

OXURION¹
Limited liability company
Gaston Geenslaan 1
3001 Heverlee
Registered enterprise number: 0881.620.924
LER Leuven

(the **Company**)

**SPECIAL REPORT OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLE 7:198
JUNCTO ARTICLES 7:180, 7:191 AND 7:193 OF THE BELGIAN CODE OF COMPANIES AND
ASSOCIATIONS**

1. INTRODUCTION

This report (the **Report**) has been prepared by the board of directors of the Company (the **Board of Directors**) in accordance with article 7:198 *juncto* articles 7:180, 7:191 and 7:193 of the Belgian Code of Companies and Associations (the **BCCA**) in connection with the proposed issue, within the framework of the authorised capital of the Company, of up to 2,400 Class B Convertible Bonds (as defined below) and 280 W&C Fee CBs (as defined below; together with the Class B Convertible Bonds, the **CBs**), and to cancel the preferential subscription rights of the existing shareholders of the Company in respect of this proposed issue of the CBs to the benefit of a specified person (the **Transaction**).

In this Report, the Board of Directors sets out the following (i) a description of the authorised capital of the Company, (ii) a detailed description and justification of the proposed Transaction, (iii) the justification of the conversion price of the CBs, (iv) the justification of the cancellation of the preferential subscription rights, (v) the identity of the beneficiary of the cancellation of the preferential subscription rights and (vi) the consequences of the Transaction, including the cancellation of the preferential subscription rights, on the economic and voting rights of the existing shareholders.

The statutory auditor of the Company, PwC Bedrijfsrevisoren, represented by Mr Didier Delanoye, was requested to draw up the report in accordance with articles 7:180, 7:191 and 7:193 of the BCCA (the Auditor's Report). This Report should be read together with the Auditor's Report.

2. AUTHORISED CAPITAL

2.1 Description of the authorised capital

In accordance with article 46 of the articles of association, the Board of Directors may increase the share capital of the Company in one or more instalments by a (cumulative) maximum amount equal to EUR 67,931,161.32. This authorisation was granted by the extraordinary general meeting of 24 May 2022 and is valid for a period of 5 years from the publication of that resolution in the Annexes to the Belgian Official Gazette on 30 May 2022.

The authorisation of the Board of Directors with respect to the authorised capital applies to capital increases by contribution in cash or in kind, by conversion of reserves, with or without the issuance of new shares. In addition, the Board of Directors is authorised to issue convertible bonds or subscription rights.

¹ This is a translation of a Dutch document into English. Allen & Overy (Belgium) LLP has taken reasonable care to ensure that it is accurate. However, you should be aware that words and legal concepts used in one language may not have exact equivalents in another. Allen & Overy (Belgium) LLP therefore cannot guarantee that the translation will have exactly the same meaning as the original.

Within the framework of the authorised capital, the Board of Directors is authorised, acting in the interest of the Company and subject to compliance with the conditions stipulated in articles 7:191 and following of the BCCA, to cancel or limit the statutory preferential subscription rights of the existing shareholders, even if the cancellation or limitation of the preferential subscription rights is not to the benefit of employees of the Company or its subsidiaries.

The Board of Directors has the power to amend the articles of association of the Company in accordance with the capital increase resolved upon within the framework of the authorised capital.

In view of the issue of the CBs, the Board of Directors wishes to use its authorisation with regard to the authorised capital and cancel the preferential subscription rights of the existing shareholders.

2.2 Available amount of the authorised capital

The Board of Directors refers to the authorisation granted by the extraordinary general meeting of 24 May 2022, as mentioned under section 2.1 (*Description of the authorised capital*). At the date of this Report, the Board of directors has not yet made use of the authorised capital.

The available authorised capital thus amounts to EUR 67,931,161.32 at present.

