**MDxHealth SA**

**INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS**

*Consolidated statement of profit or loss*

| ***THOUSANDS OF $ (EXCEPT PER SHARE AMOUNTS)***<br>***FOR THE YEARS ENDED DECEMBER 31*** | ***NOTES*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|---|
| **Revenues** | 3 | **90,049** | **70,193** | **37,054** |
| Cost of sales (exclusive of amortization of intangible assets) | 3 | (34,908) | (26,264) | (17,835) |
| **Gross profit** | | **55,141** | **43,929** | **19,219** |
| Research and development expenses | 4 | (10,552) | (6,376) | (5,497) |
| Selling and marketing expenses | 4 | (40,981) | (36,915) | (25,704) |
| General and administrative expenses | 4 | (22,801) | (23,010) | (23,308) |
| Amortization of intangible assets | 4 | (4,905) | (4,494) | (3,169) |
| Other operating (expense) income, net | 6 | (624) | (461) | 559 |
| **Operating loss** | | **(24,722)** | **(27,327)** | **(37,900)** |
| Financial income | 7 | 2,357 | 2,570 | 241 |
| Financial expenses | 7 | (15,322) | (18,342) | (6,385) |
| **Loss before income tax** | | **(37,687)** | **(43,099)** | **(44,044)** |
| Income tax | 8 | (382) | (1) | - |
| **Loss for the year attributable to owners of the parent** | | **(38,069)** | **(43,100)** | **(44,044)** |
| | | | | |
| **Loss per share attributable to owners of the parent** | | | | |
| **Basic and diluted, $** | 18 | (1.16) | (1.66) | (2.78) |

*Consolidated statement of comprehensive income*

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***Notes*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|---|
| **Loss for the year attributable to owners of the parent** | | **(38,069)** | **(43,100)** | **(44,044)** |
| | | | | |
| **Other comprehensive income (loss)** | | | | |
| *Items that will be reclassified to profit or loss:* | | | | |
| Exchange differences arising from translation of foreign operations | | (22) | (149) | 593 |
| **Total other comprehensive income (loss) attributable to owners of the parent** | | **(22)** | **(149)** | **593** |
| **Total comprehensive loss for the year (net of tax) attributable to owners of the parent** | | **(38,091)** | **(43,249)** | **(43,451)** |

*Consolidated statement of financial position*

| ***THOUSANDS OF $*** ***FOR THE YEARS ENDED DECEMBER 31*** | ***NOTES*** | ***2024*** | ***2023*** |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Goodwill | 9 | 35,926 | 35,926 |
| Intangible assets | 10 | 40,592 | 44,337 |
| Property, plant and equipment | 11 | 4,363 | 4,956 |
| Right-of-use assets | 11 | 8,617 | 4,989 |
| Financial assets | | 936 | 763 |
| **Total non-current assets** | | **90,434** | **90,971** |
| | | | |
| **Current assets** | | | |
| Inventories | 12 | 3,869 | 2,779 |
| Trade receivables | 13 | 14,440 | 11,088 |
| Prepaid expenses and other current assets | 13 | 1,788 | 1,914 |
| Cash and cash equivalents | 14 | 46,798 | 22,380 |
| **Total current assets** | | **66,895** | **38,161** |
| **TOTAL ASSETS** | | **157,329** | **129,132** |
| | | | |
| **EQUITY** | | | |
| Share capital | 20 | 214,670 | 173,931 |
| Issuance premium | 20 | 153,177 | 153,177 |
| Accumulated deficit | | (369,515) | (331,446) |
| Share-based compensation | 22 | 17,124 | 12,139 |
| Translation reserve | | (615) | (593) |
| **Total equity** | | **14,841** | **7,208** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Loans and borrowings | 15/17 | 50,967 | 35,564 |
| Lease liabilities | 15 | 7,413 | 3,578 |
| Other non-current financial liabilities | 15/17 | 41,445 | 63,259 |
| **Total non-current liabilities** | | **99,825** | **102,401** |
| | | | |
| **Current liabilities** | | | |
| Loans and borrowings | 15/17 | 324 | 643 |
| Lease liabilities | 15 | 1,360 | 1,480 |
| Trade payables | 16 | 8,001 | 8,811 |
| Other current liabilities | 16 | 6,567 | 5,694 |
| Other current financial liabilities | 15/17 | 26,411 | 2,895 |
| **Total current liabilities** | | **42,663** | **19,523** |
| **Total liabilities** | | **142,488** | **121,924** |
| **TOTAL EQUITY AND LIABILITIES** | | **157,329** | **129,132** |

*Consolidated statement of changes in equity*

| THOUSANDS OF $ (EXCEPT NUMBER OF SHARES) | ATTRIBUTABLE TO OWNERS OF MDXHEALTH SA | | | | | |
|---|---|---|---|---|---|---|
| | NUMBER OF SHARES | SHARE CAPITAL & ISSUANCE PREMIUM | ACCUMULATED DEFICIT | SHARE-BASED COMPENSATION | TRANSLATION RESERVE | TOTAL EQUITY |
| Notes | | 20 | | 22 | | |
| **Balance at January 1, 2022** | **15,596,922** | **281,631** | **(244,302)** | **10,607** | **(1,037)** | **46,899** |
| Loss for the year | | | (44,044) | | | (44,044) |
| Other comprehensive income | | | | | 593 | 593 |
| **Total comprehensive income for the year** | | | **(44,044)** | | **593** | **(43,451)** |
| **Transactions with owners in their capacity as owners:** | | | | | | |
| Issuance of shares as part of GPS acquisition | 691,171 | 5,000 | | | | 5,000 |
| Share-based compensation costs | | | | 867 | | 867 |
| **Balance at December 31, 2022** | **16,288,093** | **286,631** | **(288,346)** | **11,474** | **(444)** | **9,315** |
| | | | | | | |
| **Balance at January 1, 2023** | **16,288,093** | **286,631** | **(288,346)** | **11,474** | **(444)** | **9,315** |
| Loss for the year | | | (43,100) | | | (43,100) |
| Other comprehensive income | | | | | (149) | (149) |
| **Total comprehensive income for the year** | | | **(43,100)** | | **(149)** | **(43,249)** |
| **Transactions with owners in their capacity as owners:** | | | | | | |
| Issuance of shares, net of transaction costs | 10,750,000 | 39,599 | | | | 39,599 |
| Issuance of shares as part of amended GPS asset purchase agreement | 250,000 | 878 | | | | 878 |
| Share-based compensation costs | | | | 665 | | 665 |
| **Balance at December 31, 2023** | **27,288,093** | **327,108** | **(331,446)** | **12,139** | **(593)** | **7,208** |
| **Balance at January 1, 2024** | **27,288,093** | **327,108** | **(331,446)** | **12,139** | **(593)** | **7,208** |
| Loss for the year | | | (38,069) | | | (38,069) |
| Other comprehensive income | | | | | (22) | (22) |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Total comprehensive income for the year** | | | **(38,069)** | | **(22)** | **(38,091)** |
| | | | | | | |
| **Transactions with owners in their capacity as owners:** | | | | | | |
| Issuance of shares, net of transaction costs | 22,209,241 | 40,739 | | | | 40,739 |
| Issuance of warrants – OrbiMed | | | | 2,144 | | 2,144 |
| Exact Sciences 5-year warrants | | | | 1,116 | | 1,116 |
| Share-based compensation costs | | | | 1,725 | | 1,725 |
| **Balance at December 31, 2024** | **49,497,334** | **367,847** | **(369,515)** | **17,124** | **(615)** | **14,841** |

* The company completed a share consolidation with respect to all its outstanding shares by means of a 1-for-10 reverse stock split (the “Share Consolidation”) as of November 13, 2023. All share amounts and the EPS were adjusted retroactively to reflect the reverse stock-split.

*Consolidated statement of cash flow*

| ***Thousands of $*** ***For the years ended December 31*** | **Notes** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | |
| **Operating loss** | | **(24,722)** | **(27,327)** | **(37,900)** |
| Depreciation | 11 | 3,134 | 2,365 | 1,740 |
| Amortization of intangible assets | 10 | 4,905 | 4,494 | 3,169 |
| Impairment | 10 | - | - | 44 |
| Share-based compensation | 22 | 1,725 | 665 | 867 |
| Other non-cash transactions | | 286 | 421 | (473) |
| **Cash used in operations before working capital changes** | | **(14,672)** | **(19,382)** | **(32,553)** |
| | | | | |
| Increase in inventories | 12 | (1,090) | (452) | (416) |
| Increase in receivables | 13 | (3,226) | (1,683) | (5,122) |
| Increase in payables | 16 | 458 | 20 | 3,973 |
| **Net cash outflow from operating activities** | | **(18,530)** | **(21,497)** | **(34,118)** |
| | | | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| Purchase of property, plant and equipment | 11 | (1,188) | (2,747) | (2,789) |
| Acquisition and generation of intangible assets | 10 | (971) | (2,272) | (1,374) |
| Acquisition of Genomic Prostate Score Business | 15 | - | - | (25,000) |
| Noviogendix milestone payment | 15 | (555) | - | - |
| Interests received | 7 | 1,078 | 1,088 | 125 |
| **Net cash outflow from investing activities** | | **(1,636)** | **(3,931)** | **(29,038)** |
| | | | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | |
| Proceeds from issuance of shares, net of transaction costs | 20 | 40,739 | 39,599 | - |
| Proceeds from loan obligation | 15 | 53,011 | - | 34,291 |
| Repayment of loan obligation and debt extinguishment costs | 15 | (39,540) | (1,659) | (10,805) |
| Amendment fee related to OrbiMed Agreement | | (550) | - | - |
| Amendment fee related to GPS Asset Purchase Agreement | | - | (250) | - |
| Payment of lease liability | 15 | (1,883) | (1,610) | (1,358) |
| Payment of interest | 7 | (6,702) | (3,610) | (1,412) |
| Other financial expenses | 7 | (477) | (190) | - |
| **Net cash inflow from financing activities** | | **44,598** | **32,280** | **20,716** |
| | | | | |
| **Net increase (+) / decrease (-) in cash and cash equivalents** | | **24,432** | **6,852** | **(42,440)** |
| | | | | |
| Cash and cash equivalents at beginning of the financial year | | 22,380 | 15,503 | 58,498 |
| Effect on exchange rate changes | | (14) | 25 | (555) |
| **Cash and cash equivalents at end of the financial year** | **14** | **46,798** | **22,380** | **15,503** |

***NOTE 1: Status and principal activity***

When used in this report, all references to “MDxHealth”, the “company”, “we”, “our” and “us” refer to MDxHealth, SA and its subsidiaries. MDxHealth is a limited liability company domiciled in Belgium, with offices and labs in Belgium, the United States and The Netherlands.

MDxHealth is a commercial-stage precision diagnostics company committed to providing non-invasive, clinically actionable and cost-effective urologic solutions to improve patient care. The Company’s novel prostate cancer genomic testing solutions combine advanced clinical modeling with genomic data to provide each patient with a personalized cancer risk profile, which provides more accurate and actionable information than standard risk factors (e.g., PSA, DRE, age) used by clinicians.

