MITHRA PHARMACEUTICALS
Limited Liability Company

Rue Saint-Georges 5
4000 Liège
Belgium

Registered with the Register of Legal Persons
VAT BE 0466.526.646 (RLP Liège, division Liège)

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

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1. INTRODUCTION

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

The report relates to the proposal of the board of directors to increase the Company's share capital, in one or more transactions, with a maximum amount of EUR 130,000,000.00 (including issue premium, as the case may be) (the "**Maximum Amount**"), by contributions in kind of Receivables (as defined below), owed by the Company and the issue of new shares, the maximum number and issue price of which remain to be determined.

The capital increase is intended to take place in the framework of (i) the Senior Secured Convertible Facilities Agreement (the "**Convertible Loans Agreement**") entered into on 8 August 2022 by and between the Company and funds managed by Highbridge Capital Management LLC (collectively, "**Highbridge**"), and funds managed by Whitebox Advisors LLC (collectively, "**Whitebox**", and together with Highbridge, each a "**Lender**"), and (ii) the conversion agreement (the "**Conversion Agreement**") also entered into on 8 August 2022 by and between the Company and the Lenders. The Convertible Loans Agreement and the Conversion Agreement (as adjusted or amended from time to time), are collectively referred to in this report as the "**Agreements**".

Pursuant to the Agreements, among other things and as further described below, the Lenders have agreed to provide, for a period of 3 years from the date of the Convertible Loans Agreement, a financing by loans convertible in shares to the Company for a maximum aggregate principal amount of EUR 100,000,000.00 (the "**Total Commitment**"), to be drawn in several tranches (subject to the fulfilment of certain conditions), with an outstanding amount at any time not greater than EUR 65,000,000.00 or, subject to the satisfaction of certain conditions, EUR 75,000,000.00, the loans bearing interest in principle at 7.5% per annum. Under the Agreements, certain receivable that could be owed by the Company under the Convertible Loans Agreement and/or the Conversion Agreement, as a principal, interest, Option Prepayment Amount (as defined below), Commitment Fee (as defined below) or otherwise (as contemplated in the Convertible Loans Agreement and the Conversion Agreement, as amended from time to time) (the "**Receivables**") will be convertible into new shares of the Company. The transaction as contemplated in the Convertible Loans Agreement and the Conversion Agreement is referred to in this report as the "**Transaction**".

In accordance with article 7:179 of the Belgian Companies and Associations Code, the board of directors provides in this report a justification of the proposed Transaction, including a justification of the proposed issue premium, the new share issuance and a description of the consequences of the proposed Transaction for the financial and shareholder rights of the shareholders of the Company.

In accordance with article 7:197 of the Belgian Companies and Associations Code, the board of directors also provides in this report an explanation of why the proposed contributions in kind are in the interest of the Company, a description of the contributions in kind, a motivated valuation of the contributions in kind, and the consideration for the proposed contributions in kind.

This report should be read together with the report prepared in accordance with articles 7:179, and 7:197 of the Belgian Companies and Associations Code by the Company's statutory auditor, BDO Réviseurs d'entreprises SRL, a limited liability company organised and existing under the laws of Belgium, with registered office at Rue Waucomont 51, 4651, Battice, Belgium, represented by Mr. Cédric Antonelli, of which the auditor's report is attached to this report.

2. PROPOSED TRANSACTION

2.1. Context

On 8 August 2022, the Company and the Lenders entered into the Agreements, as described below.

Highbridge and Whitebox are the existing investors in the Company, who together held an aggregate of EUR 34,100,000.00 in principal amount of the Existing Convertible Bonds (as defined below) before these we repurchased by the Company in the framework of the Agreements, as described below.

Founded in 1992, Highbridge is an international alternative investments group that provides credit and volatility solutions across a range of liquidities and investment profiles, notably in hedge funds, investment vehicles and co-investments. In 2004, Highbridge established a strategic partnership with J.P. Morgan. Highbridge is headquartered in New York, with a research presence in London.

Founded in 1999, Whitebox is a multi-strategy alternative asset manager that seeks to generate optimal risk-adjusted returns for a diversified base of public institutions, private entities, and qualified individuals. Whitebox invests in varying asset classes, geographies and markets through hedge funds and institutional accounts it advises. Whitebox has offices in Minneapolis, Austin, New York, London and Sydney.

On 8 August 2022, the board of directors took the decision, within the framework of the authorised capital, to increase the Company's share capital with a maximum amount of EUR 18.5 million (excluding issue premium, as the case may be) (the "**Board Resolution**"), in one or more transactions, by contributions in kind of Receivables due by the Company under the Agreements and the issuance of new shares, the maximum number and issue price of which are yet to be determined. As the authorised capital of the Company may not be sufficient to allow the settlement in shares of the entire Total Commitment, the interests, the Commitment Fee and, as the case may be, the Option Prepayment Amounts, as contemplated by the loan Facility, the Company has undertaken to convene an extraordinary general shareholders' meeting to approve the issuance of new shares as contemplated by the Agreements to convert the Receivables.

The financing contemplated by the Agreements is in addition to the other financing options implemented by the Company in recent months, as described below.

2.2. Structure of the Transaction

The main terms of the proposed Transaction and the Agreements can be summarised as follows:

(a) Aggregate principal amount: The loan facility has been entered into for an aggregate principal amount of up to EUR 100,000,000.00, to be drawn in three tranches, with a maximum amount outstanding at any time not greater than EUR 65,000,000.00 or, depending on the satisfaction of certain conditions, EUR 75,000,000.00. The first tranche is for an amount up to EUR 50,000,000.00, and the second and third tranches are each for an amount up to EUR 25,000,000.00. The first tranche was drawn after the signing of the Agreements, and the second and third tranche can be drawn depending on the satisfaction of certain conditions. If, at any time, the outstanding amount under the loans is less than EUR 20,000,000.00 (e.g., as a result of conversion of loans into shares of the Company) and the Company does not meet the conditions to draw on the second or third tranche of the loan facility, a mechanism is provided to allow the Company to nevertheless draw additional loans in an amount such that the aggregate amount outstanding under the loan is equal to or less than EUR 20,000,000.00. As of the date of this report, following the drawdown of the first tranche by the Company in the amount of EUR 50,000,000.00, a total principal amount of EUR 11,150,000.00 has already been repaid in shares by the Company in the context of capital increases, within the framework of the authorised capital (pursuant to the Board Resolution), by contributions in kind by the Lenders of Receivables owed to the Lenders by the Company (as further described below).

(b) Interests: The loans will carry in principle an interest of 7.50% per annum, to be paid in arrears quarterly in cash or in kind in Company shares, at the Company's discretion in accordance with the provisions of the Agreements (at a discount of 10% to a relevant volume weighted average trading price of the Company's shares prior to conversion, plus the application of a potential withholding tax). In certain circumstances, the interest may increase up to 12.50%. These circumstances include the situation where the Company would not have obtained the approval of the competent authorities with respect to a prospectus for the admission to listing and trading of the new shares to be issued in the framework of the Transaction on the regulated market of Euronext Brussels.