3. PROPOSED TRANSACTION

3.1 Transaction

The Board of Directors refers to the issuance and subscription agreement which was entered into by the Company on 26 August 2021 with Negma Group Ltd., a limited liability company incorporated under the laws of the British Virgin Islands, with registered office at Craigmuir chambers, Road Town, Tortola, VG 1110, registered with the BVI Commercial Registry under number 1981121 (the **Investor**) (the **Issuance and Subscription Agreement**). Under and subject to the terms and conditions of this Issuance and Subscription Agreement, the Company agreed to issue and the Investor agreed to subscribe to up to 12,000 zero coupon automatically convertible bonds (the **Class A Convertible Bonds**), each with a nominal value of EUR 2,500, through several tranches, each composed of minimum 200 and maximum 1,000 Convertible Bonds (each a **Tranche**), to be called by the Company at its discretion, for a total amount of up to EUR 30,000,000 (the **Total Commitment**) over an extendable initial total commitment period of 12 months as from the first tranche closing (the **Funding Program**). Currently the Investor has already subscribed to 2,210 Class A Convertible Bonds, of which 2,010 have been exercised by the Investor in exchange of a total of 7,536,282 shares of the Company.

The Board of Directors further refers to an addendum to the Issuance and Subscription Agreement with the Investor (the **Issuance and Subscription Agreement Addendum**), pursuant to which the Investor and the Company have agreed to amend the terms and conditions for part of the Funding Program for an amount of up to EUR 6,000,000 in the Company's equity (referred to as the **Total Class B Commitment**) through up to 2,400 zero coupon automatically convertible bonds (referred to as the **Class B Convertible Bonds**), each with a nominal value of EUR 2,500, through several Tranches, to be called by the Company at its discretion (**Part B of the Funding Program**). The remaining part of the Funding Program, for which the initial terms and conditions are maintained, is referred to as **Part A of the Funding Program** and the convertible bonds issue thereunder the **Class A Convertible Bonds**.

The right for the Company to draw a Tranche of Class B Convertible Bonds and the undertaking by the Investor to subscribe to Class B Convertible Bonds under the Issuance and Subscription Agreement Addendum is subject to certain conditions, including the fulfilment (or waiver thereof by the Investor) of certain conditions precedent relating to (i) due authorisation of the Class B Convertible Bonds, (ii) compliance with the Issuance and Subscription Agreement and the Issuance and Subscription Agreement Addendum, (iii) confirmation by the Issuer that the representations and warranties are true, correct and not misleading, (iv) no material adverse change having occurred, (v) no event of default being outstanding, (vi) the total commitment period not having

lapsed, (vii) the listing not being suspended, (viii) absence of inside information, (ix) absence of merger or consolidation, and (x) entering into share loan agreements by the Investor. Contrary to what applies under Part A of the Funding Program, there is no liquidity requirement. Since the liquidity requirement is expressed as an amount in EUR and is difficult for the Company to meet in light of the reduced stock price, the Investor has agreed to waive in full such condition precedent for the Class B Convertible Bonds. The waiver of the liquidity requirement significantly decreases the conditionality of the Transaction and shall improve the ability for the Company to issue Tranche Calls under Part B of the Funding Program. Furthermore, the Investor has agreed that no “cool down” period shall apply in relation to any Tranche call under Part B of the Funding Program, except as from the last Class B Tranche call, and subject to the Class B Tranche call schedule as set out below.

The total commitment period under Part B of the Funding Program is the period between the date of the Issuance and Subscription Agreement Addendum until 31 December 2022, unless expressly agreed otherwise between the Company and the Investor in writing. The Company shall be allowed to issue a Tranche call over this total commitment period, at the earliest on the dates and each time up to the maximum aggregate number of Class B Convertible Bonds specified below, up to the Total Class B Commitment in aggregate:

Earliest date	Maximum amount of commitment that can be drawn
As from the date of the Issuance and Subscription Agreement Addendum	up to 800 Class B Convertible Bonds, representing an aggregate amount of EUR 2,000,000 of the Total Class B Commitment
7 October 2022	up to 1,320 Class B Convertible Bonds, representing an aggregate amount of EUR 3,300,000 of the Total Class B Commitment
7 November 2022	up to 1,860 Class B Convertible Bonds, representing an aggregate amount of EUR 4,650,000 of the Total Class B Commitment
7 December 2022	up to 2,400 Class B Convertible Bonds, representing an aggregate amount of EUR 6,000,000 of the Total Class B Commitment

In consideration for the Total Class B Commitment by the Investor, the waiver of the liquidity condition precedent (in relation to the “Average Daily Value Traded”) and the waiver of the “cool down” period under the Issuance and Subscription Agreement in respect of Part B of the Funding Program, the Company has agreed, subject to certain terms and conditions, to grant the Investor a waiver and commitment fee of an amount of EUR 700,000, payable in 280 additional convertible bonds (such bonds, the **W&C Fee Convertible Bonds**).