The Company’s Select mdx and Confirm mdx solutions address men at risk for developing prostate cancer, providing physicians with a clear clinical pathway to accurately identify clinically significant prostate cancer while minimizing the use of invasive procedures that are prone to complications. The Company’s Genomic Prostate Score (GPS) solution addresses men newly diagnosed with prostate cancer, providing physicians with a clear clinical pathway to make the most informed treatment decision for their individual disease, including active surveillance. To further supplement its prostate cancer menu, the Company’s Resolve mdx was developed especially for patients with recurrent, persistent, and complicated urinary tract infections (UTIs), and combines precise pathogen identification and resistance gene detection with a proprietary susceptibility methodology that identifies personalized oral antibiotic options for fast resolution and improved patient outcomes. The Company’s collective decades of experience in precision diagnostics and its portfolio of novel biomarkers for diagnostic, prognostic and predictive molecular assays supports its active pipeline of new testing solutions for prostate and other urologic diseases.

MDxHealth offers its laboratory solutions from its state-of-the-art College of American Pathologists (CAP)-accredited and Clinical Laboratory Improvement Amendments of 1988 (“CLIA”) certified, molecular laboratory facility located at its U.S. headquarters in Irvine, California as well as a CLIA-certified lab in Plano, Texas. MDxHealth also operates a research and development-focused molecular laboratory facility, MDxHealth B.V., located in Nijmegen, the Netherlands.

The Company is headquartered in Belgium. The parent company, MDxHealth SA, has its registered and corporate office in Cap Business Center, Rue d’Abhooz 31, 4040 Herstal, Belgium. MDxHealth, Inc., the Company’s U.S. subsidiary, is located at 15279 Alton Parkway, Suite 100, Irvine, CA 92618, United States. MDxHealth B.V., the Company’s Dutch subsidiary, is located at Transistorweg 5, 6534 Nijmegen, The Netherlands.

American Depositary Shares (“ADS”), each representing 10 ordinary shares of the Company, began trading on the Nasdaq Capital Market on November 4, 2021. On November 13, 2023, the Company completed a 1-for-10 reverse stock split of its ordinary shares, after which each ADS represented one ordinary share. On November 27, 2023, the Company completed the mandatory exchange of all of its ADSs for one ordinary share each and subsequently terminated the Company’s ADS facility, at which time the ordinary shares were admitted to listing on the Nasdaq Capital Market under the symbol “MDXH”. Following a transition period of three weeks, the Company delisted its ordinary shares from Euronext Brussels and, as of December 15, 2023, its ordinary shares began solely trading on the Nasdaq Capital Market. The disclosures in these financial statements give retroactive effect to these changes.

***NOTE 2: Summary of material accounting policies***

***2.1. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE***

MDxHealth's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretation Committee (IFRS-IC) applicable to companies reported under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB), collectively "IFRS". In addition, the financial statements are also prepared in accordance with IFRS as adopted by the EU ("EU IFRS").

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The functional and presentation currency is the U.S. Dollar ($) and all amounts are presented in thousands of U.S. Dollars, rounded to the nearest thousand, unless otherwise indicated.

***2.2. BASIS OF CONSOLIDATION***

The consolidated financial statements incorporate the financial statements of MDxHealth SA (Belgium) and its wholly owned subsidiaries, including MDxHealth Inc. (United States), and MDxHealth BV (The Netherlands) for each fiscal year ending on December 31.

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. The acquisition method of accounting is used to account for business combinations by the Company.

All intercompany balances, profits and transactions are eliminated upon consolidation.

***2.3. GOING CONCERN***

The Company has experienced net losses and significant cash used in operating activities since its inception in 2003, and as of December 31, 2024, had an accumulated deficit of $369.5 million, a net loss of $38.1 million, and net cash used in operating activities of $18.5 million. Management expects the Company to continue to incur net losses and have significant cash outflows for at least the next twelve months. While these conditions, among others, could raise doubt about its ability to continue as a going concern, these consolidated financial statements have been prepared assuming that the Company will continue as a going concern. This basis of accounting contemplates the recovery of its assets and the satisfaction of liabilities in the normal course of business. A successful transition to attaining profitable operations is dependent upon achieving a level of positive cash flows adequate to support the Company's cost structure.

As of December 31, 2024, the Company had cash and cash equivalents of $46.8 million. Taking into account the above financial situation and on the basis of the most recent business plan including the Company's expected ability to access additional cash through debt, equity, or other means, the Company believes that it has sufficient cash to be able to continue its operations for at least the next twelve months from the date of issuance of these financial statements, and accordingly has prepared the consolidated financial statements assuming that it will continue as a going concern. This assessment is based on forecasts and projections within management's most recent business plan as well as the Company's expected ability to maintain adequate levels of cash as required by certain financial covenants present in the new OrbiMed Credit Agreement (described in Note 15 and 27), and to access additional cash through debt, equity or other means.

### *MACROECONOMIC FACTORS*

Recent macroeconomic factors, such as interest rate fluctuations and inflation in the United States and other markets, as well as volatility in the global banking and finance systems, have resulted in volatility in the capital and credit markets globally. In addition, regional conflicts like those between Russia and Ukraine and in the Middle East may adversely impact the Company's business and operating results. The Company intends to continue to monitor macroeconomic conditions closely and may determine to take certain financial or operational actions in response to such conditions as appropriate, however, there is no direct or indirect impact of these conflicts on the day-to-day business of the Company, and therefore, the Company does not believe that these factors have an impact on the Company's ability to continue as a going concern.. In addition, the Company is not materially impacted by inflation, supply disruption or cyber-attacks due to the current geopolitical conflicts.

### *2.4. USE OF ESTIMATES AND JUDGMENTS*

Management makes certain critical accounting estimates and management judgments when applying the Company's accounting policies, which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

**Judgements:**

**Going concern (Note 2.3)**

Management needs to make significant judgements whether the Company will have sufficient liquidity to continue operations during the next twelve months. Refer to Note 2.3 for management assessment.

**OrbiMed credit agreement (Notes 15 & 17)**

As part of the amortized cost accounting treatment and for the purpose of calculating the effective interest rate of the OrbiMed credit agreement, the Company has assumed that all tranches will be drawn and has taken into account for its calculations the expected future cashflows. As of the date of this report, the Company has drawn the initial tranche of $55 million in May 2024 as well as the second tranche of $25 million in March 2025.

**Provision for uncertain tax position (Note 17)**

The Company has recorded a provision for an uncertain tax position of $382,000 as of December 31, 2024, within other current liabilities. The uncertain tax position relates to a potential exit tax due in Belgium related to certain intellectual property in Belgium. The Company is currently in discussions with the Belgian Tax Authorities with final outcome expected in 2025. The provision was valued based on several possible scenarios which management has judged to be most likely.

**Estimates:**

The areas where assumptions and estimation uncertainties in the financial statements have potentially the most significant effect in 2024 are listed below:

**Revenue recognition (Note 3)**

As further described in Note 2.7 (paragraph "Determining the Transaction Price"), the Company analyzes historical collection data on a quarterly basis and makes adjustments to its estimates. In accordance with IFRS 15, revenue is recognized where such variable consideration is included in the transaction price only to the extent that it is highly probable that the amount of revenue recognized will not be subject to significant future reversals as a result of subsequent re-estimation. The related carrying amount of trade receivables is directly impacted by this estimation, which mainly consists of amounts due from our patients' insurance companies related to the sales of our diagnostic tests (refer to Note 13, Trade and other receivables).

**Financial liabilities and assets (Note 15)**

Other financial assets and liabilities are accounted for at fair value through the statement of profit or loss and include the following:

The fair value of the contingent consideration payable to Exact Sciences (for the GPS acquisition), which are presented in the yearend statement of financial position under "other non-current financial liabilities" and "other current financial liabilities" are based on an estimated outcome of the conditional purchase price and contingent payments arising from contractual obligations (level 3 input). This was initially recognized as part of the purchase price and then subsequently measured for fair value. Any changes to fair value are recorded in the statement of profit or loss through either "other operating (expense) income", "financial income" or "financial expense" depending on the underlying driver for the fair value adjustment.

The fair value of the GPS contingent consideration is based on the estimated timing and amount of the earnout payments. This estimate is then discounted to its net present value, taking into account the expected time when the earnout would become payable in 2025, 2026, and 2027. This contingent consideration was initially recorded along with the purchase price allocation of this business combination during 2022.

The contingent consideration liability is considered as a financial liability based on level 3 input and was valued at $67.9 million as of December 31, 2024, using a discount rate of 19.07% and 20.13% respectively depending on the remaining operational risks of the contingent consideration.

The fair value of the contingent consideration is based on risk-adjusted future cash flows of different scenarios discounted using a rate of 19.07% and 20.13% respectively. The fair value of the liability for the year ended December 31, 2024, was valued at $67.9 million, of which $26.0 million is current.

**Share-based payments (Note 22)**

Management estimates the fair value of the equity-settled share-based payment transactions by using the Black-Scholes option valuation model:

- The dividend return is estimated by reference to the historical dividend payment of the Company; currently, this is estimated to be zero as no dividends have been paid since inception;

- The expected volatility was determined using the average volatility of the stock over the last two years at the date of grant;

- Risk-free interest rate was based either on the interest rate applicable for the 10-year Belgian government bond, for shares granted prior to November 27, 2023, or on the 10-year U.S. Treasury rate, for shares granted after November 23, 2023.

### *2.5. New Standards, Interpretations and Amendments*

**2.5.1. New standards, interpretations and amendments adopted by the Company**

The accounting policies have been consistently applied by the Company and are consistent with those used in previous years.

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Noncurrent Liabilities with Covenants

The amendments and interpretations issued by the IASB and IFRIC that apply for the first time in 2024 do not have a significant impact on the consolidated financial statements of the Company.

### 2.5.2. Standards and interpretations issued but not yet effective in the current period

Certain new accounting standards and amendments to standards have been published, but were not mandatory for the December 31, 2024, reporting period.

The following amendments have been issued, but are not mandatory for the financial year beginning January 1, 2024:

- IFRS 18 Presentation and Disclosure in Financial Statements, effective 1 January 2027, subject to implementation. It is generally expected that this will have an impact on the Company's presentation of its financial statements. Among others, IFRS 18 introduces new subtotals ("operating profit" and "profit or loss before financing and income tax") that are mandatory, along with a requirement to present the operating expenses in a way that provides the reader of the financial statement with the "most useful structured summary" of its expenses. Additionally, there are also additional requirements for Management-defined Performance Measures and for the Aggregation/Disaggregation of information. The Company will be analyzing the impact of IFRS 18 on its consolidated financial statements and the impact it will have on the reported line items of the financial statements.

## *2.6. Foreign currency translation*

### Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Company's functional and presentation currency is the U.S. dollar based on the continuing development of the commercial activities in the U.S. market.

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss.

The results and financial positions of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that balance sheet. At December 31, 2024, the official exchange rate applied for assets and liabilities was €1 to $1.039 (2023: €1 to $1.105) quoted by the European Central Bank.

- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates. At December 31, 2024, the official exchange rate applied for income and expenses was €1 to $1.082 (2023: €1 to $1.0813) quoted by the European Central Bank.

- All resulting exchange differences are recognized in other comprehensive income.

## *2.7. Revenue recognition*

### Performance obligations and timing of revenue recognition

The majority of the Company's revenue is derived from laboratory services with revenue recognized at a point in time when control of the services has been transferred to the customer. This is generally when the test results are delivered to the customer. Minor other Company's revenue is derived from license fees and royalties.

### Determining the transaction price

A large portion of the Company's revenue is derived from Medicare, which reimburses the Company for tests performed on its insured patients. Medicare has set a fixed price (via a Local Coverage Determination or "LCD") for the Company's Confirm mdx, Select mdx, and GPS tests. Therefore, the amount of revenue recognized from Medicare for these tests is determined by reference to the LCD pricing.

For other patients insured by commercial insurance companies where there is no certainty of the amount that will be paid for services rendered, the Company uses historical collection data – on an individual payor basis – to estimate its future collection and corresponding revenues that should be recognized for each type of test.

The Company analyzes historical collection data on a monthly basis and makes monthly adjustments to its estimates. In accordance with IFRS 15, revenue is recognized where such variable consideration is included in the transaction price only to the extent that it is highly probable that the amount of revenue recognized will not be subject to significant future reversals as a result of subsequent re-estimation.

When historical collection data is insufficient to estimate future collections, the Company defaults to cash basis, meaning that revenues will not be recognized until actual cash payment is received from the payor.

Total revenue in any given year includes amounts related to tests performed in previous years that relate to:

- revenue from transactions in previous years that did not previously meet the revenue recognition criteria;
- differences between the revenue recognized in previous years and the actual amount received; and
- reversals of revenue relating to balances that are outstanding for more than 9 months.

### *2.8. SEGMENT INFORMATION*

Information for the Company's operating segments has been determined by reference to the information used by the chief operating decision maker ("CODM") of the Company to review the performance of the Company and in making decisions on allocation of resources, the nature of the activities and the management structure and accountabilities. The Company's CEO has been identified as the chief operating decision maker in accordance with his designated responsibility for the allocation of resources to operating segments and assessing their performance through periodic reporting. The CODM periodically reviews the Company's performance based on information at a company level.

The Company monitors the profitability of the group as a whole given revenues are generated from clinical laboratory service testing and does accordingly not distinguish different business segments.

### *2.9. INTANGIBLE ASSETS*

Initial measurement:

*Externally acquired*

Intangible assets are recognized on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are determined using appropriate valuation techniques.

Intangible assets are recognized on the business combinations of NovioGendix in 2015 (Select mdx) and GPS in 2022 and include:

- Externally acquired intellectual property, including patents, technology and related IP; and
- Customers.

All were valued through application of the relief from royalty method, except for the customers which were valued on the basis of multi-period excess earnings method.

Externally acquired intangible assets also include patents and software licenses which are initially recognized at cost.

*Internally generated intangible assets (development costs)*

Development costs are capitalized when requirements for capitalization during the development phase have been met. In absence of meeting the requirements, these are expensed in the period in which they were incurred as research and development expenses.

Internally generated intangible assets relate to Confirm mdx, Select mdx, Resolve mdx and GPS.

Subsequent measurement

Intangible assets are carried at their cost less any accumulated amortization and any accumulated impairment losses amortized on a straight-line basis over their estimated useful lives on the following basis:

- Patents & software: shorter of (a) 5 years; or (b) the software license period / patent life
- Intellectual property: 10-15 years
- Customers: 6.5 years
- Capitalized development costs: 5 years

Amortization over the asset's useful life shall begin when the asset is available for use. Amortization of intangible assets are presented as a separate line in the consolidated statement of profit or loss.

### *2.10. PROPERTY, PLANT AND EQUIPMENT*

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Repair and maintenance costs are charged to the income statement as incurred. Depreciation is charged to write off the cost or valuation of assets over their useful lives, using the straight-line method, on the following basis:

- Equipment: 5 years
- IT hardware and software: 3 years
- Furniture: 5 years
- Vehicles: 5 years
- Leasehold improvements: in line with the non-cancellable lease period of the related lease

### *2.11. RIGHT-OF-USE ASSETS AND LIABILITIES*

**Right-of-use assets:**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Depreciation periods range between 3 and 7 years. Right-of-use assets are subject to impairment.

**Lease liabilities:**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and variable lease payments that depend on an index or a rate. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the

Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date which is in the following ranges:

- Buildings: 8.0% and 14.0%
- Vehicles: 2.5% and 3.75%
- Materials: 9.75% and 12%

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

### *2.12. Impairment of assets*

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The Company monitors its Goodwill at consolidated Company level which is the level of the Company of cash-generating units (CGUs) benefiting from the synergies. Non-financial assets other than Goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### *2.13. Inventories*

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Cost comprises merely purchase costs, as the inventory consists solely of raw materials. Raw materials are not ordinarily interchangeable, and they are as such accounted for using the specific identification of their individual cost.

The Company does not account for work in progress and finished products.

### *2.14. Cash and cash equivalents*

Cash and cash equivalents are carried on the consolidated statement of financial position at amortized cost. For the purposes of the cash flow statements, cash and cash equivalents comprise cash on hand, deposits held on call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts, if any, are included in borrowings included in current liabilities.

### *2.15. Taxation*

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income tax is provided in full using the "balance sheet liability method", on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognized for all taxable differences. Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. As such, no deferred tax assets have been recognized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### *2.16. Share Capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### *2.17. Financial Assets*

The financial assets consist mainly of trade receivables and other current assets (deposits) as well as the Company's option to settle the earnout obligation to Exact Sciences in cash or through the issuance of additional shares of the Company (refer to Note 15 for additional details) as well as the Company's right for early repayment of the OrbiMed loan.

**Trade receivables and other current assets (deposits)**

Classification and measurement on initial recognition

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

The company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables do not carry any interest and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment based on expected credit losses, where applicable.

Subsequent measurement

After initial recognition, trade receivables and some other current assets as listed in Note 13 are measured at amortized cost using the effective interest method, less provision for impairment based on expected credit losses.

**Option to settle the earnout obligation to Exact Sciences in cash or through the issuance of additional shares of the Company**

Classification and measurement on initial recognition

At the option of MDxHealth, the earnout amounts to Exact Sciences can be settled in cash or through the issuance of additional shares of the Company (valued in function of a volume weighted average trading price of the Company's shares at the end of the relevant earnout period) to Exact Sciences, provided that the aggregate number of shares held by Exact Sciences shall not exceed more than 7.5% (increased from 5% in the initial agreement) of the outstanding shares of MDxHealth.

This option is considered as an embedded derivative of the host financial (earnout) liability and not closely related to the host financial liability and is recognized at fair value through the statement of profit or loss at each closing date using the Monte Carlo valuation model.

### *2.18. Financial Liabilities*

The financial liabilities consist mainly of loans and borrowings, lease liabilities, trade and other payables and other financial liabilities that include derivative financial liabilities and contingent consideration related to business combinations.

Measurement on initial recognition

At initial recognition, financial liabilities are measured at fair value less transaction costs unless the financial liability is carried at fair value through the statement of profit or loss, in which case the transaction costs are immediately recognized in the statement of profit or loss. The best estimate of the fair value at initial recognition is usually the transaction price, represented by the fair value of the consideration given or received in exchange for the financial instrument.

The fair value of the contingent consideration payable at the date of acquisition was initially computed as the sum of the probability-weighted fair values of the purchase prices, as follows:

- **GPS:** the liability recognized reflects a probability-weighted estimate at the current net present value at the date of acquisition, which is expected to become payable.

- **NovioGendix**: each of the potential product development paths. The fair value of each path is in turn computed as the sum of the survival probability discounted to present values of the contingent payments in each such path, including the milestone and commercialization payments. Any other financial liability included in the consideration payable for a business combination is recorded at fair value at the date of acquisition.

The fair value of the derivative financial liabilities is determined as follows:

- **Exact Sciences 5-Year Warrants:** The fair value of the warrant held by Exact Sciences to acquire up to 1 million shares of MDxHealth was measured using a Binomial tree valuation model which takes into account several factors including the expected evolution in the Company's share price. Following approval at the Company's General Assembly in June 2024 for the issuance of the warrants to Exact Sciences, the warrants were considered equity instruments and accordingly reclassified from liabilities to equity.

- **Innovatus**: The derivative financial instrument related to the Innovatus debt facility option to convert up to 15% of the outstanding aggregate principal amount into ordinary shares of the Company for a period up to August 2, 2025, was accounted for at fair value with a portion of the transaction costs allocated to the embedded derivative being expensed as incurred. The embedded derivative was to be measured as an American call option using a binomial tree option pricing model with changes to fair value being recorded in the statement of profit or loss under financial expenses or income. The Innovatus debt facility was fully repaid on May 1, 2024, and replaced with a new debt facility from OrbiMed, as described further in Note 15.

Subsequent measurement

After initial recognition, loans and borrowings, lease liabilities, trade and other payables, are measured at amortized cost using the effective interest method. Contingent considerations and derivative financial liabilities are measured at fair value and are reviewed at each reporting period, with any changes in fair value recorded in the statement of profit or loss in either operating results (e.g., for changes in internal forecasts and projections) or financial results (e.g., for changes in net present value), depending on the nature of the driver of the fair-value adjustment.

### *2.19. RETIREMENT BENEFIT PLANS AND EMPLOYEE SAVINGS PLANS*

Payments to defined contribution employee savings plans are charged as an expense as they fall due. The Company does not offer nor operate any material defined benefit plans for its employees.

### *2.20. SHARE-BASED COMPENSATION PLANS FOR PERSONNEL, DIRECTORS AND BUSINESS ASSOCIATES*

The Company grants stock options in accordance with several share-based compensation plans in consideration for services performed by personnel, directors and business associates. The cost of the services rendered is measured at the fair value of the granted options and recognized as an expense in the statement of profit or loss. The corresponding credit is recorded directly into equity.

The estimate of the number of options which will ultimately vest is revised at each reporting date. The change in estimate is recorded as an expense with a corresponding correction in equity.

The received amount, less directly attributable transaction costs, will be recorded as share capital and share premium when the options are exercised.

***NOTE 3: Revenue and cost of sales***

***REVENUE***

| *THOUSANDS OF $* <br> *FOR THE YEARS ENDED DECEMBER 31* | *2024* | *2023* | *2022* |
|---|---|---|---|
| Tissue-based revenue | 72,329 | 55,718 | 31,151 |
| Liquid-based revenue | 17,581 | 14,247 | 5,814 |
| Royalties and other revenues | 139 | 228 | 89 |
| **Total revenue** | **90,049** | **70,193** | **37,054** |

The Company does not distinguish different business segments since most revenues are generated from clinical laboratory service testing, or the out-licensing of the Company's patented DNA methylation platform and biomarkers. Revenue is generated primarily in the U.S. with minimal revenue recognized throughout Europe and the rest of the world. The Company does distinguish between three sources of revenue:

- Tissue-based revenue, from the Company's Confirm mdx and GPS tests;
- Liquid-based revenue, from the Company's Select mdx, Resolve mdx, and Germline tests; and
- Royalties and other revenues

Revenues related to royalties, licenses and other revenues are generally recognized over time as described in Note 2.7. The Company did not recognize any contract assets or contracts liabilities.

