the Board of Directors were, in its absolute discretion, to decide otherwise. The Warrants cannot be encumbered by any pledge or in any other manner.

Warrants that, in contravention with the foregoing, are transferred or encumbered shall automatically become null and void.

3.6. Modifications of the Company's capital structure

Contrary to Article 501 of the Belgian Companies Code (as amended from time to time), the Company retains the right to take decisions and close transactions that could have an influence on its capital, articles of association, management or financial conditions, on the distribution of profits or liquidation proceeds, or that could possibly have another influence on the Warrant Holders' rights, except if such decisions or transactions are only aimed at diminishing the Warrant Holders' rights.

In case the rights of the Warrant Holder are affected by such decision or transaction, the Warrant Holder will not be entitled to a modification of the Exercise Price or the exercise conditions, nor to any other form of financial or other compensation. The Board of Directors may however, at its own discretion, make amendments to the number of Shares to which one (1) Warrant relates and/or to the Exercise Price. As soon as reasonably possible, the Company will inform the Warrant Holder of any such amendment.

In case of merger, split and/or (reverse) share split, or in case the Shares are exchanged into shares, other securities, cash or other property of one or more other persons, the rights relating to the Warrants outstanding on the date of such transaction, as well as the Exercise Price relating to these Warrants, will be modified in accordance with the exchange ratio used for the existing Shares pursuant to the merger, split and/or share split, without taking into account fractions.

4. Offer and acceptance of Warrants

The Warrants can be offered to the Beneficiaries by the Company.

Each Beneficiary has the possibility to accept or to refuse the Offer. The acceptance of Warrants needs to be done in writing by checking on the Acceptance Form the "acceptance" option and mentioning the number of accepted Warrants. The Acceptance Form must be duly completed and signed by the Beneficiary and be delivered to the Company prior to the relevant date stated therein. Except when otherwise provided for in the Offer or the Acceptance Form, such ultimate date of response cannot be later than 60 calendar days after the date of the Offer. If the Beneficiary does not accept the Offer in writing prior to the ultimate date stated in the Acceptance Form, he or she is deemed to have refused the Offer.

Warrants that are offered to a Beneficiary but that are refused by the Beneficiary or that are not timely accepted in writing, shall be deemed never to have been granted to the person and the so refused Warrants shall remain available to the Company for any further grants to other Beneficiaries.

5. Exercise of Warrants

5.1. Exercise Term

Unless the Offer determines a shorter term, the Exercise Term is ten (10) years starting from the Approval Date. Unless otherwise provided, a Warrant shall therefore (in any event) automatically lapse and become null and void at 24:00 hours (midnight), on the day preceding the tenth (10th) anniversary date of the Approval Date.

5.2. Exercise Period

Unless the Board of Directors decides otherwise, Warrants may not be exercised until the end of the third (3rd) calendar year following the calendar year in which the Grant occurred. As from the commencement of the fourth calendar year following the calendar year in which the Grant occurred, all Warrants which have vested pursuant to Section 3.2 may be exercised during an Exercise Period.

The Board of Directors or any other body or person designated by the Board of Directors will establish at least one (1) Exercise Period of two (2) weeks per semester. The initial Exercise Periods shall be (i) 16 March until 31 March, (ii) 16 June until 30 June (iii) 16 September until 30 September, and (iv) 1 December until 15 December. If the last day of an Exercise Period is not a Business Day, the Exercise Period shall end on the last Business Day prior to the day that would otherwise be the last day of the Exercise Period. Any amendments to the Exercise Periods shall be notified by or on behalf of the Company to the Beneficiary.

The Board of Directors may, however, in its absolute discretion, provide for additional Exercise Periods and do so for instance in case of a change of Control over the Company. The Board of Directors may also amend the aforementioned Exercise Periods if such periods were to coincide with applicable restricted or other periods during which the exercise of Warrants would be

restricted or not permitted pursuant to applicable market abuse legislation or the dealing code of the Company or any other applicable rules or regulations.

The Warrant Holders and holders of Shares must at all times comply with applicable market abuse legislation and the dealing code of the Company. The Warrant Holders whose exercise rights are limited as a consequence of the conditions of this Plan or the dealing code of the Company, are never entitled to any indemnification or compensation from the Company.