Pursuant to the terms and conditions of the Issuance and Subscription Agreement Addendum, the Company shall issue (i) up to 800 Class B Convertible Bonds in a total amount of up to EUR 2,000,000 and (ii) all of the 280 W&C Fee Convertible Bonds on, or at the earliest on, 5 September 2022 (the **First Class B Tranche Closing**).

Part A of the Funding Program shall be suspended from 2 September 2022 (i.e. the date of the Issuance and Subscription Agreement Addendum) until the end of the Total Class B Commitment Period, unless expressly agreed otherwise between the Company and the Investor in writing. Upon expiry of the Total Class B Commitment Period, Part A of the Funding Program will be automatically reactivated and the initial terms and conditions as set forth in the Issuance and Subscription Agreement shall fully apply again for the remaining part of the Total Commitment (including, for the avoidance of doubt, all Class B Convertible Bonds that have not been issued and subscribed to in full within the Total Class B Commitment Period).

Within the framework of the Company’s funding needs, the Board of Directors proposes, on the basis of the authorised capital, to issue (i) up to 2,400 Class B Convertible Bonds (each with a nominal value of EUR 2,500) for a total amount of EUR 6,000,000 and (ii) 280 W&C Fee Convertible Bonds (each with a nominal value of EUR 2,500) for a total amount of EUR 700,0000, with cancellation of the statutory preferential subscription rights of the existing shareholders, to the benefit of the Investor in accordance with articles 7:198 *juncto* articles 7:180, 7:191 and 7:193 of the BCCA, provided that the effective issuance of these CBs shall be subject to the extent of the subscription to (Tranches of) these CBs by the Investor, subject to the terms and

conditions of the Issuance and Subscription Agreement and the Issuance and Subscription Agreement Addendum (the **Transaction**).

The Board of Directors acknowledges that the statutory preferential subscription rights are cancelled in favour of one or more specified persons, as referred to in article 7:193 BCCA.

3.2 Terms and conditions

The Class B Convertible Bonds and the W&C Fee Convertible Bonds shall constitute convertible bonds within the meaning of articles 7:65 and following of the BCCA and shall be convertible into new ordinary shares of the Company (the **Shares**), which in turn shall be listed on Euronext Brussels.

The characteristics of the Class B Convertible Bonds and the W&C Fee Convertible Bonds shall be as set out below.

(a) **Form**

The CBs shall be in registered form. Evidence of the rights of the Investor as holder of the CBs shall be given by registration of its name in a register kept by the Company in accordance with the applicable laws and regulations.

(b) **Nominal value**

Each CB shall have a nominal value of EUR 2,500 and, with respect to the Class B Convertible Bonds, immediately payable in cash upon subscription in accordance with the terms, and subject to the conditions, of the Issuance and Subscription Agreement Addendum, except for the W&C Fee Convertible Bonds which will be payable in kind (by way of contribution by the Investor of its claim on the Company equal to the waiver and commitment fee due pursuant to the Issuance and Subscription Agreement Addendum).

(c) **Maturity Date**

The CBs shall have a duration of twelve (12) months as from the date of issuance (the **Maturity Date**).

(d) **Enjoyment**

Subject to the terms and conditions of the Issuance and Subscription Agreement Addendum, the CBs are each to be issued with full rights of enjoyment as from the date of their full subscription by the Investor.

(e) **Assignment and transfer of the Convertible Bonds and the W&C Fee CBs**

The CBs may be assigned or transferred without the prior consent of the Company to any affiliates of the Investor. 'Affiliate' has the meaning given to it in article 1:20 of the BCCA, it being specified for the avoidance of doubt that an investment fund shall be deemed controlled by its management company and the company controlling this management company and, with respect to an investment fund, Affiliate shall mean any entity which has the same management company.

To be effective vis-à-vis the Company and third parties, any permitted transfer (i.e. a transfer to an Affiliate of the Investor or a transfer approved by the Company) of the CBs shall be registered in the convertible bonds register and the transferor of any CBs shall be deemed to be the holder of such CBs until the name of the transferee is entered into such Company's bond register.

Any permitted transferee (i.e. an Affiliate of the Investor or transferee approved by the Company) that becomes a holder of the CBs, by whatever means and for whatever reason, shall have the benefit of,

and be subject to, all of the rights and obligations arising under the Issuance and Subscription Agreement.