Total revenue for 2024 was $90.0 million, an increase of 28% as compared to total revenue of $70.2 million for 2023. Tissue-based tests (being GPS and Confirm mdx) comprised 80% of our 2024 revenues and 79% of our 2023 revenues.

Total revenue for 2023 was $70.2 million, an increase of 89% as compared to total revenue of $37.1 million for 2022. Tissue-based tests comprised 79% of our 2023 revenues and 84% of our 2022 revenues.

*Medicare*

Reimbursement for diagnostic tests furnished to Medicare beneficiaries (typically patients aged 65 or older) is usually based on a fee schedule set by the U.S. Centers for Medicare & Medicaid Services ("CMS"), a division of the U.S. Department of Health and Human Services ("HHS"). As a Medicare-enrolled service provider, the Company bills the regional Medicare Administrative Contractor ("MAC") for CMS that covers the region where the testing service is performed by the Company. The Confirm mdx test obtained a positive Medicare local coverage determination ("LCD") in 2014, the GPS test obtained a positive Medicare coverage LCD in 2015, and the Select mdx test obtained a positive Medicare coverage LCD in 2023, each of which provides coverage for Medicare patients throughout the United States.

In 2024, Medicare represented the only payer generating over 10% of the Company's revenues, for a total of $37.1 million (2023: $27.7 million; 2022: $15.8 million).

At the end of 2024, the Company had concluded agreements with 147 commercial payors for Confirm mdx (2023: 140; 2022: 129), 92 commercial payors for Select mdx (2023: 84; 2022: 62) and 70 commercial payors for GPS (2023: 62; 2022:29).

***COST OF SALES (EXCLUSIVE OF AMORTIZATION OF INTANGIBLE ASSETS)***

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Cost of sales (exclusive of amortization of intangible assets) | 34,908 | 26,264 | 17,835 |
| **Total cost sales (exclusive of amortization of intangible assets)** | **34,908** | **26,264** | **17,835** |

The costs of sales include the costs associated with providing testing services to third parties and include the cost of materials, labor (including salaries, bonuses, and benefits), transportation, collection kits, and allocated overhead costs associated with processing samples. Allocated overhead costs include depreciation of laboratory equipment, facility occupancy and information technology costs. Costs associated with processing samples are expensed when incurred, regardless of the timing of revenue recognition. Amortization of intangible assets are excluded from cost of sales and are presented separately in the statement of profit or loss, as further detailed in Note 4.

***NOTE 4: Nature of expenses***

***RESEARCH AND DEVELOPMENT EXPENSES***

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***NOTES*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|---|
| Personnel costs | 5 | 5,264 | 3,693 | 2,453 |
| Clinical validation | | 2,506 | 765 | 584 |
| Lab consumables | | 1,378 | 639 | 713 |
| Depreciation | 11 | 563 | 428 | 212 |
| Patent expenses | | 148 | 83 | 430 |
| External collaborator fees | | 83 | 199 | 783 |
| Impairment | | - | - | 44 |
| Other expenses | | 610 | 569 | 278 |
| **Total research and development expenses** | | **10,552** | **6,376** | **5,497** |

Research and development expenses consist of costs incurred for the development and improvement of our products. These expenses consist primarily of labor costs (including salaries, bonuses, benefits, and share-based compensation), reagents and supplies, clinical studies, outside services, patent expenses, depreciation of laboratory equipment, facility occupancy and information technology costs. Research and development expenses also include costs associated with assay improvements and automation workflow for our current suite of products.

For the year ended December 31, 2024, research and development expenses increased by $4.2 million, or 66%, primarily due to increases in our clinical studies and associated lab consumables as well as an increase in personnel costs.

For the year ended December 31, 2023, research and development expenses increased by $0.9 million, or 16%, primarily due to annual compensation increases, as well as an increase in ongoing clinical studies, partially offset by savings in patent expenses, lab consumables, and external collaborator fees.

***SELLING AND MARKETING EXPENSES***

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***NOTES*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|---|
| Personnel costs | 5 | 32,280 | 27,952 | 19,070 |
| Marketing expenses | | 4,262 | 5,075 | 2,843 |
| Depreciation | 11 | 1,343 | 888 | 750 |
| Professional fees | | 916 | 710 | 1,259 |
| Travel expenses | | 896 | 1,061 | 789 |
| Offices & facilities expenses | | 301 | 459 | 356 |
| Other expenses | | 983 | 770 | 637 |
| **Total selling and marketing expenses** | | **40,981** | **36,915** | **25,704** |

The Company’s selling and marketing expenses are expensed as incurred and include costs associated with its sales organization, including its direct clinical sales force and sales management, medical affairs, client services, marketing and managed care, as well as technical lab support and administration. These expenses consist primarily of labor costs (including salaries, bonuses, benefits, and share-based compensation), customer education and promotional expenses, market analysis expenses, conference fees, travel expenses and allocated overhead costs.

For the year ended December 31, 2024, selling and marketing expenses increased by $4.1 million, or 11%, compared to 2023, primarily due to increases in personnel costs, which includes incentive compensation for our commercial team, partially offset by savings in marketing and travel costs.

For the year ended December 31, 2023, selling and marketing expenses increased by $11.2 million, or 44%, compared to 2022, primarily due to an increase in personnel costs related to the Company's acquisition of the GPS business in August 2022, as well as increased direct marketing expenses, travel expenses, facilities expenses, and depreciation offset by a decrease in outside professional fees.

### *GENERAL AND ADMINISTRATIVE EXPENSES*

| *THOUSANDS OF $* <br> *FOR THE YEARS ENDED DECEMBER 31* | *NOTES* | *2024* | *2023* | *2022* |
|---|---|---|---|---|
| Personnel costs | 5 | 13,239 | 10,184 | 8,995 |
| Professional fees | | 3,780 | 6,706 | 7,180 |
| Offices & facilities expenses | | 1,472 | 1,266 | 1,142 |
| Public company expenses | | 1,439 | 2,701 | 4,025 |
| Depreciation | 11 | 1,043 | 737 | 734 |
| IT Services | | 945 | 639 | 582 |
| Board fees | | 388 | 366 | 394 |
| Travel expenses | | 104 | 130 | 79 |
| Other expenses | | 391 | 281 | 177 |
| **Total general and administrative expenses** | | **22,801** | **23,010** | **23,308** |

General and administrative expenses include costs for certain executives, accounting and finance, legal, revenue cycle management, information technology, human resources, and administrative functions. These expenses consist primarily of labor costs (including salaries, bonuses, benefits, and share-based compensation), professional service fees such as consulting, accounting, legal, general corporate costs, and public-company costs associated with the Company's listing, as well as allocated overhead costs (rent, utilities, insurance, etc.).

General and administrative expenses decreased in 2024 by $0.2 million or 1%, primarily from savings in professional fees, and public company expenses, partially offset by increases in personnel costs.

General and administrative expenses decreased in 2023 by $0.3 million or 1%. Despite an increase in personnel costs of $1.2 million, there were decreases in public company expenses as well as a decrease in professional fees from the 2022 acquisition of GPS. Professional fees for 2023 included one-time expenses related to the transition of its sole listing on NASDAQ as well as the amended asset purchase agreement with Exact Sciences.

### *AMORTIZATION OF INTANGIBLE ASSETS*

| *THOUSANDS OF $* <br> *FOR THE YEARS ENDED DECEMBER 31* | *2024* | *2023* | *2022* |
|---|---|---|---|
| Research and development | 3,203 | 3,157 | 2,060 |
| Selling and marketing | 1,680 | 1,315 | 878 |
| General and administrative | 22 | 22 | 231 |
| **Total amortization of intangible assets** | **4,905** | **4,494** | **3,169** |

Amortization of intangible assets primarily relates to the acquired intellectual property, brand, and customer relationships of the GPS business combination in 2022.

As of 2023, the Company segregated "amortization of intangible assets" from other operating categories in the statement of profit or loss and is presenting amortization of intangible assets as a separate category. Prior periods balances have been reclassified to conform to current period presentation.

***NOTE 5: Personnel costs***

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| The number of employees at the end of the year was: | | | |
| Laboratory operations | 101 | 79 | 67 |
| R&D staff | 31 | 31 | 19 |
| S&M staff | 94 | 106 | 101 |
| G&A staff | 86 | 84 | 71 |
| **Total number of employees** | **312** | **300** | **258** |
| **Their aggregate remuneration comprised:** | | | |
| Wages and salaries | 46,719 | 38,568 | 27,182 |
| Health insurance expenses | 5,969 | 5,202 | 3,843 |
| Social security costs | 3,028 | 2,752 | 2,098 |
| Share-based compensation | 1,725 | 665 | 867 |
| Pension costs | 1,448 | 1,186 | 827 |
| Other costs | 883 | 990 | 1,073 |
| **Total personnel costs** | **59,772** | **49,363** | **35,890** |

The personnel numbers in the table reflect year-end numbers, with 42 sales and marketing employees hired in August 2022 as part of the GPS acquisition. Year-over-year increases primarily relate to increases in headcount as well as increases in incentive compensation for our commercial team as part of the growth in our volume and revenue and increases in health insurance costs.

***NOTE 6: Other operating (expense) income, net***

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Grant subsidies – The Netherlands | - | 62 | 5 |
| Fair value adjustments | (695) | (588) | 515 |
| Other operating income | 71 | 65 | 39 |
| **Total other operating (expense) income, net** | **(624)** | **(461)** | **559** |

Other operating (expense) income, net for the year ended December 31, 2024, primarily consisted of a negative fair value adjustment to the GPS contingent consideration liability.

Other operating (expense) income, net for the year ended December 31, 2023, primarily consisted of a negative fair value adjustment to the GPS contingent consideration liability.

Other operating (expense) income, net for the year ended December 31, 2022, primarily consisted of a positive fair value adjustment of $632,000 to the contingent consideration related to the acquisition of NovioGendix in 2015, partially offset by a negative fair value adjustment of $117,000 related to the initial Kreos drawdown derivative financial instrument.

***NOTE 7: Financial income and expense***

***Financial income***

| ***THOUSANDS OF $*** ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Interest income | 1,078 | 1,088 | 125 |
| **Fair value adjustments** | | | |
| Exact Sciences 5-year warrants | 1,037 | | |
| Innovatus derivative instrument | 165 | 719 | 116 |
| NovioGendix contingent consideration | 71 | - | - |
| Right to early repay OrbiMed loan | 6 | - | - |
| Option to pay GPS earnout in shares | - | 763 | - |
| **Financial income** | **2,357** | **2,570** | **241** |

Financial income for the period ended December 31, 2024, was primarily comprised of interest income of $1.1 million, generated from our cash reserves, as well as non-cash income of $1 million from the fair value adjustment of the Exact Sciences 5-year warrants liability.