(c) Commitment Fee: The Lenders will receive, *pro rata* the loan drawn by the Company, a commitment fee (the "**Commitment Fee**") in connection with the Transaction for an aggregate amount as determined in the Agreements, which shall be settled through the contribution of the Commitment Fee receivable due by the Company, against the issuance of an aggregate of 366,667 freely tradable shares of the Company, at a price per share reflecting a discount of 10% to a relevant volume weighted average trading price of the shares of the Company prior to the conclusion of the Agreements. A first portion representing 65% of the Commitment Fee was already paid in shares of the Company at the time of the first drawdown by the Company (i.e., by the issuance of 238,337 new shares). In consequence, at the date of this report, a total of 128,330 new shares is still to be issued to settle the remaining Commission Fee. Any remaining portion of the Commitment Fee which has not yet been settled in accordance with the provisions of the Agreements will be settled in shares on the date of the last tranche drawdown or, if the last tranche is not drawn, at the earliest of the following dates : (i) the prepayment of all outstanding loans and (ii) the termination date.

(d) Maturity: The loan facility will have a term of three years, ending on 8 August 2025. All outstanding loans must be repaid on the date falling three years after the date of the Agreements.

(e) Guarantors: The Company's obligations under the loans shall be guaranteed by the subsidiaries of the Company named to that effect, being Estetra SRL, Mithra Recherche et Développement SA, Novalon SA, and Neuralis SA on the date of the Agreements.

(f) Ranking of the Company's and its subsidiaries' obligations: The Company's obligations under the Agreements and those of the subsidiaries guaranteeing the loans shall constitute senior secured obligations of the Company and such subsidiaries.

(g) Collateral: The loans are secured by security interests in the form of (i) a business pledge on the Company's business assets (*le fonds de commerce de la Société*) and certain of its subsidiaries (depending on the case second in rank to the existing collateral granted in favour of ING Belgium SA/NV and Belfius Banque NV up to an aggregate amount of EUR 16.5 million), specifically including certain elements of intellectual property owned by the Company and its subsidiaries and (ii) a pledge on the shares held by the Company in Estetra SRL, Mithra Recherche et Développement SA, and Novalon SA and on 50% of the shares held by Estetra SRL in Mayne Pharma (first ranking).

(h) Conversion for shares at the option of the Lenders: The Lenders shall have the right to convert all or part of the outstanding loans, plus Option Prepayment Amount (see paragraph (k) below), at any time into shares of the Company at a price per share reflecting a discount of 10% to a relevant volume weighted average trading price of the Company's shares prior to conversion, provided that the issue price will not be lower than a certain floor price. At the date of this report, the first drawdown of EUR 50,000,000.00 was completed and the Lenders have already proceeded with five conversions pursuant to the Agreements for a total aggregate amount of EUR 11,150,000.00.

(i) Voluntary prepayment in cash: The Company may prepay the loans (including interests), in whole or in part, at any time for cash, at par plus the Option Prepayment Amount.

(j) Conversion for shares at the option of the Company: Subject to certain conditions, the Company may force the Lenders to convert certain outstanding amounts of the loans into equity, *pro rata* among the lenders, at a price per share reflecting a discount of 10% to a relevant volume weighted average trading price of the Company's shares prior to conversion. The conversion shall also take into account the Option Prepayment Amount.

(k) Option Prepayment Amount: In case of early prepayment or conversion, the early prepayment or conversion will also include a compensatory amount representing a percentage of the relevant amount calculated on the basis of a "Black Scholes" digressive option pricing model. (the "**Option Prepayment Amount**"). For the first tranche, the highest applicable percentage is 14.8%. The Option Prepayment Amount for the subsequent tranches remains to be determined. In case of an early prepayment in cash, the Option Prepayment Amount will be payable in cash. In case of a conversion into shares (whether at the option of the Lenders or at the option of the Company (see also paragraph (j) above)), the Option Prepayment Amount will be payable in either cash or shares, at the option of the Company. The Option Prepayment Amount represents a form of compensation for the loss of option value represented by the exercise of the conversion mechanism in advance of the maturity date of the loan facility. The earlier the conversion, the greater the Option Prepayment Amount. There will be no Option Prepayment Amount in case of conversion at maturity of the loan facility.

(l) Representations, undertakings and warranties: The loan facility is subject to a detailed set of information undertakings, representations and warranties and both positive and negative undertakings, which are market standard for senior loan financings and which amongst other things impose typical conditions on the Company's and its subsidiaries' ability to acquire companies and undertakings, take up additional financial indebtedness, grant security interests and dispose of material assets. There are also restrictions on the value of intellectual property, assets and revenues held by subsidiaries of the Company that are not guarantors under the loan facility (as the case may be), and on the ability of the Company to distribute dividends as long as loans are outstanding.

(m) Events of default and mandatory prepayment events: The Agreements include customary events of default and mandatory prepayment events that entitle the Lenders (following expiration of applicable grace and remedy periods) to demand immediate repayment of all outstanding loans together with accrued interest and Option Prepayment Amounts. Similarly, the Lenders are entitled to demand immediate prepayment in case of among others a disposal of material rights in respect of Estelle or Donesta, a de-listing of the Company or a sale of the Mayne Pharma shares subject to security interest in favour of the Lenders.

(n) Repurchase of Existing Convertible Bonds: Pursuant to the Convertible Loans Agreement, the Company used the proceeds of the loan facilities to repurchase EUR 34,100,00.00 in principal amount of the Existing Convertible Bonds held by the Lenders, at a price of EUR 850.00 per EUR 1,000.00 of the principal amount of the Existing Convertible Bonds (representing an aggregate amount of EUR 29,000,000.00), with payment in cash of the accrued and unpaid interest of the repurchased bonds.

(o) Expenses: The Company has agreed to pay the Lenders' out-of-pocket expenses in relation to the loan facility and related agreements, including fees for counsel to represent them in the transaction and negotiations in connection therewith, subject to a cap, as the case may be.

(p) Contribution in kind to the share capital of the Company: The conversion or settlement of the Receivables will be effected by means of a contribution in kind to the share capital of the Company by the respective Lenders of their outstanding Receivables (regardless of their origin, whether as principal, interest, Option Prepayment Amount, or Commitment Fee, as provided for in the Agreements) due by the Company at the time of conversion, against the issuance of new ordinary shares of the Company. The conversion and share issue mechanism are be subject to certain customary adjustments.

(q) New shares issuable by the Company: The new shares issuable by the Company upon conversion through contribution in kind by the Lenders of their outstanding Receivables under the loans will be ordinary shares, and rank *pari passu* in all respect, including the right to dividends and distributions, with the fully paid ordinary shares of the Company outstanding on the date of issue. The shares will be freely tradable and will need to be admitted to trading on the regulated market of Euronext Brussels at the time of their issuance. It is also noted that that the Company will have the option to settle a conversion by means of existing shares of the Company (provided that the Company has access to such shares).

(r) Ownership blocker: The loan facility will provide that the ownership by a Lender and its affiliates cannot exceed 9.9% of outstanding shares of the Company's shares.

(s) Convening of an extraordinary general shareholders' meeting: As the Company's authorised capital is potentially not sufficient to allow for the settlement in shares in full of the Total Commitment, the interests of the Commitment Fee and, as the case may be, the Option Prepayment Amount, as contemplated by the loan facility, the Company undertook to convene an extraordinary general shareholders' meeting in order to approve the issuance of new shares as contemplated by the Agreements in order to convert the Receivables, which meeting is subject to this report. Insofar as necessary and applicable, it will be proposed to the extraordinary general shareholders' meeting to confirm and ratify the Board Resolution, so that, upon the approval by the general shareholders' meeting of the proposed capital increase, the capital increases by contributions in kind of Receivables due by the Company pursuant to the Agreements may, at the option of the board of directors or a committee, be carried out on the basis of the resolution of the general meeting or the Board Resolution. The Company's board of directors will also request the renewal of its powers under the authorised capital in order to allow for a sufficient headroom for the settlement in shares as contemplated by the Agreements. The change of control provision referred to in paragraph (m) above is also submitted for approval by the Company's shareholders at this same meeting.