The CBs shall not be admitted to trading on any financial market.

(f) Interest

The CBs shall accrue no interest.

(g) Direct and unsubordinated obligations

The CBs, if and when issued, shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and, at all times so long as any CBs are outstanding, will rank equally between themselves.

(h) Conversion

As of the issuance of the CBs and up until their respective Maturity Date (the **Conversion Period**), the holders of CBs shall have the right to convert all or any of the CBs at any time into new Shares of the Company, and to determine the number of CBs to be converted and the corresponding aggregate nominal amount so converted (the **Conversion Amount**). The holder of the CBs wishing to convert all or any of the CBs shall give written notice to the Company thereof (the **Conversion Notice**) and shall specify the Conversion Amount and the corresponding Conversion Price (as defined below).

The number of Shares to be issued by the Company to the relevant holder of the CBs upon conversion of one or several CBs shall be equal to the Conversion Amount divided by the applicable Conversion Price (the **Conversion Ratio**).

If the conversion would result in the issuance of a fraction of a Share, the Company shall round such fraction of a Share down to the nearest whole Share.

Such conversion shall not require the payment of any fee or charge by the relevant holder of CBs.

Any CBs not converted into Shares prior to the Maturity Date shall convert automatically into Shares on the Maturity Date.

(i) Issued Shares upon conversion

The newly issued Shares upon conversion of the relevant CBs shall be subject to all provisions of the articles of association and to decisions of the shareholders' meeting of the Company. The new Shares shall be admitted immediately to trading on Euronext Brussels, shall carry immediate and current dividend rights and shall be fully assimilated to, and fungible with, the existing shares of the Company.

(j) Redemption

The Investor shall only have the right to require the Company to redeem, within seven (7) trading days as from notification by the Investor, all outstanding CBs, in cash, at their nominal value upon the occurrence of an Event of Default (as defined below) (the **Investor Put**).

(k) Events of default

The following events shall constitute an event of default (the **Events of Default**):

- a default by the Company in the due performance of any of its obligations under the Issuance and Subscription Agreement (incl. the Issuance and Subscription Agreement Addendum) that would hinder the Investor's capacity in performing its obligations under that agreement and which, if remediable pursuant to the Issuance and Subscription Agreement, is not remedied within 15 business days, or such longer period as expressly provided for in the Issuance and Subscription Agreement, as from the date on which the Investor notifies such breach to the Company, requesting that it be remedied;
- the de-listing of the Shares from the regulated market of Euronext;
- suspension of the Shares from trading on Euronext for a period of more than five consecutive trading days, except in case of a general suspension from trading of Shares on Euronext, or in case of a suspension of trading in accordance with Clause 5.4 of the Issuance and Subscription Agreement;
- (i) any refusal by the auditor to approve the annual accounts of the Company (*opinion d'abstention / onthoudende verklaring*) or (ii) any adverse opinion (*opinion négative (défavorable) / afkeurende verklaring*) by the auditor;
- any competent regulatory authority, including the FSMA, (i) issuing a decision or notice that it objects to the Transaction and/or any Tranche closing that has already taken place, and/or (ii) taking any decision that hinders the execution by the Investor of its rights under the Issuance and Subscription Agreement;
- failure by the Company to pay any indebtedness equal to or in excess of EUR 1,000,000 when due or within any applicable grace period, other than any such failure resulting from a good faith error or good faith contestation or being subject to any applicable grace period, agreed on with the relevant creditor or any judicial decisions; and
- the Company is dissolved or liquidated, is declared bankrupt, has filed for, or opened, a judicial reorganisation procedure (*réorganisation judiciaire / gerechtelijke reorganisatie*), is subject to cessation of payments (*cessation de paiement / staking van betalingen*) or loss of credit (*ébranlement de crédit / geschokt krediet*), has voluntarily suspended or discontinued substantially all of its business, liquidated substantially all of its assets except for fair consideration or on an at arm's length basis, or any of its corporate bodies has adopted a decision to open such procedure.