***Financial expenses***

| ***THOUSANDS OF $*** ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Interest on Kreos loan | - | - | (660) |
| Interest on Innovatus loan | (1,775) | (5,232) | (1,615) |
| Interest on OrbiMed loan | (5,456) | | |
| Interest on other loans and leases | (398) | (350) | (361) |
| Innovatus debt extinguishment cost | (3,130) | | |
| Kreos settlement | - | - | (1,047) |
| GPS amendment: additional consideration payment in cash | - | (250) | - |
| GPS amendment: additional consideration payment in shares | - | (878) | - |
| Other financial loss | (323) | (190) | (107) |
| **Fair value adjustments** | | | |
| GPS contingent consideration | (3,979) | (9,105) | (2,398) |
| Option to pay GPS earnout in shares | (261) | - | - |
| Exact Sciences 5-year warrants | - | (2,153) | (197) |
| Kreos derivative instrument | - | (135) | - |
| NovioGendix contingent consideration | - | (49) | - |
| **Financial expenses, net** | **(15,322)** | **(18,342)** | **(6,385)** |

For the year ended December 31, 2024, financial expenses, were primarily comprised of a negative fair value adjustment for the GPS contingent consideration of $4.0 million resulting from changes in net present value, interest charges of $7.2 million related to the OrbiMed loan facility and the Innovatus debt facility (as further detailed in Note 15), and $3.1 million related to the Innovatus debt extinguishment costs (as further detailed in Note 15).

Other financial expenses relate to bank costs incurred during the year.

***NOTE 8: Income tax***

The Company recorded a $382,000 tax provision related to potential exit taxes associated with certain intellectual property in Belgium. No other income taxes were payable in view of the losses incurred by the Company. On December 31, 2024, the Company had a consolidated net tax loss carried forward amounting to $333.9 million (2023: $308.7 million; 2022: $285.3 million).

The tax losses related to MDxHealth SA in Belgium are available for carry forward. Tax losses were realized by MDxHealth SA until December 31, 2020, and subsequently in the U.S. Permanent Establishment of MDxHealth SA. Until 2021, tax losses related to MDxHealth BV in the Netherlands are available for carry forward to a period of 6 years. As of 2022, tax losses related to MDxHealth BV in the Netherlands are available for carry forward indefinitely. The tax losses of MDxHealth Inc., related to the years beginning on or after January 1, 2018, are available for carry forward indefinitely. Tax losses related to the years before January 1, 2018, can be carried forward to a period of 20 years.

Tax credits (investment deductions) amounted to $0 in 2024, $0 in 2023, and $402,000 in 2022.

It is uncertain if the Company will have taxable profits in the near future to allow all or part of the deferred tax asset to be utilized and as a result, no deferred tax asset was recognized in 2024, 2023, and 2022. The tax reconciliation and the impact of the unrecognized deferred tax assets is as follows:

| ***THOUSANDS OF $*** | ***INCOME STATEMENT*** | | |
|---|---|---|---|
| ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
| Loss for the year | (38,069) | (43,100) | (44,044) |
| Income tax expense | (382) | (1) | 0 |
| Loss before income tax | (37,687) | (43,099) | (44,044) |
| | | | |
| Tax using the MDxHealth's domestic tax rate | 9,422 | 10,775 | 11,011 |
| Effect of unused tax losses not recognized as deferred tax assets | (9,804) | (10,775) | (11,011) |

***NOTE 9: Goodwill***

On August 2, 2022, the Company acquired the GPS test from Exact Sciences. The purchase price in excess of the fair value of the net assets acquired has been considered as residual goodwill for an amount of $35.9 million.

The Company is required to test Goodwill for impairment on an annual basis. The recoverable amount is determined based on a value-in-use calculation. The use of this method requires estimating of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The company monitors its Goodwill at the consolidated company level, which is the level of its cash generating unit (CGU) benefiting from the synergies. The recoverable amount of the CGU has been determined from the value-in-use calculation based on the Company's cash flow projections covering a period of 5 years through December 31, 2029.

The amount by which the CGU's recoverable value exceeds its carrying value is $92.3 million.

The assumptions used are as follows:

| ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** |
|---|---|---|
| Discount rate (post-tax) | 17.4% | 12.83% |
| Terminal growth rate | 2% | 2% |

The discount rate is based on comparable companies in the industry together with company-specific risks. Terminal growth rate is based on management estimates and industry data.

The Company’s impairment review is not sensitive to any reasonable possible changes in the key assumptions used by management.

Based on the above information, management concluded that there is no Goodwill impairment in 2024.

***NOTE 10: Intangible assets***

| *THOUSANDS OF $* | *PATENTS AND SOFTWARE LICENSES* | *INTERNALLY DEVELOPED INTANGIBLE ASSETS* | *EXTERNALLY ACQUIRED INTELLECTUAL PROPERTY* | *CUSTOMERS* | *TOTAL* |
|---|---|---|---|---|---|
| **Gross value at January 1, 2023** | **5,134** | **10,372** | **41,375** | **8,007** | **64,888** |
| Additions | | 2,660 | | | 2,660 |
| **Gross value at December 31, 2023** | **5,134** | **13,032** | **41,375** | **8,007** | **67,548** |
| **Accumulated amortization and impairment At January 1, 2023** | **(5,134)** | **(8,722)** | **(4,353)** | **(513)** | **(18,722)** |
| Additions | | (343) | (2,919) | (1,232) | (4,494) |
| Currency translation adjustments | | 5 | | | 5 |
| **Accumulated amortization and impairment at December 31, 2023** | **(5,134)** | **(9,060)** | **(7,272)** | **(1,745)** | **(23,211)** |
| **Net value at December 31, 2023** | **0** | **3,972** | **34,103** | **6,262** | **44,337** |
| | | | | | |
| **Gross value at January 1, 2024** | **5,134** | **13,032** | **41,375** | **8,007** | **67,548** |
| Additions | | 1,164 | | | 1,164 |
| **Gross value at December 31, 2024** | **5,134** | **14,196** | **41,375** | **8,007** | **68,712** |
| **Accumulated amortization and impairment At January 1, 2024** | **(5,134)** | **(9,060)** | **(7,272)** | **(1,745)** | **(23,211)** |
| Additions | | (753) | (2,920) | (1,232) | (4,905) |
| Currency translation adjustments | | | (4) | | (4) |
| **Accumulated amortization and impairment at December 31, 2024** | **(5,134)** | **(9,813)** | **(10,196)** | **(2,977)** | **(28,120)** |
| **Net value at December 31, 2024** | **-** | **4,383** | **31,179** | **5,030** | **40,592** |

Amortization of intangible assets is included as a separate line in the statement of profit or loss.

The externally acquired intangible assets include technology acquired in the business combination with NovioGendix in 2015 and with the acquisition of the GPS test in August 2022. The estimated remaining amortization period amounts to 0.6 years for the NovioGendix IP and to 12.6 years for the GPS IP.

Customer relationships include customers acquired in the GPS acquisition, resulting in the fair value at acquisition date of $8.0 million. The GPS customer relationships are amortized over 6.5 years, the estimated remaining amortization period amounts to 4 years.

The internally-developed intangible assets relate to the capitalized development expenses for Confirm mdx and Select mdx over the past years as well as for the development of the GPS assay in-house and our Resolve mdx assay. The estimated remaining amortization period amounts to 4.5 years for GPS, and 2.3 years for Resolve mdx. In 2024, the Company capitalized $1.2 million in GPS development expenses (2023: $2.7 million in GPS and Resolve mdx development expenses).

***NOTE 11: Property, plant and equipment and right of-use assets***

Property, plant and equipment

| *THOUSANDS OF $* | *LABORATORY EQUIPMENT* | *FURNITURE* | *IT EQUIPMENT* | *LEASEHOLD IMPROVEMENTS* | *TOTAL* |
|---|---|---|---|---|---|
| **Gross value at January 1, 2023** | **7,068** | **669** | **687** | **2,058** | **10,482** |
| Additions | 1,312 | 200 | 303 | 741 | 2,556 |
| Disposals | - | - | (111) | - | (111) |
| Transfer from leases | 498 | - | - | - | 498 |
| Exchange rate difference arising | (62) | (2) | (2) | (2) | (68) |
| **Gross value at December 31, 2023** | **8,816** | **867** | **877** | **2,797** | **13,357** |
| | | | | | |
| **Accumulated depreciation At January 1, 2023** | **(5,184)** | **(380)** | **(357)** | **(770)** | **(6,691)** |
| Additions | (558) | (102) | (228) | (500) | (1,388) |
| Disposals | - | - | 108 | - | 108 |
| Transfer from leases | (498) | - | - | - | (498) |
| Exchange rate difference arising | 62 | 2 | 2 | 2 | 68 |
| **Accumulated depreciation at December 31, 2023** | (6,178) | (480) | (475) | (1,268) | (8,401) |
| **Net value at December 31, 2023** | **2,638** | **387** | **402** | **1,529** | **4,956** |
| | | | | | |
| **Gross value at January 1, 2024** | **8,816** | **867** | **877** | **2,797** | **13,357** |
| Additions | 613 | 10 | 247 | 381 | 1,251 |
| Disposals | (2,441) | (73) | (214) | (557) | (3,285) |
| Transfer from leases | 96 | - | - | - | 96 |
| Exchange rate difference arising | 110 | 4 | 7 | 6 | 127 |
| **Gross value at December 31, 2024** | **7,194** | **808** | **917** | **2,627** | **11,546** |
| | | | | | |
| **Accumulated depreciation at January 31, 2024** | **(6,178)** | **(480)** | **(475)** | **(1,268)** | **(8,401)** |
| Additions | (746) | (108) | (252) | (700) | (1,806) |
| Disposals | 2,365 | 73 | 210 | 547 | 3,195 |
| Transfer from leases | (48) | - | - | - | (48) |
| Exchange rate difference arising | (107) | (4) | (6) | (6) | (123) |
| **Accumulated depreciation at December 31, 2024** | (4,714) | (519) | (523) | (1,427) | (7,138) |
| **Net value at December 31, 2024** | **2,480** | **289** | **394** | **1,200** | **4,363** |

During 2024, the Company acquired $0.6 million of laboratory equipment and $0.4 million of leasehold improvements. During 2023, the Company acquired $1.3 million of laboratory equipment and $0.7 million of leasehold improvements. The primary purpose of these acquisitions was to add testing capacity for its new GPS and Resolve assays.