Such approval of a capital increase (in one or more transactions), such approval of the change of control provisions and such renewal of the powers of the board of directors to increase the Company's share capital within the framework of the authorised capital is an obligation for the Company under the Agreements. Failure to do so would result in a default under the Agreements and, consequently, the right for the Lenders to demand prepayment of loans already drawn and the loss of the Company's ability to draw additional loans under the Convertible Loans Agreement.

(t) Admission to the listing and trading of the new shares: All new shares, upon their issuance, must be admitted to listing and trading on the regulated market of Euronext Brussels. To that end, the Company commits to make several applications, and to implement all measures as appropriate, therein included the preparation of a listing prospectus in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**"), in order to have the new shares to be issued (as the case may be, in multiple tranches) in the framework of the Agreements admitted to listing and trading on the regulated market of Euronext Brussels in accordance with the applicable rules and regulations.

It will finally be proposed to the Company's general shareholders' meeting to grant the power to the board of directors and one or more members of the Company's management to implement the capital increases in case of a contribution, and in particular to determine the number of new shares to be issued and the issue price of such shares in accordance with the provisions of the Agreements.

2.3. Issue price of the new shares

On the occasion of each settlement of a Receivable in shares, the issue price of the new shares to be issued in the framework of the contribution in kind of the Receivable due by the Company, will be determined in accordance with the provisions of the Agreements, as summarised in section 2.2 of this report. In particular, the issue price per new share will be equal to a volume weighted average trading price of the Company's shares prior to conversion, less a discount of 10%. Where applicable, the conversion will also take into account the Option Prepayment

Amount and the interests. The foregoing is subject to adjustments, as described in section 2.2 of this report.

Without prejudice to the foregoing, the remaining Commitment Fee for an aggregate amount of EUR 1,018,953.04, will be settled by the contribution of the Commitment Fee receivable due by the Company, against the issuance of a total of 128,330 freely tradable shares of the Company, at a price per share of EUR 7.9401 (reflecting a discount of 10% to a relevant volume weighted average trading price of the Company's shares prior to the conclusion of the Agreements) (as described in section 2.2 above).

2.4. Number of new shares to be issued

On the occasion of each settlement of a Receivable in shares, the number of new shares to be issued in the framework of the contribution in kind of the Receivable due by the Company will be determined in accordance with the provisions of the Agreements, as summarised in section 2.2 of this report.

Notably, in the event of conversion in new shares, the conversion will be effected by means of a contribution in kind of the Receivable due and unsettled for the relevant amount. The number of shares to be issued upon such conversion will be equal to the amount of the Receivable divided by the relevant conversion price, which will be equal to a relevant volume weighted average trading price of the Company's shares prior to conversion, less a discount of 10%, provided that the issue price is not less than a certain floor price (as described in section 2.2 above). The amount of shares to be issued (as the case may be) will be rounded to the nearest whole number. The above is subject to adjustments, as the case may be, as described in section 2.2 of this report.

Without prejudice to the foregoing, the remaining Commitment Fee for an aggregate amount of EUR 1,018,953.04, will be settled by the contribution of the Commitment Fee receivable due by the Company, against the issuance of a total of 128,330 freely tradable shares of the Company, at a price per share of EUR 7.9401 (reflecting a discount of 10% to a relevant volume weighted average trading price of the Company's shares prior to the conclusion of the Agreements) (as described in section 2.2 above).

The Company will not issue fractions of new shares as consideration for the contributions in kind in the framework of the Transaction as the number of shares to be issued (as determined in the Agreements) will, where applicable, be rounded to the nearest whole number (more precisely, rounded up to the closest whole number if the faction is equal to or greater than 0.5, and rounded down to the closest whole number if the faction is less than 0.5).

2.5. Allocation of the issue price

In the event of a contribution in kind of a Receivable due by the Company, the issue price of each new share to be issued in the framework of the contribution will be accounted for as share capital. However, the amount by which the issue price exceeds the accounting par value of the existing shares of the Company (*i.e.*, on the date of this report rounded to EUR 0.7321) will be accounted for as an issue premium. This issue premium will be accounted for under equity on the equity and liability side of the Company's balance sheet (*passif du bilan*). The account to which the issue premium will be allocated will constitute, in the same way as the Company's share capital, a guarantee for third parties and, except for the possibility of capitalising these reserves, may only be reduced or cancelled by a decision of the general shareholders' meeting ruling under the conditions required for amending the Company's articles of association.

If the issue price of a new share does not exceed the fractional value of the existing shares of the Company (*i.e.*, rounded to EUR 0.7321), the issue price will be fully recognised as share capital, and after the closing of the Transaction, all outstanding shares of the Company will have the same accounting par value in accordance with article 7:178 of the Belgian Companies and Associations Code.

2.6. Rights attached to the new shares

At the time of each settlement of Receivables into shares, all new shares to be issued in the framework of the Transaction shall have the same rights and benefits as, and rank *pari passu* in all respects, including as to entitlement to dividends and distributions, with the existing and outstanding shares of the Company at the moment of their issuance, and will be entitled to dividends and distributions in respect of which the relevant record date or due date falls on or after the date of issuance of the new shares.

2.7. Admission to trading of the new shares

All of the new shares to be issued in the framework of the Transaction must be admitted to listing and trading on the regulated market of Euronext Brussels. To this end, the Company will make the necessary filings and applications, and prepare a listing prospectus in accordance with the Prospectus Regulation.

2.8. No preferential subscription right

On the occasion of each settlement in shares, as the respective capital increases will be realised by contributions in kind of Receivables due by the Company, the existing shareholders of the Company, the holders of Share Options of the Company, as well as the holders of Existing Convertible Bonds will not have a preferential subscription right in relation to said capital increases.

3. CONTRIBUTIONS IN KIND

3.1. Description of the contributions in kind

On the occasion of each conversion of a Receivable into shares, the new shares to be issued (the number being determined as indicated above) will be issued in consideration of the contributions in kind of the relevant Receivables as summarised in section 2.2.

3.2. Remuneration for the contributions in kind

On the occasion of each settlement in shares and contribution in kind of outstanding Receivables, the Company will issue a number of new shares determined in accordance with the conditions summarised in sections 2.2 and 2.4.

The Company will not issue fractions of new shares as consideration for the contributions in kind under the Transaction. The number of shares to be issued upon a contribution in kind of Receivables will be (where applicable) rounded to the nearest whole number.

3.3. Valuation of the contributions in kind

The board of directors is of the opinion that on the occasion of each settlement in shares of a Receivable due by the Company pursuant to the Agreements, the underlying Receivable to be contributed in kind can be valued at 100% of the nominal value of the relevant amount. This is based on the following considerations:

(a) Any tranche of the loan facility drawn, or to be drawn (including interests and, as the case may be, the Option Prepayment Amount), as well as the Commitment Fee, must ultimately be repaid or settled by the Company, either by settlement in shares (by the issuance of new shares), or by cash settlement, it being understood that the Commitment Fee must be settled in shares.

(b) In case of conversion into shares, following the contribution in kind, the relevant Receivable that is contributed is settled by the mechanism of "confusion" (*confusion*) in accordance with article 1300 of the old Belgian Civil Code of 21 March 1804, as amended. In other words, as a result of the contributions in kind, the Company's indebtedness will be reduced by an amount equal to the nominal amount of the contributed Receivables.