(l) Rights of holders of CBs

The Company shall, in accordance with article 7:66 of the BCCA, refrain from taking any action which would diminish or otherwise disadvantageously amend the benefits awarded to a holder of the CBs pursuant to the Issuance and Subscription Agreement and/or the Issuance and Subscription Agreement Addendum or any applicable law, it being understood the Company reserves the right to carry out specific transactions in connection with the capital or similar transactions (eg share splits, reverse share split, issues of shares with or without preferential subscription rights, capital reductions, merger or demerger). As the case may be, the Conversion Ratio will be adjusted and/or reduced in line with the adjustment policy set out in the Euronext Corporate Action Policy.

The Company shall not be permitted, without the prior authorisation of the holders of CBs, to change its legal form or corporate object.

4. JUSTIFICATION OF THE TRANSACTION

The issuance of the CBs to the Investor is not a public offering and does not require the publication of a listing or offering prospectus, in accordance with the EU Prospectus Regulation 2017/1129. Depending on the 20% exemption (article 1.5(a) of the EU Prospectus Regulation 2017/1129) a listing prospectus may be required if and when convertible bonds are drawn and ultimately converted.

The main purposes of the Transaction are the support of the growth and development of the Company and the financial flexibility of the enterprise. In this respect, the Board of Directors points out that the issue of the CBs enables the Company to obtain financial resources within a short period of time. The Board of Directors also underlines the flexibility offered by the proposed issue of the CBs by means of the Tranche Calls over the Total Class B Commitment Period as illustrated in the timetable above, which will allow the Company to adjust the size of the issue to its financial needs. The Board of Directors proposes for the issue of the Convertible Bonds to be carried out within the framework of the authorised capital, which also allows the Company to have access to the funds more quickly.

In addition, the Board of Directors notes that, except upon exercise of the Investor Put, the CBs will be converted into Shares in the Company, representing the share capital of the Company, which will increase the equity capital of the Company.

The Company intends to use the net proceeds of the Transaction to support the future growth and development of the Company, to strengthen its working capital and to finance its activities.

Under the Issuance and Subscription Agreement Addendum, the Waiver and Commitment Fee is payable in convertible bonds. The Board of Directors takes the view that the contribution in kind of the claim in exchange for mandatory convertible bonds is in the Company's best interest as it is expected to reduce the Company's debt for the same amount upon conversion of the bonds.

In the annual report, the Company reported that it had cash and cash equivalents (including investments) of 10.0 million euro at the end of 2021 in comparison with 24.8 million euro at December 31, 2020, and that it post-closing successfully raised an amount of 10.4 million euro in gross proceeds by means of a private placement of 7,226,039 new shares at an issue price of 1.44 euro per share. Nevertheless, the Board of Directors considered that there is a material uncertainty with respect to the Company's ability to continue as a going concern.

With the current transaction the Company has secured access to committed equity funding for a total amount of EUR 6,000,000 until the end of this financial year 2022, subject to the realisation of the conditions precedent for the drawdown of subsequent Tranches of Class B Convertible Bonds as set out in the Issuance and Subscription Agreement Addendum.

As mentioned, the decision to effectively draw down Tranches of Class B Convertible Bonds over the Total Class B Commitment Period, as well as the size of each such Tranche, is at the discretion of the Company, provided it is in accordance with the timetable set out above. Therefore, each time at the earliest on the dates specified in the table above, the Company shall evaluate when and insofar it deems opportune to issue a Tranche of Class B Convertible Bonds, considering the relative opportunities and implications at the time of such decision. This includes the conditions of other access to capital (either in equity or equity-linked, or in debt), the effect on the trading volume, etc.

Part B of the Funding Program allows the Company access to maximum EUR 6,000,000 during the Class B Total Commitment Period, which is committed by the Investor subject to certain timing and other conditions.

For the above reasons, the Board of Directors is of the opinion that the Transaction is in the interest of the Company.

5. JUSTIFICATION OF THE CONVERSION PRICE

In accordance with the terms of issue of the CBs, the holder of the CBs shall have the right to convert all or any of the CBs during the Conversion Period into new Shares issued by the Company, representing the share capital of the Company and having the same rights as the existing Shares of the Company.

The issue price of the Shares upon conversion of the CBs shall be equal to the conversion price of the CBs (the **Conversion Price**), which shall be equal to 80% of the lowest closing volume weighted average price of the Shares on Euronext Brussels over a period of 15 consecutive trading days expiring on the trading day immediately preceding the date of issuance of a Conversion Notice (the **Pricing Period**).