Right of-use assets

| THOUSANDS OF $ | BUILDINGS | VEHICLES | EQUIPMENT | TOTAL |
|---|---|---|---|---|
| **Gross value at January 1, 2023** | **6,565** | **276** | **1,230** | **8,071** |
| Additions | 726 | - | 1,562 | 2,288 |
| Disposals | - | (114) | (325) | (439) |
| Transfer to tangible assets | - | - | (498) | (498) |
| **Gross value on December 31, 2023** | **7,291** | **162** | **1,970** | **9,423** |
| | | | | |
| **Accumulated depreciation** | | | | |
| **Value at January 1, 2023** | **(2,874)** | **(180)** | **(914)** | **(3,968)** |
| Additions | (1,079) | (34) | (252) | (1,365) |
| Disposals | - | 70 | 325 | 395 |
| Transfer to tangible assets | - | - | 498 | 498 |
| Exchange rate differences | 7 | - | - | 7 |
| **Accumulated depreciation on December 31, 2023** | **(3,946)** | **(144)** | **(343)** | **(4,433)** |
| **Net value at December 31, 2023** | **3,345** | **18** | **1,626** | **4,989** |
| | | | | |
| **Gross value at January 1, 2024** | **7,291** | **162** | **1,970** | **9,423** |
| Additions | 5,629 | - | 596 | 6,225 |
| Disposals | (3,613) | (162) | (74) | (3,849) |
| Transfer to tangible assets | - | - | (96) | (96) |
| **Gross value on December 31, 2024** | **9,307** | **-** | **2,396** | **11,703** |
| | | | | |
| **Accumulated depreciation** | | | | |
| **Value at January 1, 2024** | **(3,946)** | **(144)** | **(343)** | **(4,433)** |
| Additions | (1,088) | (20) | (413) | (1,521) |
| Disposals | 2,578 | 162 | 78 | 2,818 |
| Transfer to tangible assets | - | - | 48 | 48 |
| Exchange rate differences | - | 2 | - | 2 |
| **Accumulated depreciation on December 31, 2024** | **(2,456)** | **-** | **(630)** | **(3,086)** |
| **Net value at December 31, 2024** | **6,851** | **-** | **1,766** | **8,617** |

At December 31, 2024, the company reassessed the lease option within its Irvine, California building lease (the "Irvine Lease"), and concluded that it is now reasonably certain that the Company will exercise this option which would add 60 additional months to the Irvine Lease. The company has the right to exercise this option up to one year but no less than nine months in advance of its current term, which concludes October 31, 2026. The lease reassessment added $4.7 million to the corresponding right-of use-asset.

In September 2024, the Company amended the Irvine Lease by adding approximately 10,000 square feet of lab space. The remaining terms of the lease remain unchanged. This amendment added 357,000 to the right of use asset.

In July 2024, the company amended its Nijmegen lease, moving to a smaller suite within the same complex with approximately 3,500 square feet of lab space. This amendment resulted in a reduction in future lease payments, resulting in the disposal of the existing right of use asset by $1 million partially offset by a new right-of-use asset of $299,000. The remaining terms of the lease remained unchanged.

In May 2024, the company entered into a new building lease (the "2nd Plano Lease") adding approximately 2,000 square feet of space adjacent to its existing laboratory in Plano, Texas with an effective date of July 1, 2024. The initial term expires August 2027, and under the terms of the 2nd Plano Lease, the Company can automatically renew for successive 12-month periods thereafter. This new lease added $131,000 to the corresponding right of use asset.

The new lease agreements and lease reassessments from 2024 represent additional right of use assets of a total value of $6.2 million.

The following amounts related to leases are recognized in the statement of profit or loss:

| ***T**HOUSANDS OF $*<br>***F**OR THE YEARS ENDED **D**ECEMBER 31* | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Depreciation expense | 1,400 | 1,187 | 1,067 |
| Interest expense on lease liabilities | 392 | 284 | 314 |

***NOTE 12: Inventories***

| ***T**HOUSANDS OF $*<br>***F**OR THE YEARS ENDED **D**ECEMBER 31* | ***2024*** | ***2023*** |
|---|---|---|
| Raw materials and consumables | 3,869 | 2,779 |
| **Total Inventories** | **3,869** | **2,779** |

Inventories are recognized at the lower of cost or net realizable value. Inventories recognized as an expense during the year ended December 31, 2024, amounted to $8.4 million (2023: $5.7 million; 2022: $3.6 million). These were included in cost of sales.

***NOTE 13: Trade and other receivables***

***T**RADE RECEIVABLES*

| ***T**HOUSANDS OF $*<br>***F**OR THE YEARS ENDED **D**ECEMBER 31* | ***2024*** | ***2023*** |
|---|---|---|
| Trade receivables | 14,440 | 11,088 |
| **Total trade receivables** | **14,440** | **11,088** |

Trade receivables mainly consist of claims due from our patients' insurance companies related to our diagnostic tests.

Considering the Company's revenue recognition methodology further described in Note 2.7, total accounts receivable balance could be presented in relation with the claim date of each sample as follows:

| ***A/R** BY CLAIM DATE*<br>***T**HOUSANDS OF $*<br>***F**OR THE YEAR ENDED **D**ECEMBER 31, 2024* | **Months**<br>**1-3 months** | **4-6 months** | **7-12 months** | **Not due** | **Total** |
|---|---|---|---|---|---|
| Confirm mdx | 2,999 | 1,162 | 771 | - | 4,932 |
| GPS | 3,265 | 1,090 | 1,004 | - | 5,359 |
| Select mdx | 255 | 125 | 93 | - | 473 |
| Resolve mdx | 1,546 | 1,009 | 707 | - | 3,262 |
| Other | 239 | 68 | | 107 | 414 |
| **Total Trade Receivables** | **8,304** | **3,454** | **2,575** | **107** | **14,440** |

| ***A/R** BY CLAIM DATE*<br>***T**HOUSANDS OF $*<br>***F**OR THE YEAR ENDED **D**ECEMBER 31, 2023* | **Months**<br>**1-3 months** | **4-6 months** | **7-12 months** | **Not due** | **Total** |
|---|---|---|---|---|---|
| Confirm mdx | 2,225 | 876 | 639 | - | 3,740 |
| GPS | 3,237 | 783 | 508 | - | 4,528 |
| Select mdx | 291 | 101 | 128 | (8) | 512 |
| Resolve mdx | 1,278 | 629 | 401 | - | 2,308 |
| **Total Trade Receivables** | **7,031** | **2,389** | **1,676** | **(8)** | **11,088** |

***Prepaid expenses and other current assets***

| ***Thousands of $*** ***For the years ended December 31*** | ***2024*** | ***2023*** |
|---|---|---|
| Prepayments | 1,561 | 1,585 |
| Deposits | 135 | 110 |
| Recoverable VAT | 92 | 183 |
| Other | - | 36 |
| **Total prepaid expenses and other current assets** | **1,788** | **1,914** |

Prepaid expenses mainly consist of prepaid insurance premiums and prepaid maintenance contracts.

All financial assets carried at amortized cost are shown net of expected credit losses which are not deemed material.

***NOTE 14: Cash and cash equivalents***

| ***Thousands of $*** ***For the years ended December 31*** | ***2024*** | ***2023*** |
|---|---|---|
| Cash and cash equivalents | 46,798 | 22,380 |
| **Total cash and cash equivalents** | **46,798** | **22,380** |

The bank balances and cash held by the Company and short-term bank deposits have an original maturity of less than 3 months. The carrying amount of these assets approximates their fair value.

The Company had no restricted cash in 2024 and 2023, but is required to maintain certain levels of unrestricted cash and cash equivalents during various time periods, including monthly assessments thereof, initially at a minimum level of $20 million and subsequently reducing to a $5 million minimum level following the achievement of certain milestones. The minimum cash requirement was temporarily lowered until December 31, 2024, to $12.5 million (refer to Note 15 for further details).

***NOTE 15: Loans, borrowings, lease obligations and other financial liabilities***

**Loans, borrowings & lease liabilities**

| ***Thousands of $*** ***For the years ended December 31*** | ***2024*** | ***2023*** |
|---|---|---|
| **Non-current loans and borrowings** | | |
| Loans | 50,967 | 35,564 |
| Lease liabilities (*) | 7,413 | 3,578 |
| **Total non-current loans and borrowings** | **58,380** | **39,142** |

| ***Thousands of $*** ***For the years ended December 31*** | ***2024*** | ***2023*** |
|---|---|---|
| **Current loans and borrowings** | | |
| Loans | 324 | 643 |
| Lease liabilities (*) | 1,360 | 1,480 |
| **Total current loans and borrowings** | **1,684** | **2,123** |

(*) the evolution is linked to the evolution in the right of use assets and is further disclosed in Note 11.

***OrbiMed credit agreement***

On May 1, 2024, the Company entered into a $100 million credit agreement (the “Credit Agreement”) with certain funds managed by OrbiMed Advisors LLC (“OrbiMed”). The Company and OrbiMed entered into amendments to the Credit Agreement in July and August 2024, pursuant to which certain financial covenants were amended, and certain amendment fees became payable. The Credit Agreement provides a five-year senior secured credit facility in an aggregate principal amount of up to $100 million (the “Loan Facility”), of which (i) $55 million was advanced on May 1, 2024, (ii) $25 million was advanced, on March 10, 2025, and (iii) $20 million will be made available, at the Company’s discretion, on or prior to March 31, 2026, subject to certain net revenue requirements and other customary conditions. Subsequent amendments to the Credit Agreement added a minimum liquidity level condition to the $25 million additional loan draw. All obligations under the credit agreement are secured by substantially all of the Company’s assets, including intellectual property rights.

During the term of the Loan Facility, interest payable in cash by the Company shall accrue on any outstanding amounts under the Loan Facility at a rate per annum equal to the greater of (x) the Secured Overnight Financing Rate (“SOFR”) for such period and (y) 2.50% plus, in either case, 8.50%. During an event of default, any outstanding amount under the Loan Facility will bear interest at a rate of 4.00% in excess of the otherwise applicable rate of interest. The Company will pay certain fees with respect to the Loan Facility, including an upfront fee, an unused fee on the undrawn portion of the Loan Facility, an administration fee, a repayment premium and an exit fee, as well as certain other fees and expenses incurred by OrbiMed.

If, for any quarter until the maturity date of the Loan Facility, the Company’s net revenue does not meet certain minimum amounts, then, subject to certain cure rights specified in the Credit Agreement, the Company shall be required to begin to repay the outstanding principal amount of the Loan Facility in equal monthly installments, together with accrued interest on the principal repaid and a repayment premium and other fees, until the maturity date of the Loan Facility. The Company shall repay amounts outstanding under the Loan Facility in full immediately upon an acceleration as a result of an event of default as set forth in the Credit Agreement, together with a repayment premium and other fees. In addition, the Company will be required to maintain certain levels of unrestricted cash and cash equivalents during various time periods, including monthly assessments thereof, initially at a minimum level of $20 million and subsequently reducing to a $5 million minimum level following the achievement of certain milestones. Subsequent amendments to the Credit Agreement temporarily lowered the minimum cash requirement to $12.5 million until December 31, 2024.

The Company also agreed to issue warrants (the “Warrants”) to affiliates of OrbiMed to subscribe for up to 1,243,060 new ordinary shares, with no par value (“Ordinary Shares”), at an exercise price of $2.4134 per Ordinary Share. The Warrants were issued on June 20, 2024, following approval by the Company’s shareholders and have a term of five years from their issuance date. The Warrants’ terms and conditions contain customary share adjustment provisions, as well as weighted average price protection in certain circumstances.