(c) The elimination of the contributed Receivables also leads to an improvement in the situation of the Company's other debtors in an amount equal to the nominal amount of the Contributed Receivables.

For further information on the description of the contributions in kind in the event of a conversion of Receivables into shares and their valuation, reference is made to the report prepared in accordance with articles 7:179 and 7:197 of the Belgian Companies and Associations Code by the statutory auditor of the Company. In its report, the Company's statutory auditor concluded (among other things) the following with regard to the contributions in kind and the issue of new shares:

"In accordance with articles 7:179 and 7:197 of the BCAC we present our conclusion in the framework of our mission as auditors for which we were appointed by the letter of assignment dated 18 August 2022.

We conducted our audit in accordance with the Standard on the auditor's engagement in connection with a contribution in kind and a quasi-contribution of the Institut des Réviseurs d'Entreprises. Our responsibilities under this standard are described below in the section 'Auditor's responsibilities in relation to the contribution in kind and the issue of shares".

Regarding the contributions in kind

In accordance with article 7:197 BCAC, we have examined the matters described below, as contained in the report of the board of directors, and we have no significant findings to report on:

- *the description of the goods to be contributed;*
- *the applied valuation;*
- *the used valuation methods.*

We also conclude that the valuation methods applied for the contribution in kind reflect the value of the contribution and the latter corresponds at least to the number and nominal value or, in the absence of a nominal value, to the accounting par and the issue premium, of the shares to be issued as consideration.

The actual consideration consists of the issuance of a number of new shares equal to the amount of the receivable to be contributed divided by the relevant volume weighted average trading price of the Company's shares prior to the conversion, less a discount of 10%. The above is, however, subject to adjustments as described in section 2.2 of the board of directors' report.

The Company will not issue fractions of new shares as consideration for the contributions in kind in the framework of the Transaction as the number of shares to be issued (as determined in the Financing Agreement) will, where applicable, be rounded to the nearest whole number.

Regarding the issuance of shares

Based on our review and evaluation of the accounting and financial information contained in the report of the board of directors, nothing has come to our attention that gives us reason to *believe that this information, which includes the justification of the issue price and the consequences for the shareholders' financial and shareholder rights, is not fair and sufficient in all material respects to inform the shareholder called to vote on this proposal.*

As mentioned by the board of directors in its report under point 6.1, it should finally be noted that the financial consequences of the proposed transaction cannot yet be determined with certainty, as the key financial parameters, such as the actual number of new shares to be issued as consideration for the contributions, and the issue price depend on certain conditions and parameters, as included in the Agreements and described in the report of the board of directors, and which are still to be determined on the day of the capital increase.

The assumptions underlying the forward-looking financial information may differ from actual results, as anticipated events sometimes do not occur as expected, and the difference could be material.

No fairness opinion

In accordance with article 7:179 and article 7:197 BCAC, our task is not to express an opinion on the appropriateness or suitability of the transaction, on the valuation of the consideration given for the contribution, or on the legitimacy and fairness of the transaction ("no fairness opinion")."

The board of directors concurs with the conclusions of the auditor regarding the proposed contributions in kind and does not deviate from them.

4. JUSTIFICATION OF THE PROPOSED CAPITAL INCREASE AND TRANSACTION

The board of directors believes that the Transaction is in the best interest of the Company since, if completed, the Transaction will enable the Company to strengthen its balance sheet, diversify its sources of financing, and to proactively optimize its capital structure. It also already allowed to reduce the existing debt of the Company with respect to the Existing Convertible Bonds through the repurchase of EUR 34,100,000.00 in principal of the relevant Existing Convertible Bonds , which was possible because of the drawdown of the first tranche of the loans for an amount of EUR 50,000,000.00.

The Company's operations are capital intensive and require additional financing. Notably, the Company intends to use the net proceeds of the Transaction primarily to finance its working capital, and for general requirements of the Company. This use of the net proceeds of the Transaction represents the Company's intentions based on its current business plans and current business conditions, which may change in the future depending on the evolution of its business plans and business conditions.

The Transaction is in addition to other financing options implemented by the Company in the course of the last few months, notably the private placement of new shares for an aggregate amount of EUR 23.5 million which was announced on 21 June 2022. If completed, this additional financing would complement the facilities already concluded with Goldman Sachs International and LDA Capital.

The Transaction may also enable the Company to further strengthen its image with investors, both nationally and internationally. This may be in the interest of the continued development of the Company's business and future fundraising through the financial markets. The fact that the Lenders are willing to provide this form of financing can be seen as further validation of the Company's strategy and activities. This may attract additional interest from other investors, both domestic and international, which may improve both the stability of the shareholder base and the diversity of the Company's shareholder structure.

As mentioned and detailed in sections 2.2, 2.8 and 3, on the occasion of each settlement of Receivables in shares, as the respective capital increases will be realised by contributions in kind of Receivables due by the Company pursuant to the Agreements, the existing shareholders of the Company, the current holders of subscription rights of the Company as well as the current holders of the Existing Convertible Bonds will not have any preferential subscription right to said capital increases. Nevertheless, this method of fundraising will allow the Company to deploy funds as required rather than fully dilute existing shareholders immediately for an amount of cash that the Company may not need in light of various other potential additional financing options that may be implemented in the short to long term to support the Company's future growth strategy and strengthen its balance sheet.

The board of directors also notes that other sources of financing to strengthen the Company's cash position were considered, such as, among other things, an accelerated book building process by means of a private placement with a large group of professional, institutional and qualified investors. However, such financing was not available on terms acceptable to the Company. If the Company was not able to raise additional funds to expand its working capital, the Company would have to divest certain of its assets or implement other measures in order to ensure its going concern. This would be to the detriment not only of the Company's employees and its shareholders, but also of the patients who, in the Company's view, benefit from its products and treatments.

Finally, as mentioned in paragraph 2.2(s), the Company has undertaken to convene an extraordinary general shareholders' meeting to approve the issuance of new shares as contemplated by the Agreements in order to convert the Receivables, which meeting is subject to this report. Insofar as necessary and applicable, a proposal will be made to the extraordinary general shareholders' meeting to confirm and ratify the Board Resolution, so that, upon the approval by the general shareholders' meeting of the proposed capital increase, the capital increases by contributions in kind of Receivables due by the Company under the Agreements may, at the option of the board of directors or a committee, be carried out on the basis of the resolution of the general shareholders' meeting or the Board Resolution. Such approval of a capital increase (in one or more transactions) up to the Maximum Amount is an obligation of the Company under the Agreements. Failure to comply with this obligation would result in a default under the Agreements and, consequently, the right for the Lenders to demand early repayment of the loans already drawn and the loss of the possibility for the Company to draw additional loans under the Convertible Loans Agreement.

For all of these reasons, the board of directors of the Company believes that the proposed Transaction is in the best interest of the Company, its shareholders and other stakeholders, and recommends that the extraordinary general shareholders' meeting votes in favour of the proposed capital increase.

5. JUSTIFICATION OF THE ISSUE PRICE FOR THE NEW SHARES

As mentioned, the terms of the Agreements (including the mechanisms for determining the issue price of the new shares) are the result of an objective and independent negotiation between the Company and the Lenders. The Lenders are third parties to the Company and are not related to the Company and/or its management.

The issue price of the new shares (accounted for as share capital up to the fractional value of the Company's existing shares, plus issue premium, as the case may be) will be determined in accordance with the provisions of the Agreements, as summarised in section 2.2. These provide, among other things, that the issue price per new share will be equal to a relevant volume weighted average trading price of the Company's shares prior to the conversion of the relevant Receivable, less a discount of 10% (subject to the adjustment mechanisms provided in the Agreements).