The exercise of the Warrants is unconditional.

5.3. Exercise modalities

A Warrant shall be deemed to have been exercised upon receipt by the Board of Directors or any other body or person designated by the Board of Directors (by letter or personal delivery) at the latest on the last Business Day of the Exercise Period during which the Warrant is exercised, of:

- a) a written notice in the form prescribed by the Company (the exercise form) given by the Warrant Holder stating that a Warrant or a specified number of Warrants is/are exercised;
- b) evidence of the complete payment of the Exercise Price prior to or on the last Business Day of the Exercise Period in which the Warrants were exercised, for the number of Shares as indicated in the exercise form referred to in paragraph (a), by bank transfer to a blocked account of the Company whose number shall be communicated by the Company;
- c) in the event that a Warrant is exercised by a Rightful Claimant, suitable proof of the right of this person or these persons to exercise the Warrants;
- d) any and all declarations and documents which the Board of Directors or any other body or person designated by the Board of Directors deems desirable or necessary in order to comply with all applicable legal and regulatory provisions.

In case the blocked bank account referred to in paragraph (b) above is not or not sufficiently credited prior to or on the last Business Day of the Exercise Period in which the Warrants were exercised, the Warrants will be deemed not to be exercised. The Company will inform the Warrant Holder thereof and will reimburse the amount that was deposited too late or was insufficient as soon as possible within the limits set by law. The Warrants will consequently not be lost and remain exercisable at a later stage insofar as the Exercise Term has not expired and insofar as the Plan permits.

5.4. Exercise of Warrants in accordance with the Belgian Companies Code

In case a Warrant that is not exercisable or cannot be exercised in accordance with the issuance conditions (as specified in the Plan and/or the Acceptance Form), becomes prematurely exercisable pursuant to Article 501 of the Belgian Companies Code (as amended from time to time) (or any other provision having the same purport) and is thus also prematurely exercised pursuant to Article 501 of the Belgian Companies Code (as amended from time to time) (or any other provision having the same purport), the new Shares that a Warrant Holder receives as a result of such exercise will not be transferable, except with the explicit prior consent of the Board of Directors, until such time as the Warrant would have become exercisable in accordance with the Plan and the Acceptance Form.

5.5. Change of Control of the Company

Upon a change of Control over the Company, the Board of Directors may decide to accelerate the vesting of all or part of the Warrants and may determine the conditions applicable in case of such accelerated vesting. In case of a change of Control over the Company, the Board of

Directors may, at its absolute discretion, decide to (i) shorten the term of the Warrants previously granted to the Warrant Holders, and (ii) determine that the term of the Warrants will end upon such change of Control effectively occurring. If the Board of Directors decides to shorten the term of the Warrants granted to the Warrant Holders in the context of such change of Control, the Board of Directors will provide for an additional Exercise Period during which the respective Warrants can be exercised immediately prior to such change of Control occurring. The Warrants that are not exercised during the aforementioned additional Exercise Period will automatically become null and void upon the change of Control over the Company effectively occurring. All decisions by the Board of Directors pursuant to this paragraph shall be communicated to the Warrant Holders.

Notwithstanding Section 3.2 and without prejudice to the first paragraph of Section 5.5, the Board of Directors can at all times decide to accelerate the vesting of (all or part of) the Warrants and determine the conditions of such accelerated vesting.

5.6. Issuance of new Shares

The Company shall only be obliged to issue new Shares pursuant to the exercise of Warrants if all exercise conditions set forth in this Plan and the Acceptance Form have been complied with.

As soon as these exercise conditions are complied with, the Board of Directors or any member thereof or any other person designated by the Board of Directors shall, in accordance with Article 591 of the Belgian Companies Code (as amended from time to time) (or any other provision having the same purport), have the capital increase resulting from the exercise of the Warrants concerned, and the payment and issuance of the corresponding Shares, recorded before a notary public as soon as practicably possible following the expiry of the Exercise Period in which the Warrants concerned were exercised.

The new Shares shall have the same rights and benefits as, and shall rank *pari passu* in all respects, including as to entitlement to dividends, with, the existing and outstanding Shares at the moment of their issuance and will be entitled to distributions in respect of which the relevant record date or due date falls on or after the date of issuance of the new Shares.