The OrbiMed Credit Agreement was accounted for as a hybrid financial instrument, which included a host financial liability, being the Loan Facility, as well as two embedded derivatives, being the Warrants granted to OrbiMed, and a prepayment right held by the Company. Both embedded derivatives are considered not closely related to the host financial instrument. The initial carrying amount of the host instrument becomes the residual amount being the proceeds received from OrbiMed, net of transaction costs, less the fair value of both embedded derivatives. Subsequently, the host financial instrument is accounted for at amortized cost where the Company considers all expected future cash flows available under the Loan Facility, whereas the prepayment right is considered to be a financial asset accounted for at fair value through the statement of profit or loss. The Warrants are accounted for as an equity instrument at the time of issuance with no subsequent remeasurement. The Warrants granted to OrbiMed were valued at $ 2.1 million on May 1, 2024, based on a binomial tree model with a estimated volatility of 71.68%.

***Innovatus debt facility***

As part of the new OrbiMed Loan Facility, the Innovatus debt facility was paid off in full on May 1, 2024. Accordingly, both the host financial liability as well as the embedded derivative convertible call option have been removed from the statement of financial position.

On August 2, 2022, the Company entered into a $70 million loan and security agreement with Innovatus Life Sciences Lending Fund I, LP ("Innovatus") of which $35 million was drawn at closing. The loan was secured by assets of the Company including intellectual property rights.

The loan accrued interest at a floating per annum rate equal to the sum of (a) the greater of (i) the prime rate published in The Wall Street Journal in the "Money Rates" section or (ii) 4.00%, plus (b) 4.25%, and require interest-only payments for the initial four years. As contractually agreed, and at the election of the Company, a portion of the interest becomes payable in-kind by adding an amount equal to 2.25% of the outstanding principal amount to the then outstanding principal balance on a monthly basis until August 2, 2025. The loan was scheduled to mature on August 2, 2027. The lenders had the right to convert, prior to August 2, 2025, up to 15% of the outstanding principal amount of the loan into shares of the Company at a price per share equal to $11.21, reflecting a substantial premium to the trading price prior to the announcement of the acquisition. Amounts that would have been converted into shares of the Company would have reduced from the principal amount outstanding under the loan. Notable fees payable to Innovatus consisted of a facility fee equal to 1% of the total loan commitment, due on the funding date of the relevant loans, and an end-of-loan fee equal to 5% of the amount drawn, which was payable upon final repayment of the loan.

The Innovatus debt facility was accounted for as a hybrid financial instrument which included a host financial liability as well as an embedded derivative financial instrument being an equity conversion call option at a fixed rate of up to 15% of the aggregate outstanding principal amount through August 2, 2025.

The embedded derivative was not considered to be closely related to the host financial liability given the differences in economics and risks, and as such both are accounted for separately:

- The host financial liability was recognized at amortized cost applying the effective interest rate method and has been accounted for as non-current loans and borrowings;

- The embedded derivative convertible (American) call option was recognized at fair value using a binomial tree option pricing model whereby the fair value is based on the actual stock price and the estimated volatility of the Company's shares on Nasdaq since the Company's IPO on November 4, 2021, and through the valuation date. The volatility measured on August 2, 2022, which was the closing date of the Innovatus debt facility, was 62.85% and at December 31, 2023 was 72.92% (2022: 64.82%). Any changes to the fair value of the embedded derivative will be recognized through the statement of profit or loss. The derivative financial instrument has been accounted for as other current financial liabilities.

***Paycheck Protection Program***

On April 20, 2020, the Company, through its U.S. subsidiary, MDxHealth Inc., has entered into a "Paycheck Protection Program" (PPP) loan with the U.S. Small Business Administration (SBA) in the amount of $2,316,000 as part of the U.S Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loan has a term of five years and carries an interest rate of 1.0% per year. As of December 31, 2024, the outstanding amount on the PPP loan was $324,000.

In addition to the contracted loans, the Company has several lease obligations. The leases have terms of 3 to 7 years.

Maturity of loans and borrowings are as follows at the balance sheet date:

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** |
|---|---|---|
| **Loans** | | |
| Within one year | 324 | 643 |
| Years two to five | 55,000 | 35,564 |
| | | |
| **Leases** | | |
| Within one year | 2,076 | 1,900 |
| Years two to seven | 9,150 | 3,955 |

*Note: all figures shown in this table are undiscounted and reflect future cash payments (capital and interests)*

**Other financial liabilities**

| ***THOUSANDS OF $*** <br> ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** |
|---|---|---|
| **Other financial liabilities** | | |
| Other non-current financial liabilities | 41,445 | 63,259 |
| Other current financial liabilities | 26,411 | 2,895 |
| **Total other financial liabilities** | **67,856** | **66,154** |

*GPS Contingent consideration*

As part of the acquisition of the GPS business from Exact Sciences in August 2022, and the subsequent amended asset purchase agreement from August 2023, an aggregate earnout amount of up to $82.5 million is to be paid by MDxHealth to Exact Sciences upon achievement of certain revenue milestones related to fiscal years 2023 through 2025, with the maximum earnout payable in relation to 2023 and 2024 not to exceed $30 million and $40 million, respectively. The liability recognized reflects a probability-weighted estimate at the current net present value which is expected to become payable. Future fair value adjustments to this contingent consideration will be recognized in the statement of profit or loss. The value of the contingent liability for GPS including the fair value adjustment accounted for under other non-current financial liabilities is $67.3 million as of December 31, 2024, of which $26.4 million is current. Refer to Note 2.4 for further details on accounting treatment and discount rates used.

*MDxHealth option to settle earnout obligation in shares*

The fair value of the Company's option to settle the earnout obligation in cash or through the issuance of additional shares of the Company, was measured using a Monte Carlo valuation model which takes into account several factors including the expected evolution in Company's share price. This valuation model is considered as level 3 input and was assessed at $502,000 financial asset, as of December 31, 2024.

*Innovatus embedded derivative convertible call option*

The embedded derivative convertible (American) call option was recognized at fair value within other current financial liabilities and is measured using a Binomial tree valuation model which takes into account several factors including the expected evolution in the Company's share price. The fair value of the liability was estimated at $192,000 for the year ended December 31, 2023. Given repayment of the Innovatus debt facility as of May 1, 2024, the embedded derivative convertible call option has been removed from the statement of financial position for the year ended December 31, 2024.

*Other financial liabilities*

Other financial liabilities include the contingent consideration related to the acquisition of NovioGendix in 2015 and amounts to $572,000, of which $0 is current. The contingent consideration is valued at fair value through the statement of profit or loss. The fair value of this contingent consideration is reviewed on a periodic basis. The fair value is based on a risk-adjusted future cash flows of different scenarios discounted using an interest rate of 20.13%. The structure of the possible scenarios and the probability assigned to each scenario is reassessed by management at every reporting period and requires judgement from management about the outcome and probability of the different scenarios (refer to Note 15 for further details).

A reconciliation of cash and non-cash movements of loans and borrowings, lease liabilities and other financial liabilities is presented below:

| *THOUSANDS OF $* | *LOANS AND BORROWINGS* | | *OTHER FINANCIAL LIABILITIES* | |
|---|---|---|---|---|
| ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2024*** | ***2023*** |
| **Beginning balance** | **36,207** | **35,530** | **66,154** | **55,864** |
| **Cash movements** | | | | |
| Loans and borrowings repaid[1] (Innovatus / Kreos / PPP/ Novio) | (39,540) | (637) | (555) | (1,022) |
| Loans and borrowings received (OrbiMed) | 53,011 | | | |
| Amendment and other fees related to OrbiMed agreement | (704) | | | |
| **Non-cash movements** | | | | |
| Recognition of Innovatus loan fees not yet amortized at early repayment date | 2,493 | | | |
| Recognition of OrbiMed loan fees to be amortized | (1,715) | | | |
| Reclass of warrants as an equity instrument | | | (1,116) | |
| Recognition of Innovatus remaining EIR balance at loan close | 663 | | | |
| Innovatus debt extinguishment costs | | | (27) | |
| Effective interest rate adjustment (Innovatus and OrbiMed) | 876 | 1,314 | | |
| Foreign exchange rate impact / other | | | | (4) |
| Fair value changes through profit and loss | | | 3,400 | 11,316 |
| **Ending balance** | **51,291** | **36,207** | **67,856** | **66,154** |

1 Includes the amounts paid for the Innovatus loan closing fees

Fair value adjustments recognized during 2024 for other financial liabilities relate to:

| *THOUSANDS OF $* | |
|---|---|
| ***FOR THE YEARS ENDED DECEMBER 31*** | **2024** |
| Decrease of NovioGendix contingent consideration | (71) |
| Increase of Kreos derivative financial instrument (“initial drawdown fee”) | |
| Increase of GPS contingent consideration | 4,673 |
| Decrease of Innovatus embedded derivative convertible call option | (165) |
| Decrease of Exact Sciences 5-Year Warrants | (1,037) |
| **Total fair value adjustment** | **3,400** |

| *THOUSANDS OF $* | *LEASE LIABILITIES* | |
|---|---|---|
| ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** |
| **Opening balance** | **5,058** | **4,263** |
| **Cash movements** | | |
| Repayment of lease liabilities | (1,883) | (1,610) |
| **Non-cash movements** | | |
| Interest accretion | 384 | 355 |
| New leases | 6,277 | 2,096 |
| Disposals | (1,063) | (46) |
| **Closing balance** | **8,773** | **5,058** |

## *NOTE 16: Trade and other payables*

***TRADE ACCOUNTS PAYABLE***

| *THOUSANDS OF $*<br>*FOR THE YEARS ENDED DECEMBER 31* | *2024* | *2023* |
|---|---|---|
| Trade accounts payable | 4,469 | 4,889 |
| Accruals for invoices to be received | 3,532 | 3,922 |
| **Total trade accounts payable** | **8,001** | **8,811** |

***OTHER CURRENT LIABILITIES***

| *THOUSANDS OF $*<br>*FOR THE YEARS ENDED DECEMBER 31* | *2024* | *2023* |
|---|---|---|
| Payroll | 6,068 | 5,222 |
| Other accruals | 499 | 472 |
| **Total other current liabilities** | **6,567** | **5,694** |

## *NOTE 17: Financial instruments and fair value*

The table shows the Company's significant financial assets and liabilities. All financial assets and liabilities are carried at amortized cost with the exception of the contingent considerations in relation to acquisitions and derivative financial instruments reported at fair value through the statement of profit or loss.