This Conversion Price has been negotiated and commercially agreed upon with the Investor under Part B of the Funding Program, taking into account the increasingly difficult access to capital markets due to the current geopolitical circumstances and the difficult market conditions on the one hand, and the illiquidity of the Company's stock and the reduced share price on the other hand. For this reason and considering the current position in the market of the Company, the Company and the Investor have agreed to a higher discount to the market price (ie a discount of 20% for Part B of the Funding Program compared to 8% for Part A of the Funding Program) to enable the Company to continue to raise significant amounts of new funds by issuing automatically convertible bonds to the Investor notwithstanding the limited liquidity of the Company's stock and the reduced stock price.

The amount of the actual Conversion Price shall be determined on the basis of a reference to the volume weighted average on Euronext Brussels, as set out above, and, hence be subject to market dynamics.

For these reasons (including the reasons set out in section 4 of this Report), the Board of Directors is of the opinion that the Conversion Price is justified as it reasonably balances between the interests of the existing shareholders and the holders of the CBs.

6. JUSTIFICATION FOR THE CANCELLATION OF THE PREFERENTIAL SUBSCRIPTION RIGHTS

The cancellation of the preferential subscription rights will allow the Company to issue to the Investor and for the Investor to subscribe to the CBs in accordance with the terms and conditions of the Issuance and Subscription Agreement (incl the Issuance and Subscription Agreement Addendum). The Investor is an investment entity specialised in providing flexible equity-linked financing and has been selected in advance by the Company on the basis of a thorough selection procedure whereby multiple similar providers of flexible equity-linked financing submitted a term sheet.

The Board of Directors points out that the cancellation of the preferential subscription rights enables the Company to execute the Transaction and to obtain additional financial resources within a short period of time, which allows the Company to finance its activities and to obtain the benefits outlined in section 4 of this Report.

Although the issue of the CBs will result in a financial dilution of the existing Shares of the Company upon conversion of the CBs, the Board of Directors is of the opinion that the financial dilution will be outweighed by the benefits of the Transaction to the Company and its shareholders, in particular the increased working capital and cash generation.

Therefore, Board of Directors is of the opinion that the proposed issue of the CBs within the framework of the authorised capital with cancellation of the preferential subscription rights serves the interests of the Company and its shareholders.

7. CONSEQUENCES FOR THE ECONOMIC- AND VOTING RIGHTS OF THE SHAREHOLDERS

7.1 General

The following sections provide an overview of the effects of the proposed Transaction on the economic and voting rights of the existing shareholders of the Company. As described above, the proposed transaction concerns the issue of up to 2,400 Class B Convertible Bonds, each with a nominal value of EUR 2,500, and up to 280 W&C Fee Convertible Bonds, each with a nominal value of EUR 2,500, the effective issuance of these CBs shall be subject to the extent of the subscription to these CBs by the Investor pursuant to the terms and conditions of the Issuance and Subscription Agreement (incl the Issuance and Subscription Agreement Addendum).

During the Conversion Period, the holder of the CBs shall have the right to convert all or any of the CBs into new Shares issued by the Company against the Conversion Price.

7.2 Evolution of the capital and profit share

On the date of this Report, the Company's share capital amounts to EUR 70,506,161.32 and is represented by 53,054,271 ordinary Shares. The par value is therefore EUR 1.33 per Share (rounded). On August 18, 2022, the Company has 3,304,249 outstanding subscription rights, of which 3,088,249 have been granted and accepted but unexercised, 14,750 have been offered but not yet accepted, and 201,250 remain to be offered.

On the date of this Report, each Share in the Company represents an equal portion of the share capital of the Company and carries economic and voting rights in proportion to the share capital it represents. The issuance of the Shares upon conversion of the CBs will result in the financial dilution of the existing Shares of the Company.

The financial consequences and the dilutive effect of the capital increase resulting from a potential conversion of the Class B Convertible Bonds and the W&C Fee Convertible Bonds can be illustrated, on an indicative basis only, by means of the overview provided for in [Appendix 1](#).

This overview is based on the following hypotheses:

- all 2,400 Class B Convertible Bonds and 280 W&C Fee Convertible Bonds will be subscribed for by the Investor and be effectively converted into new Shares in the Company;
- the Conversion Price mentioned in the simulation is equal to eighty percent (80%) of the lowest closing volume weighted average price of the Shares on Euronext Brussels over the Pricing Period; and
- the number of Shares issued by the Company to the relevant holder of the CBs upon conversion of the CBs is equal to the Conversion Amount divided by the applicable Conversion Price.