The Company shall take such actions and make such filings as shall be necessary to have the Shares that are issued upon the exercise of the Warrants concerned admitted to the trading on the regulated market of Euronext Brussels to the extent the Shares are at that time admitted to the trading on the regulated market of Euronext Brussels.

The Company may at its discretion postpone the delivery of the Shares issued upon exercise of Warrants, if this is necessary in order to comply with the applicable regulations or provisions of whatever nature, including but not limited to public offers, registrations and other obligations with respect to the Shares, as the Company deems appropriate.

6. Termination of the Employment or Service Relationship or of the Director's Mandate

6.1. Good Leaver Situation

If a Good Leaver Situation arises with respect to a Warrant Holder, such Warrant Holder may exercise all Warrants that have vested on or prior to the day on which the Good Leaver Situation occurs, during the remaining Exercise Periods following the Good Leaver Situation. The Warrants that did not vest on or prior to the day on which the Good Leaver Situation occurred will lapse and become null and void on such date.

For the avoidance of doubt, if the Good Leaver Situation is caused by the decease of a Warrant Holder, all vested Warrants held by such Warrant Holder shall pass to his or her Rightful Claimant(s) and the Rightful Claimant(s) will be able to exercise the non-exercised vested Warrants during each Exercise Period within the Exercise Term. The designation and revocation

of a Rightful Claimant must be done in writing in accordance with applicable law. In the absence of any valid designation, the heirs of the Beneficiary shall be deemed to be the Rightful Claimants in accordance with the applicable laws of succession. If there are multiple heirs, all heirs shall act jointly or one person designated by the heirs acting jointly shall be deemed to be the Rightful Claimant.

6.2. Bad Leaver Situation

If a Bad Leaver Situation arises with respect to a Warrant Holder, all Warrants shall, whether vested or not, automatically and immediately lapse and become null and void.

6.3. Change of employment

6.3.1 In case of a termination of the employment agreement, consultancy agreement or Director mandate of the relevant Warrant Holder accompanied by a simultaneous (other) employment or appointment of the relevant Warrant Holder (or a company Controlled by the Warrant Holder) as a Consultant, Employee or Director of the Company or a Subsidiary, the Warrants of said Warrant Holder shall continue to vest as set forth in Section 3.2 (if unvested) and, if and when vested, the Exercise Term of the non-exercised Warrants shall remain unchanged and the Warrant Holder can exercise his or her non-exercised Warrants during each Exercise Period within the Exercise Term, subject to the other terms of the Plan and the Acceptance Form.

6.3.2 If, however, at any time following such change as described in Section 6.3.1, a Bad Leaver Situation occurs with respect to the relevant Warrant Holder, then the rules set forth in Section 6.2 shall apply.

6.4. Deviations

The Board of Directors or any other body or person designated by the Board of Directors may at its discretion decide to deviate at any time from the provisions set forth in this Section 6 to the benefit of a Warrant Holder.

7. **Miscellaneous**

7.1. Administration of the Plan

The Board of Directors or any other body or person designated by the Board of Directors shall administer the Plan.

Subject to the provisions of the Plan and in as far as the decisions are in line with the purpose of the Plan, the Board of Directors or any other body or person designated by the Board of Directors, is entitled to determine, define and interpret all rules, regulations or other measures required or desirable for the administration of the Plan, whereby all such decisions will be binding on the Warrant Holders, including but not limited to: (a) determining the number of Warrants to be granted to each Beneficiary, (b) determining the possible additional conditions pursuant to which Warrants are to be granted to the Beneficiaries, and (c) determining the possible additional conditions pursuant to which Warrants shall become vested Warrants, shall become exercisable or shall become transferable.

The Board of Directors may modify all terms and conditions of the Plan to the extent that the express consent of the general shareholders' meeting of the Company is not legally required. The Board of Directors may terminate the Plan at any time. The Warrants that were granted prior to such termination shall remain valid and exercisable in accordance with the conditions of the Plan.

7.2. Binding Nature of the Plan

In case of acceptance of the Warrants, the Beneficiaries shall be bound by, and shall be deemed to have accepted, the terms and conditions set forth in the Plan and the applicable Acceptance Form. In the event of a transfer of the Warrants (or any rights thereto) pursuant to the Plan, the acquirer or transferee shall be bound by, and deemed to have accepted, the terms and conditions set forth in the Plan, as well as the applicable Acceptance Form.