Taking into account the foregoing, the issue price of the new shares depends on the market price of the Company's shares at the moment when the Lenders or, as the case may be, the Company opts to convert a Receivable into Shares, less a discount of 10%.

The conversion price of the Commitment Fee has been fixed on the basis of a relevant volume weighted average trading price of the Company's shares prior to the conversion of the relevant Receivables, less a discount of 10% (see also section 2.2). The above mechanism will inherently result in dilution for existing holders of shares and other securities of the Company outstanding at that time which may be exercised or converted into new shares. However, the board of directors believes that the discount of 10% is not unreasonable as compensation for the Lenders to agree to provide funds to the Company. This discount reflects, among other things, a compensation for the limited liquidity of the Company's shares notwithstanding the trading of the Company's shares on Euronext Brussels. This is, however, outweighed by the risks and disadvantages if the Company were not able to raise new funds to support its working capital and its going concern, and the benefits of the Transaction, as referred to in the section 4 above. Furthermore, this discount is comparable to the discount that would be applied if the Company were to raise new funds by means of a broad placement of new shares with institutional, qualified and/or professional investors. Customarily, the discount in such transactions ranges ca. 8-10% (and sometimes more) compared to the market price of the issuer's shares at that time.

Finally, the board of directors emphasises that for reasons of macro-economic factors, such as notably rising interest rates, the geopolitical situation in Eastern Europe and the general decline in investors' confidence, capital markets have been extremely volatile. The trading price of many listed financial instruments has suffered significant declines, and a number of previously available sources of financing, particularly for life sciences companies, are no longer available or only at less attractive terms.

Therefore, for all the reasons mentioned above, the board of directors believes that the method used to determine the issue price of the new shares, is not unreasonable and is in the best interest of the Company, its shareholders and other stakeholders.

6. CERTAIN FINANCIAL CONSEQUENCES

6.1. Introductory comment

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

The actual financial consequences resulting from the issuance of the new shares in the framework of the Transaction cannot yet be determined with certainty, as the number of new shares that may be issued in the framework of the Transaction and the applicable issue price of the new shares depend on certain conditions and parameters, as included in the Agreements and described above and, in particular, the drawdowns of the respective tranches of the loan facility and in case of (timing included) settlement in kind (as the case may be). For more information on the calculation of the number of new shares to be issued and the relevant issue price for the relevant shares in the Transaction and the relevant issue prices, reference is made to sections 2.2, 2.3 and 2.4 of this report. In addition, whether or not new shares will be issued will depend on the conversion into shares of a Receivable resulting, among other things, from the drawdown of a tranche of the loan facility (such drawdown being subject to certain conditions) under the Agreements.

Accordingly, the discussion of the financial consequences of the envisaged Transaction for existing shareholders is purely illustrative and hypothetical, and is based on purely indicative financial parameters (where appropriate). The actual number of new shares to be issued under the Transaction and the applicable issue price may vary significantly from the hypothetical values used in this report.

Subject to the foregoing, in order to illustrate certain financial consequences of the Transaction and notably the dilution for the shareholders, the following parameters and assumptions were used:

(a) Maximum dilution: In order to simulate a maximum dilutive scenario in the framework of the Transaction, it is assumed that, in the framework of the Transaction, Receivables are contributes in kind by the Lenders to the Company in consideration of one (or several) capital increase with an amount equal to the Maximum Amount (issue premium included, as the case may be) in accordance with the Agreements.

For the sake of clarity, while a maximum dilutive scenario is simulated below for illustrative purposes, part of the Receivables already owed by the Company to the Lenders under the Agreements has already been settled for an amount of EUR 14,703,798.78 (including interest, part of the Commitment Fee, and Option Prepayment Amount) within the framework of the authorised capital as approved by the Board Resolution.

(b) Hypothetical issue price: Except for the payment of the remaining Commitment Fee (which will be settled by the issue of 128,330 new shares at an issue price per share of EUR 7.9401), the hypothetical issue price of the new shares to be issued in the framework of the Transaction (to be determined as described in the section 2.3 of this report) will be, respectively,

(i) EUR 6.27 per new share (representing a discount of 10% to the closing price of the Company's shares on Euronext Brussels on 19 August 2022),

(ii) EUR 6.62 per new share (representing a 5% discount to the closing price of the Company's shares on Euronext Brussels on 19 August 2022), and

(iii) EUR 7.32 per new share (representing a 5% premium over the closing price of the Company's shares on Euronext Brussels on 19 August 2022).

(c) Current share capital: At the date of this report, the share capital of the Company amounts to EUR 38,540,197.97 represented by 52,643,560 shares without nominal value, each representing the same fraction of the share capital, *i.e.*, rounded to EUR 0.7321. The share capital is entirely and unconditionally subscribed for and is fully paid up.

(d) Share Options: At the date of this report, the following 1,785,617 subscription rights issued by the Company are still outstanding (the "**Share Options"**)

(i) 1,394,900 outstanding Share Options issued by the Company on 5 November 2018, entitling their holders to subscribe to 1 share upon exercise of 1 relevant Share Option (the "**2018 Share Options**"); and

(ii) 390,717 outstanding Share Options, issued by the Company on 20 November 2020, entitling their holders to subscribe for 1 share upon exercise of 1 relevant Share Option (the "**2020 Share Options**").

In this report, when reference is made to any "outstanding" Share Options, this refers to, respectively, Share Options that have not yet been granted but can still be granted and (depending on the terms and conditions of such Share Options and, as the case may be, the decisions taken by the board of directors and/or the general shareholders' meeting of the Company) have not yet expired, and Share Options that have already been granted and (depending on the terms and conditions of such Share Options) have not yet expired. With respect to the 2018 Share Options, the number of outstanding Share Options mentioned above takes into account the decision taken by the board of directors of the Company on 20 November 2020 to no longer grant 390,717 2018 Share Options.

For the purpose of the full-dilution scenario calculations below, it is assumed that all of the outstanding Share Options have become exercisable and are exercised. On this basis, if all Share Options were exercised, 1,785,617 new shares would have to be issued by the Company.

(e) Put Option Agreement: On 23 April 2020, the Company, LDA Capital Limited ("**LDA Capital**"), LDA Capital, LLC, and three existing shareholders of the Company (i.e., François Fornieri, Alychlo NV and Noshaq SA) (the "**Share Lending Shareholders**") entered into a put option agreement (the "**Put Option Agreement**"). Subsequently, the Company, LDA Capital, LDA Capital, LLC, and the Share Lending Shareholders entered into an addendum to the Put Agreement.

Pursuant to the Put Option Agreement (as amended), LDA Capital has agreed to commit a maximum amount of EUR 75,000,000.00 (the "**Commitment Amount**") in cash within a maximum of five years in exchange for new ordinary shares in the Company. This amount will be released, based on drawdowns by the Company in the form of put options which the Company has the right to exercise at its sole discretion (via so-called "put option notices"). The Company is entitled to issue a put notice to LDA Capital on any trading day during a time period commencing on 23 April 2020 and expiring on the earlier of (i) 23 April 2025 or (ii) the date on which LDA Capital has subscribed for an aggregate amount of EUR 75,000,000.00 under the Put Option Agreement (the "**Commitment Period**").