By issuing new Shares as a result of the conversion of the CBs, the profit shares and the voting rights of the existing shareholders will be diluted as set out in [Appendix 1](#).

7.3 Economic consequences of the conversion of the CBs

From an accounting perspective, the aggregate amount of the capital increase (with issue premium) resulting from a conversion of the CBs shall be allocated in full to the Company's equity capital. Where the Conversion Price of the CBs is respectively higher or lower than the Company's equity capital per Share prior to conversion, this shall result respectively in an increase or a dilution of the equity capital per Share from an accounting perspective.

Execution version

Taking into account the above, it is not yet certain when the CBs will eventually be converted prior to their Maturity Date. However, if and when the CBs are converted into new Shares, the existing shareholders will be subject a financial dilution, given that a holder of CBs will only convert a CB if the Conversion Price is lower than the prevailing market price of the Shares at the time of conversion (except in case of automatic conversion on the CB's Maturity Date).

Drawn up in Leuven on 2 September 2022.

On behalf of the Board of Directors,

Name: Tom Graney
Title: CEO

APPENDIX 1 DILUTION OVERVIEW

1. Voting-dividend rights

1. Voting-dividend rights dilution				
Excluding shares resulting from the exercise of subscription rights and shares resulting from the conversion of Kreos convertible bonds (CBs)				
Hypothetical Closing VWAP - Pricing Period	€ 0,25	€ 0,35	€ 0,50	€ 0,70
Hypothetical conversion price	€ 0,20	€ 0,28	€ 0,40	€ 0,56
Number of existing shares	53.054.271	53.054.271	53.054.271	53.054.271
Conversion amount of the new Negma CBs	6.700.000	6.700.000	6.700.000	6.700.000
Shares to be issued upon 100% conversion of new Negma CBs	33.500.000	23.928.571	16.750.000	11.964.285
Total shares after 100% conversion of new Negma CBs	86.554.271	76.982.842	69.804.271	65.018.556
Dilution	38,70%	31,08%	24,00%	18,40%
Including shares resulting from the exercise of subscription rights (SRs)				
Hypothetical Closing VWAP - Pricing Period	€ 0,25	€ 0,35	€ 0,50	€ 0,70
Hypothetical conversion price	€ 0,20	€ 0,28	€ 0,40	€ 0,56
Number of existing shares	53.054.271	53.054.271	53.054.271	53.054.271
Conversion amount of the new Negma CBs	6.700.000	6.700.000	6.700.000	6.700.000
Shares to be issued upon 100% conversion of new Negma CBs	33.500.000	23.928.571	16.750.000	11.964.285
Shares to be issued upon 100% exercise of SRs	3.304.249	3.304.249	3.304.249	3.304.249
Total number of new (dilutive) shares	36.804.249	27.232.820	20.054.249	15.268.534
Total shares after 100% conversion of new Negma CBs and exercise subscription rights	89.858.520	80.287.091	73.108.520	68.322.805
Dilution	40,96%	33,92%	27,43%	22,35%
Including shares resulting from the exercise of SRs and shares resulting from the conversion of Kreos CBs				
Hypothetical Closing VWAP - Pricing Period	€ 0,25	€ 0,35	€ 0,50	€ 0,70
Hypothetical conversion price	€ 0,20	€ 0,28	€ 0,40	€ 0,56
Number of existing shares	53.054.271	53.054.271	53.054.271	53.054.271
Conversion amount of the new Negma CBs	6.700.000	6.700.000	6.700.000	6.700.000
Shares to be issued upon 100% conversion of new Negma CBs	33.500.000	23.928.571	16.750.000	11.964.285
Shares to be issued upon 100% exercise of SRs	3.304.249	3.304.249	3.304.249	3.304.249
Shares to be issued upon 100% conversion Kreos CBs	2.413.793	2.413.793	2.413.793	2.413.793
Total number of new (dilutive) shares	39.218.042	29.646.613	22.468.042	17.682.327
Total shares after 100% conversion of all CBs and exercise subscription rights	92.272.313	82.700.884	75.522.313	70.736.598
Dilution	42,50%	35,85%	29,75%	25,00%