7.3. Taxes and Social Security - Reporting

The Company (or any of its Subsidiaries as applicable) shall be entitled, in accordance with applicable law or practice, to withhold from the cash remuneration or payment of the month (or other period) during which the taxable benefit arises or from the cash remuneration or payment of any other subsequent month(s) or period(s), and/or the Warrant Holder shall be obliged to pay to the Company or to the respective Subsidiary (if requested by the Company or the respective Subsidiary to do so), the amount of any tax and/or social security contributions, if any, attributable to or payable in connection with the Offer, Grant, acceptance, vesting or exercise of any Warrants or attributable to or payable in connection with the delivery or subsequent sale or disposal of the Shares.

The Company (or any of its Subsidiaries as applicable) shall also be entitled, in accordance with applicable law or practice, to make the necessary reporting, required as a result of the Offer, Grant, acceptance, vesting or exercise or the delivery or subsequent sale or disposal of the Shares.

7.4. Costs and Expenses

The costs in relation to the issuance of the Warrants and the capital increase resulting from the exercise of Warrants will be borne by the Company. Taxes on stock exchange transactions and other similar duties or taxes that are levied (if at all) in relation to the exercise of Warrants and/or the delivery of the Shares resulting therefrom will be borne by the Warrant Holder concerned.

7.5. Relation to employment or consultancy agreement or Director's mandate

Notwithstanding any provision of the Plan and/or the Acceptance Form, the rights and obligations of a Warrant Holder as determined under the terms of his or her employment or consultancy agreement with the Company or any Subsidiary, or under his or her Director's mandate, shall not be affected by his or her participation in the Plan or by any right that he or she may have to participate therein.

A Warrant Holder shall have no rights to compensation or damages in case of a termination of his or her employment or consultancy agreement or Director's mandate for any reason whatsoever, insofar as those rights arise or may arise in respect of the rights which he or she would have or the claims which he or she could make relating to the exercise of the Warrants.

7.6. Shareholders' meetings

The Warrant Holder has the right to participate in the general shareholders' meetings of the Company, but without voting right and only in an advisory capacity, subject to complying with the formalities set forth in the respective convocations to such general shareholders' meetings.

7.7. Communication with Warrant Holder

By accepting Warrants, a Warrant Holder agrees that all documentation can be validly communicated by the Company by e-mail, including convocations for general shareholders'



meetings and documentation pertaining to the exercise of Warrants. Each Warrant Holder is obliged to keep the Company informed of changes to his or her address and changes to his or her e-mail address. Communications sent by the Company to the last known address or e-mail address of the Warrant Holder are validly made.

Any notice to the Company shall be validly made if delivered by hand with confirmation of receipt or sending it by mail to the attention of the Board of Directors (with copy to the legal department of the Company) at the address of the registered office of the Company.

7.8. Applicable law and competent courts

This Plan and the Warrants granted under the Plan shall be governed by and construed in accordance with the laws of Belgium (excluding its conflict of laws provisions). Any dispute arising under the Plan or the applicable Acceptance Form which cannot be settled amicably shall be subject to the exclusive jurisdiction of the courts in the jurisdiction where the Company has its registered office.

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ANNEX B

**OVERVIEW OF BENEFICIARIES WHO ARE NOT AN EMPLOYEE
OF THE COMPANY OR ITS SUBSIDIARIES**

- CRBA Management BVBA, represented by Christian Reinaudo
- Ann-Christine Sundell
- Scientia II, LLC, represented by Harry Glorikian
- CLSCO BVBA, represented by Leo Steenberg
- Luc Gijssens BVBA, represented by Luc Gijssens
- Peter Piot
- Citros vof, represented by Hilde Eylembosch
- Passport Regulatory Consulting LLC, represented by Carole Harris
- 4U2 Patent Service BVBA, represented by Marleen Vanden Haesevelde
- The Business Assistant BVBA, represented by Yves Willems
- Hexacon Poland, represented by Jesper Kristiansen
- Johan Van den Eynde
- Industrial Maintenance BVBA, represented by Michel Oosterlynck