On 29 May 2020, the Company issued its first put option notice to LDA Capital pursuant to which LDA Capital subscribed for a total of 159,800 shares at a subscription price of EUR 19.43 per share, for a total subscription price of EUR 3,104,869.00 (including issue premium). The shares were issued on 5 August 2020.

On 2 July 2021, the Company issued its second put option notice to LDA Capital whereby LDA Capital subscribed for a total of 314,162 shares at a subscription price of EUR 18.23 per share, for a total subscription price of EUR 5,727,177.00 (including issue premium). The shares were issued on 10 November 2021.

On 20 December 2021, the Company issued its third put option notice to LDA Capital whereby LDA Capital subscribed for a total of 442,191 shares at a subscription price of EUR 18.23 per share, for a total subscription price of EUR 7,737,413.97 (including issue premium). The shares were issued on 14 February 2022.

On 28 April 2022, the Company issued its fourth put option notice to LDA Capital whereby LDA Capital subscribed for a total of 625,000 shares at a subscription price of EUR 6.61 per share, for a total subscription price of EUR 4,133,933 (including issue premium). The shares were issued on 30 June 2022. Therefore, as of today, the remaining Commitment Amount is EUR 53,972,879.00.

In accordance with the undertakings given by the Company under the GSI Financing Agreement (as defined below), the Company does not in principle intend to send any new put option notice until the expiration of the GSI Financing Agreement, save exceptions and with prior approval of GSI (as defined below). If the Transaction is completed, the Put Option Agreement would be used as a complement to it.

Notwithstanding the above, in order to illustrate the dilutive effects below, it is assumed that the remaining Commitment Amount (i.e. EUR 53,972,879.00) is fully invested by LDA Capital at the same subscription price per share as the issue price of the new shares to be issued in the Transaction.

(f) LDA Warrants: As part of the Put Option Agreement, on 22 July 2020 (as amended), the Company issued subscription rights to LDA Capital for up to 690,000 new ordinary shares of the Company at an exercise price of EUR 27.00 per ordinary share (subject to customary adjustments) (the "**LDA Warrants"**). For the purpose of the calculation of the full dilution scenario below, it is assumed that all LDA Warrants have become fully exercisable and have been validly exercised by LDA Capital at an exercise price of EUR 27.00 per new share. On this basis, if all 690,000 LDA Warrants were exercised, 690,000 new shares would need to be issued by the Company.

It should be noted that the conditions of the LDA Warrants contain anti-dilutive mechanisms under which the exercise price of the LDA Warrants will be adjusted and reduced on the basis of specific formulas in the framework of certain capital-related or similar transactions. On this basis, the Transaction is likely to result in a downward adjustment of the exercise price of the LDA Warrants in accordance with the issue price of the new shares. For the purposes of the simulations below, it is assumed that such adjustments will not be triggered by the Transaction.

(g) Share Lending Warrants: Pursuant to the Put Option Agreement (as amended), the respective Share Lending Shareholders have agreed to provide to LDA Capital a share lending facility (the "**Share Lending Facility**"). The Share Lending Facility allows LDA Capital to hedge its risk against the amount it has to pay-up pursuant to the exercise of the put options. In consideration of the willingness of the respective Share Lending Shareholders to provide the Share Lending Facility, on 7 September 2020, the Company has issued to the Share Lending Shareholders a number of subscription rights, exercisable for a maximum of 300,000 new shares of the Company, at an exercise price of EUR 27.00 per ordinary share (the "**Share Lending Warrants"**). For the purpose of the calculation of the full dilution scenario below, it is assumed that all of the Share Lending Warrants have become fully exercisable and have been validly exercised by the respective Share Lending Shareholders at an exercise price of EUR 27.00 per new share. It should be noted that only a maximum number of 300,000 Share Lending Warrants can be exercised. On this basis, if all 300,000 Share Lending Warrants were exercised, 300,000 new shares would need to be issued by the Company.

The conditions of the Share Lending Warrants contain the same anti-dilution mechanisms as those included in the terms of the LDA Warrants (see paragraph (g) above). For the purposes of the simulations below, it is assumed that such adjustments will not be triggered by the Transaction.

(h) Existing Convertible Bonds: On 17 December 2020, the Company issued 1,250 senior unsecured convertible bonds due on 17 December 2025, for an aggregate amount of EUR 125,000,000, each convertible bond having been issued in dematerialised form with a nominal value of EUR 100,000 (the " **Existing Convertible Bonds"**). The Existing Convertible Bonds bear a coupon of 4.250% per annum, payable semi-annually in arrears in equal instalments on 17 December and 17 June of each year, commencing on 17 June 2021, and are convertible into ordinary shares of the Company at an initial conversion price of EUR 25.1917 (which price is subject to customary potential adjustments, as included in the terms of the Existing Convertible Bonds)

As described in the paragraph 2.2(n) above, in accordance with the Convertible Loan Agreement, the Company used a portion of the proceeds of the first tranche of the loan facility to repurchase EUR 34,100,000.00 in principal amount of the Existing Convertible Bonds held by the Lenders, at a price of EUR 850.00 per EUR 1,000.00 principal amount of the relevant Existing Convertible Bonds (representing an aggregate amount of up to EUR 28,985,000.00), together with payment in cash of accrued and unpaid interest on the redeemed bonds. At the date of this report, no other Existing Convertible Bonds have been repurchased by the Company or converted and the conversion price has not been subject to customary adjustments.

Therefore, for the purpose of illustrating the dilutive effects below, it is assumed that all remaining Existing Convertible Bonds (together representing an aggregate nominal amount of EUR 90,900,000.00) have been converted at the initial conversion price (i.e., EUR 25.1917). On this basis, if all the remaining Existing Convertible Bonds were converted, 3,608,331 new shares would have to be issued by the Company. It should be noted that upon conversion of the Existing Convertible Bonds, the Company may also deliver existing shares (to the extent available at that time) to the relevant holders of Existing Convertible Bonds, instead of issuing new shares. In order to illustrate the dilutive effects below, it is assumed that only new shares are issued upon conversion of the Existing Convertible Bonds. If existing shares were delivered, the effects would be different.

It should also be noted that the terms of the Existing Convertible Bonds contain anti-dilution mechanisms under which the initial conversion price of the Existing Convertible Bonds will be adjusted downward based on specific formulas in the framework of certain capital or similar transactions. The Transaction may be one of those transactions that may result in a downward adjustment of the initial conversion price of the Existing Convertible Bonds based on the issue price of the new shares. In case of an adjustment of the initial conversion price of the remaining Existing Convertible Bonds and the number of shares that may be issued upon conversion of the remaining Existing Convertible Bonds will be increased proportionally. For the purposes of the simulations below, it is assumed that such adjustments will not be triggered by the Transaction.

(i) GSI Financing Agreement: On 4 February 2022, the Company and Goldman Sachs International ("**GSI**") entered into an equity financing agreement (the "**GSI Financing Agreement**") pursuant to which the Company may require GSI (subject to certain conditions) to provide financing to the Company in an aggregate amount of up to EUR 100,000,000.00 (including issue premium, as the case may be) (the "**Committed Amount**"), by way of several drawings. In the event that a drawdown is accepted by GSI in accordance with the terms of the GSI Financing Agreement, GSI is required to prepay the amount drawn to the Company. GSI has the option (subject to certain conditions) to convert the amount drawn (in whole or in part) into shares, by contribution in kind of the receivable underlying such amount, within a period of no more than 22 trading days following the second anniversary of the date of the GSI Financing Agreement (i.e., no later than March 2024). The number of shares to be issued upon conversion is equal to the amount of the receivable to be contributed, divided by the lowest daily volume weighted average trading price of the Company's share over a 10 trading days period preceding the date on which GSI elects to convert, but reduced by a 3% discount. Notwithstanding the foregoing, whenever there is a share settlement, the Company shall have the option to settle the relevant amount by the payment in cash of an amount equal to 105% of the product of the number of shares that would otherwise have been issuable in case of a stock settlement multiplied by an amount per share equal to the arithmetic average of the daily volume weighted average trading prices of the Company's shares for a period of 10 trading days after the Company elects to settle in cash. For more information regarding the GSI Financing Agreement, reference is made to the report of the board of directors, dated 4 February 2022, a copy of which is available on the Company's website.