2. Equity

2. Net equity								
Excluding shares resulting from the exercise of SBs								
Hypothetical Closing VWAP - Pricing Period		0.25		0.35		0.50		0.70
Hypothetical conversion price		0.20		0.28		0.40		0.56
Before								
Net equity as per 31-05-2022 (unaudited)		1,989,704.00		1,989,704.00		1,989,704.00		1,989,704.00
Number of existing shares as per 17-08-2022		53,054,271		53,054,271		53,054,271		53,054,271
Intrinsic value/share (in EUR)		0.038		0.038		0.038		0.038
Intrinsic value/share (in EUR) (rounded)		0.040		0.040		0.040		0.040
Conversion new Negma CBs								
CBs		33,500,000.00		23,928,571.00		16,750,000.00		11,964,285.00
Cash / Contribution in kind		6,700,000.00		6,700,000.00		6,700,000.00		6,700,000.00
After								
Net equity (in EUR)		8,689,704.00		8,689,704.00		8,689,704.00		8,689,704.00
Outstanding shares		86,554,271		76,982,842		69,804,271		65,018,556
Intrinsic value/share (in EUR)		0.1004		0.1129		0.1245		0.1336
Intrinsic value/share (in EUR) (rounded)		0.10		0.11		0.12		0.13
Including shares resulting from the exercise of SBs								
Hypothetical Closing VWAP - Pricing Period		0.25		0.35		0.50		0.70
Hypothetical conversion price		0.20		0.28		0.40		0.56
Before								
Net equity as per 31-05-2022 (unaudited)		1,989,704.00		1,989,704.00		1,989,704.00		1,989,704.00
Number of existing shares as per 17-08-2022		53,054,271		53,054,271		53,054,271		53,054,271
Intrinsic value/share (in EUR)		0.038		0.038		0.038		0.038
Intrinsic value/share (in EUR) (rounded)		0.040		0.040		0.040		0.040
Conversion new Negma CBs								
CBs		33,500,000.00		23,928,571.00		16,750,000.00		11,964,285.00
Cash / Contribution in kind		6,700,000.00		6,700,000.00		6,700,000.00		6,700,000.00
Exercise of SBs								
SRs		3,304,249.00		3,304,249.00		3,304,249.00		3,304,249.00
Cash		7,830,308.00		7,830,308.00		7,830,308.00		7,830,308.00
After								
Net equity (in EUR)		16,520,012.00		16,520,012.00		16,520,012.00		16,520,012.00
Outstanding shares		89,858,520		80,287,091		73,108,520		68,322,805
Intrinsic value/share (in EUR)		0.1838		0.2058		0.2260		0.2418
Intrinsic value/share (in EUR) (rounded)		0.18		0.21		0.23		0.24

3. Financial dilution

3. Financial dilution				
Excluding shares resulting from the exercise of SRs or shares resulting from the conversion of Kreos Bonds				
Hypothetical Closing VWAP - Pricing Period	€ 0.25	€ 0.35	€ 0.50	€ 0.70
Hypothetical conversion price	€ 0.20	€ 0.28	€ 0.40	€ 0.56
<u>Before</u>				
Number of existing shares	53,054,271	53,054,271	53,054,271	53,054,271
Share price - 17-08-2022	€ 0.32	€ 0.32	€ 0.32	€ 0.32
Market cap	€ 16,977,366.72	€ 16,977,366.72	€ 16,977,366.72	€ 16,977,366.72
Market cap per share	€ 0.32	€ 0.32	€ 0.32	€ 0.32
<u>Conversion new Negma CBs</u>				
Shares to be issued upon 100% conversion of new Negma CBs	33,500,000.00	23,928,571.00	16,750,000.00	11,964,285.00
Cash / Contribution in kind	€ 6,700,000.00	€ 6,700,000.00	€ 6,700,000.00	€ 6,700,000.00
<u>After</u>				
Market cap	€ 23,677,366.72	€ 23,677,366.72	€ 23,677,366.72	€ 23,677,366.72
Number of shares	€ 86,554,271.00	€ 76,982,842.00	€ 69,804,271.00	€ 65,018,556.00
Market cap per share	€ 0.27	€ 0.31	€ 0.34	€ 0.36
Dilution	14.51%	3.89%	-6.00%	-13.80%