On 4 February 2022, the Company issued its first drawdown request to GSI for an amount of EUR 10,000,000.00. Following this first drawdown, upon exercise of a first call option by GSI under the GSI Financing Agreement, GSI subscribed for a total of 377,198 shares at a subscription price of EUR 13.26 per share, for a total subscription price of EUR 5,000,000.02 (including issue premium). The shares were issued on 21 March 2022.

On 21 March 2022, the Company issued its second drawdown request to GSI for an amount of EUR 5,000,000.00 without a new conversion being carried out at GSI's request. Following this second drawdown, upon exercise of a second call option by GSI under the GSI Financing Agreement, GSI subscribed for a total of 489,686 shares at a subscription price of EUR 10.21 per share, for a total subscription price of EUR 5,000,000.02 (including issue premium). The shares were issued on 19 April 2022.

Following the exercise of the second call option finalized on 19 April 2022, upon exercise of a third call option by GSI under the GSI Financing Agreement, GSI subscribed for a total of 725,300 shares at a subscription price of EUR 6.89 per share, for a total subscription price of EUR 5,000,000.02 (including issue premium). The shares were issued on 31 May 2022. Therefore, as of today, the remaining Committed Amount (potentially) to be converted into shares is EUR 84,999,999.94. If the Transaction is completed, the GSI Financing Agreement would be used as a complement to it.

It is noted that one of the conditions for the Company to be able to make a drawdown under the GSI Financing Agreement is that the lowest daily volume weighted average trading price of the Company's shares during the 10 trading days preceding the date of the Company's drawdown request must not be less than EUR 10.00 per share. That being said, for the purposes of the simulations below and in order to show maximum dilution, it is assumed that the remaining Committed Amount to be converted (i.e., EUR 84,999,999.94) is fully converted at a conversion price representing a 3% discount to the closing price on 19 August 2022 (i.e. EUR 6.76).

(j) Accounting for the issue price of outstanding dilutive instruments: Upon the issuance of new shares under the Put Option Agreement and/or the GSI Financing Agreement, the amount of the subscription price of the new shares concerned will be allocated to the accounting net equity (in the form of share capital and issue premium). Likewise, upon the issuance of new shares pursuant to the exercise of the LDA Warrants, the Share Lending Warrants and the Share Options, and/or following the conversion of the remaining Existing Convertible Bonds, the relevant exercise or conversion price will be allocated to the accounting net equity (as share capital and issue premium). The amount that shall be booked as share capital shall, on a per share basis, be equal to the amount of the fractional value of the Company's shares (currently amounting to rounded EUR 0.7321 per share). The balance shall be booked as issue premium.

In this report, when reference is made to "*outstanding dilutive instruments",* it refers, respectively, to the issuance of new shares to LDA under the Put Option Agreement, the exercise of the LDA Warrants, the exercise of the Share Lending Warrants, the exercise of the outstanding Share Options, the conversion of the remaining Existing Convertible Bonds, and the issuance of new shares to GSI under the GSI Financing Agreement.

The question whether new shares will be issued pursuant to the Put Option Agreement and/or the GSI Financing Agreement will ultimately depend on a decision still to be taken by the Company to exercise the put option mechanism and/or to proceed with a drawdown. The ability of the Company to exercise such mechanisms will depend on several factors, including the Company's financing needs at that time and whether there are other financial means available to the Company.

Similarly, the question whether any new shares will be issued under the Agreements in connection with the Transaction will depend on a decision yet to be made by the Company to draw down loans under the loan facility, and a decision yet to be made by the Lenders or (as the case may be) the Company to convert Receivables. The ability of the Company to draw down loans under the loan facility will depend on a number of factors, including the Company's financing requirements at the time and the availability of other financing means to the Company.

The question whether the Share Options, the LDA Warrants and the Share Lending Warrants will be effectively exercised, and whether the remaining Existing Convertible Bonds will be converted, will ultimately depend on the decision of the respective holders of the subscription right or remaining Existing Convertible Bonds. In particular, the holder of a subscription right or remaining Existing Convertible Bonds could realise a capital gain at the time of exercise or conversion if the trading price of the Company's shares at that moment is higher than the exercise or conversion price, and if the shares can be sold at such price on the market. As a result, it is unlikely that the LDA Warrants and/or Share Lending Warrants will be exercised if the share price of the Company at the time of exercise is below EUR 27.00 per share. Similarly, it is unlikely that the remaining Existing Convertible Bonds will be converted if the conversion price (currently EUR 25.1917) is higher than the share price.

6.2. Evolution of the share capital, voting rights, participation in the results and other shareholders rights

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

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

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

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

Without prejudice to the methodological reservations set out in section 6.1, the evolution of the share capital and the number of shares, with voting rights attached thereto, of the Company as a result of the proposed Transaction is simulated below in a scenario before dilution due to outstanding dilutive instruments, as well as in a scenario after dilution due to outstanding dilutive instruments.

Evolution of the number of outstanding shares

	The Transaction		
	Issue price of EUR 6.27	**Issue price of EUR 6.62**	**Issue price of EUR 7.32**
After the Transaction but before dilution due to outstanding dilutive instruments			
(A) Outstanding shares	52,643,560	52,643,560	52,643,560
(B) New shares to be issued in the Transaction	20,699,470	19,611,872	17,748,692
(C) Total number of shares outstanding after (B)	73,343,030	72,255,432	70,392,252
(D) Dilution	28.22%	27.14%	25.21%
After dilution due to outstanding dilutive instruments but before the Transaction			
(A) Outstanding shares	52,643,560	52,643,560	52,643,560
(B) New shares to be issued upon exercise of outstanding Share Options	1,785,617	1,785,617	1,785,617
(C) New shares to be issued under the Put Option Agreement	8,608,114	8,153,002	7,373,344
(D) New shares to be issued upon exercise of LDA Warrants(1)	690,000	690,000	690,000
(E) New shares to be issued upon exercise of the Share Lending Warrants(2)	300,000	300,000	300,000
(F) New shares to be issued upon conversion of the remaining Existing Convertible Bonds (3)	3,608,331	3,608,331	3,608,331
(G) New shares to be issued under the GSI Financing Agreement	12,572,290	12,572,290	12,572,290
(H) Total number of new shares to be issued under (B), (C), (D), (E), (F) and (G)	27,564,352	27,109,240	26,329,582
(I) Total number of shares outstanding after (B), (C), (D), (E), (F) and (G)	80,207,912	79,752,800	78,973,142

	The Transaction		
	Issue price of EUR 6.27	**Issue price of EUR 6.62**	**Issue price of EUR 7.32**
After the Transaction and after dilution due to outstanding dilutive instruments			
(A) Outstanding shares after dilution due to outstanding dilutive instruments	80,207,912	79,752,800	78,973,142
(B) New shares to be issued in the Transaction	20,699,470	19,611,872	17,748,692
(C) Total number of shares outstanding after (B)	100,907,382	99,364,672	96,721,834
(D) Dilution	20.51%	19.74%	18.35%

Without prejudice to the methodological reservations set out in section 6.1, the table below reflects the evolution of the share capital, assuming that the entire Maximum Amount (including any issue premium, if applicable) is converted into shares in the framework of the Transaction (i.e. EUR 130,000,000.00). The maximum amount of the capital increase (including issue premium) is calculated by multiplying the respective numbers of new shares to be issued in the framework of the Transaction on the basis of the assumptions detailed below, by the accounting par value of the Company's shares, i.e. currently rounded to EUR 0.7321 per share.

Evolution of the share capital(1)

	The Operation		
	Issue price of EUR 6.27	**Issue price of EUR 6.62**	**Issue price of EUR 7.32**
Before the Transaction			
(A) Share capital (in EUR)	38,540,129.97	38,540,129.97	38,540,129.97
(B) Outstanding shares	52,643,560	52,643,560	52,643,560
(C) Fractional value (in EUR)	0.7321	0.7321	0.7321
The Transaction			
(A) Increase of share capital (in EUR)(2) ..	15,154,081.99	14,357,851.49	12,993,817.41
(B) Number of new shares to be issued in the Transaction	20,699,470	19,611,872	17,748,692
After the Transaction			
(A) Share capital (in EUR)	53,694,211.96	52,897,981.46	51,533,947.38
(B) Outstanding shares	73,343,030	72,255,432	70,392,252
(C) Fractional value (in EUR) (rounded)	0.7321	0.7321	0.7321

Notes:

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

(2) The part of the issue price equal to the fractional value of the existing shares of the Company (rounded to EUR 0.7321 per share) is booked as share capital. The part of the issue price that exceeds the fractional value shall be booked as issue premium.

6.3. Participation in the consolidated accounting net equity

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

This simulation is based on the audited consolidated annual financial statements of the Company for the financial year ended 31 December 2021 (which have been prepared in accordance with IFRS). The consolidated accounting net equity of the Company as of 31 December 2021 amounted to EUR 33,840,000 (rounded) or EUR 0.7682 (rounded) per share (based on the 44,051,259 outstanding shares as at 31 December 2021). The simulation does not take into account any changes in the consolidated accounting net equity since 31 December 2021, except, for the purpose of the simulation, the impact of (i) the completion on 14 February 2022 of the third put option notice issued to LDA Capital on 20 December 2021 (ii) the completion on 21 March 2022 of a first GSI call option, (iii) the completion on 19 April 2022 of a second GSI call option, (iv) the completion on 31 May 2022 of a third GSI call option, (v) the completion on 24 June 2022 of a private placement, (vi) the completion on 30 June 2022 of the fourth put option notice sent to LDA Capital on 28 April 2022, (vii) the completion on 10 August 2022 of the settlement of a portion of the Commitment Fee, (viii) the completion on 10 August 2022 of the contribution in kind of a Receivable by Highbridge, (ix) the completion on 10 August 2022 of the contribution in kind of a Receivable by Whitebox, (x) the completion on 17 August 2022 of the contribution in kind of a Receivable by Whitebox, and (xi) the completion on 22 August 2022 of the contribution in kind of Receivables by Highbridge and Whitebox on the consolidated net equity (per share) will be taken into account. Notably, as a result of the closing of the above-mentioned transactions (without taking into account the possible effects of accounting items other than share capital and issue premium (e.g., the costs of the said transactions)):

(a) the Company's share capital was increased, resulting in an increase of the Company's equity by EUR 65,398,824.21, for a total adjusted amount of EUR 99,238,824.21; and

(b) the number of outstanding shares of the Company following the above-mentioned transactions amounts to 52,643,560 shares.

For further information on the Company's net equity position on the aforementioned dates, reference is made to the financial statements, which are available on the Company's website.

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

Evolution of the consolidated accounting net equity

	The Transaction		
	Issue price of EUR 6.27	**Issue price of EUR 6.62**	**Issue price of EUR 7.32**
Consolidated net equity for FY21 (adjusted)			
(A) Net equity (in EUR) (rounded)....	99,238,824.21	99,238,824.21	99,238,824.21
(B) Outstanding shares......................	52,643,560	52,643,560	52,643,560
(C) Net equity per share (in EUR) (rounded)	1.8851	1.8851	1.8851

	The Transaction		
	Issue price of EUR 6.27	**Issue price of EUR 6.62**	**Issue price of EUR 7.32**
The Transaction			
(A) Increase of net equity (in EUR)[(1)]	130,000,000.00	130,000,000.00	130,000,000.00
(B) Number of new shares to be issued	20,699,470	19,611,872	17,748,692
After the Transaction			
(A) Net equity (in EUR) (rounded) ...	229,238,824.21	229,238,824.21	229,238,824.21
(B) Outstanding shares......................	73,343,030	72,255,432	70,392,252
(C) Net equity per share (in EUR) (rounded)	3.1256	3.1726	3.2566

Notes:

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

The table above table demonstrates that the Transaction would, from a pure accounting point of view, result in an increase of the amount represented by each share in the consolidated accounting net equity of the Company.

6.4. Financial dilution

The evolution of the market capitalisation as a result of the proposed Transaction is simulated below.

Without prejudice to the methodological reservations set out in section 6.1, the table below reflects the impact of the proposed Transaction, without taking into account other outstanding dilutive instruments, on the market capitalisation and the resulting financial dilution at different price levels, assuming that the entire Maximum Amount (including issue premium, as the case may be) is converted into shares in the Transaction (i.e., EUR 130,000,000.00).

On 19 August 2022, the Company's market capitalisation was of EUR 366,925,613.20 on the basis of a closing price of EUR 6.97 per share. Assuming that, following the Transaction, the market capitalisation increases exclusively with the converted funds on the basis of the parameters described above, the new market capitalisation would be rounded, respectively, to EUR 6.78, EUR 6.88 and EUR 7.06 per share. This would represent a (theoretical) financial dilution of 2.79% and 1.33% and a financial accretion of 1.28% per share respectively.

Evolution of the market capitalisation and financial dilution

	The Transaction		
	Issue price of EUR 6.27	**Issue price of EUR 6.62**	**Issue price of EUR 7.32**
Before the Transaction[(1)]			
(A) Market capitalisation (in EUR)...	366,925,613.20	366,925,613.20	366,925,613.20
(B) Outstanding shares.....................	52,643,560	52,643,560	52,643,560
(C) Market capitalisation per share (in EUR)...	6.97	6.97	6.97

	The Transaction		
	Issue price of EUR 6.27	**Issue price of EUR 6.62**	**Issue price of EUR 7.32**
The Transaction			
(A) Amount Converted (in EUR)......	130,000,000.00	130,000,000.00	130,000,000.00
(B) Number of new shares issued	20,699,470	19,611,872	17,748,692
After the Transaction[(1)]			
(A) Market capitalisation (in EUR)...	496,925,613.20	496,925,613.20	496,925,613.20
(B) Outstanding shares......................	73,343,030	72,255,432	70,392,252
(C) Market capitalisation per share (in EUR) (rounded)	6.78	6.88	7.06
Dilution/Accretion	**-2.79%**	**-1.33%**	**1.28%**

Notes:

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

6.5. Other financial consequences

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

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Done on 22 August 2022,

[*signature page follows*]

For the board of directors,

By:	[*Signed*] ____________________ Director	By:	[*Signed*] ____________________ Director

ANNEX

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