All financial assets and liabilities are considered to have carrying amounts that do not materially differ from their fair value.

| *THOUSANDS OF $*<br>*FOR THE YEARS ENDED DECEMBER 31* | *2024* | *2023* | *Fair value hierarchy* |
|---|---|---|---|
| **Financial assets** | | | |
| **At fair value:** | | | |
| Option to pay GPS earnout in shares | 502 | 763 | Level 3 |
| Right for early repayment of OrbiMed loan | 434 | - | Level 3 |
| **Subtotal financial assets at fair value** | **936** | **763** | |
| | | | |
| **At amortized cost:** | | | |
| Trade receivables | 14,440 | 11,088 | |
| Cash and cash equivalents | 46,798 | 22,380 | |
| **Subtotal financial assets at amortized cost** | **61,238** | **33,468** | |
| **Total financial assets** | **62,174** | **34,231** | |
| | | | |
| **Financial liabilities** | | | |
| **At fair value:** | | | |
| Other financial liabilities | | | |
| GPS contingent consideration | 67,284 | 62,611 | Level 3 |
| Exact Sciences 5-Year Warrants | - | 2,153 | Level 3 |
| NovioGendix contingent consideration | 572 | 1,198 | Level 3 |
| Innovatus derivative instrument | - | 192 | Level 3 |
| **Subtotal financial liabilities at fair value** | **67,856** | **66,154** | |

| | | |
|---|---|---|
| **At amortized cost:** | | |
| Loans and borrowings | 51,291 | 36,207 |
| Lease liabilities | 8,773 | 5,058 |
| Trade payables | 8,001 | 8,811 |
| **Subtotal financial liabilities at amortized cost** | **68,065** | **50,076** |
| **Total financial liabilities** | **135,921** | **116,230** |

**Recognized fair value measurements – valuation technique and principal inputs**

The fair value of the financial instruments has been determined on the basis of the following methods and assumptions:

- The fair value of the Company's right to settle part (or all) of the contingent consideration (earnout) due to Exact Sciences, as part of the GPS acquisition, through the issuance of shares is based on a Monte Carlo model which evaluates certain scenarios where this settlement option would be preferrable for the Company.

- The fair value of the Company's right for early repayment of the OrbiMed loan was determined based on certain inputs, with primary focus on credit ratings, probability of a change in credit rating, and discount rates.

- The carrying value of the cash and cash equivalents, the trade receivables, other current assets and the trade payables approximate their fair value due to their short-term character;

- The fair value of loans and borrowings applying the Effective Interest Rate method approximates their carrying value (level 2):

    - **OrbiMed (2024)**: the host financial liability was obtained with a variable interest rate based upon the greater of (x) the SOFR for such period and (y) 2.50% plus, in either case, 8.50%.

    - **Innovatus (2023):** the host financial liability was obtained with a variable interest rate based upon the Prime Rate, with a floor of 4% and a margin of 4.25%.

- Leases are measured at the present value of the remaining lease payments, using a discount rate based on the incremental borrowing rate at the commencement date of these leases. Their fair value approximates their carrying value.

- The fair value of contingent consideration payable to Exact Sciences (for the GPS acquisition) and NovioGendix (presented in the yearend statement of financial position under "other non-current financial liabilities" and "other current financial liabilities") is based on an estimated outcome of the conditional purchase price/contingent payments arising from contractual obligations (level 3). This is initially recognized as part of the purchase price and subsequently fair valued with changes recorded through other operating income in the statement of profit or loss.

    - **GPS**: The fair value of the contingent consideration payable to Exact Sciences is based on a probability-weighted average estimate based on multiple scenarios varying in timing and amount of earnout payment. This probability-weighted estimate of a payout of $82.5 million over the full earnout period is then discounted to its net present value taking into account the expected time when earnout would become payable in 2025, 2026, and 2027. This contingent consideration was initially recorded along with the purchase price allocation of this business combination. Fair-value adjustments resulting in total charges of $4.7 million have been recorded as of December 31, 2024, of which $4.0 million is in financial expense and $0.7 million is in operating expense. The Company used a discount rate of 20.13%.

    - **NovioGendix**: the Company used a discount rate of 20.13%. A net negative fair value measurement of $71,000 was recognized in the 2024 consolidated financial statements, of which $0 in operating income and $71,000 in financial income.

- Exact Sciences 5-Year Warrants: The fair value of the warrant held by Exact Sciences to acquire up to 1 million shares of MDxHealth was measured using a Binomial tree valuation model which took into account several factors including the expected evolution in the Company's share price starting from the share price on December 31, 2023 of $3.94 with an estimated volatility of 72.99% and a contractual strike price of

$5.265. This valuation model is considered as a level 3 input and was assessed at $2.2 million financial liability as of December 31, 2023. Following approval of the issuance of the Warrants at the Company's General Assembly on June 20, 2024, the warrants are no longer considered to be a financial liability and have accordingly been reclassified into equity as an equity instrument at the then prevailing fair value of $1.1 million, considering a share price of $2.67 on June 20, 2024, and an estimated volatility of 71.46%.

**Fair value hierarchy:**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- **Level 1**: quoted prices in active markets for identical assets and liabilities;
- **Level 2**: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- **Level 3**: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

No financial assets or financial liabilities have been reclassified between the valuation categories during the year.

A reconciliation of cash and non-cash movements of level 3 financial liabilities is presented below:

| *THOUSANDS OF $* | *FINANCIAL DERIVATIVE INSTRUMENTS (KREOS[1] AND INNOVATUS)* | | *CONTINGENT CONSIDERATION (NOVIOGENDIX AND GPS)* | |
|---|---|---|---|---|
| *FOR THE YEARS ENDED DECEMBER 31* | *2024* | *2023* | *2024* | *2023* |
| **Beginning balance** | **192** | **1,801** | **65,962** | **54,063** |
| **Cash movements** | | | | |
| Loans and borrowings repaid | | (1,022) | (555) | (250) |
| **Non-cash movements** | | | | |
| Exact Sciences 5-year warrant[2] | | | (1,116) | 2,153 |
| Innovatus embedded derivative convertible call option[3] | (27) | | | |
| Effective interest rate adjustment | | (4) | | |
| Fair value changes through profit and loss | (165) | (719) | | 9,996 |
| Change to level 1 fair value hierarchy | | 136 | | |
| **Ending balance** | **-** | **192** | **67,856** | **65,962** |

1 *Kreos derivative instrument only in 2023*
2 *Reclassified to equity in 2024*
3 *Fair value adjusted to zero given full repayment of Innovatus loan*

***NOTE 18: Loss per share***

The basic loss per share is calculated by dividing the net result attributable to shareholders by the weighted average number of shares outstanding during the year, adjusted for the 1-for-10 reverse stock split that took place in November 2023.

| *YEARS ENDED DECEMBER 31* | *2024* | *2023* | *2022* |
|---|---|---|---|
| Loss for the year, in thousands of $ | (38,069) | (43,100) | (44,044) |
| Basic and diluted loss per share, in $ | (1.16) | (1.66) | (2.78) |

| *WEIGHTED AVERAGE NUMBER OF SHARES* | *2024* | *2023* | *2022* |
|---|---|---|---|
| Weighted average number of shares for basic and diluted loss per share | 32,859,629 | 25,910,696 | 15,865,817 |

At December 31, 2024, 2023, and 2022, the Company had potential dilutive shares in the form of warrants, contingent considerations and convertible loans (see Note 15 and Note 22 for further details). Diluted loss per share considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect.

***NOTE 19: Financial risk management***

***CAPITAL MANAGEMENT***

Capital is comprised of equity attributable to shareholders, borrowings, and cash and cash equivalents. The Company aims to maintain a strong capital base in order to maintain investor and creditor confidence and to sustain the future development of the business. The Company's objectives when managing capital are to maintain sufficient liquidity to meet its working capital requirements, fund capital investment and purchases, and safeguard its ability to continue operating as a going concern. The Company monitors capital regularly to ensure that the statutory capital requirements are met and may propose capital increases at shareholders' meetings to ensure the necessary capital remains intact.

***CREDIT RISK***

Credit risk arises from cash and cash equivalents, short-term bank deposits, as well as credit exposure to collaboration partners. Credit risk refers to the risks that counterparty will default on its contractual obligations resulting in financial loss to the Company.

At the end of 2024, the Company operated with more than 1,000 different customers, systematically reducing credit risk compared to prior periods.

In the U.S. healthcare system, and particularly within the molecular diagnostic CLIA laboratory industry, where there are rapid technological advances in diagnostic services, companies provide services to healthcare professionals and their patients, while being reimbursed from commercial and governmental insurance systems. Often these services are provided out of network and without supplier contracts. As a result, there is reimbursement risk, separate from credit risk that is characterized by uncertainty in reimbursement value, delays in payment, and ultimately non-payment. This impacts the Company's revenue recognition and cash collections.

In addition to reimbursement risk associated with commercial third-party payors, credit risk may also arise from amounts due directly from patients. In many cases, payors will cover the entire cost of testing. For example, for tests that fall under the Clinical Laboratory Fee Schedule, there is no co-payment, co-insurance or deductible for patients covered under traditional Medicare. However, patients covered by commercial insurance companies may be responsible for a co-payment, co-insurance, and/or deductible depending on the health insurance plan and individual patient benefit. Credit risk exists for those patients who cannot meet their co-payment or deductible portions.

Customers' compliance with agreed credit terms is regularly and closely monitored. Trade accounts receivable amounted to $14.4 million as of December 31, 2024, and no allowance for expected credit loss was recorded. No ECL has been recorded for other financial assets carried at amortized cost as there is no related credit risk.

The credit risk on cash and cash equivalents of $46.8 million is limited given that the counterparties are banks with high credit scores attributed by international rating agencies.

***INTEREST RISK***

During 2024, the Company entered into a 60-month loan with OrbiMed for a total amount of $55 million (refer to Note 15 for further details). The loan accrues interest at a floating per annum rate equal to the greater of (x) the SOFR rate for such period and (y) 2.50% plus, in either case, 8.50%, and will require interest-only payments for the term of the loan. For every increase of 0.25% in the Prime rate, the Company's interest expense increases by approximately $140,000 per year.

***CURRENCY RISK***

Given the Company's functional currency is U.S Dollar, the currency risk is concentrated on European operations.

As of December 31, 2024, cash deposits in EURO amounted to €162,000.

The Company performed a sensitivity analysis of an increase/decrease of exchange rate on operations of 10%. The exposure of operations to the currency risk is immaterial given the limited size of the European operations and contribution to revenues versus the Company as a whole.

### *LIQUIDITY RISK*

The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. At the date of this report, the Company has 2 loan agreements with banks and state institutions, and 12 leases (see Notes 11 and 15).

| ***FOR THE YEARS ENDED DECEMBER 31, 2024 THOUSANDS OF $*** | ***LESS THAN 1 YEAR*** | ***1-2 YEARS*** | ***3-7 YEARS*** | ***TOTAL CONTRACTUAL CASH FLOWS*** | ***CARRYING AMOUNT*** |
|---|---|---|---|---|---|
| **Non derivatives** | | | | | |
| Trade payables | 8,001 | | | 8,001 | 8,001 |
| Loans | 325 | | 55,000 | 55,325 | 51,291 |
| Lease liabilities | 2,076 | 1,954 | 7,195 | 11,225 | 8,773 |
| **Total** | **10,402** | **1,954** | **62,195** | **74,551** | **68,065** |

| ***FOR THE YEARS ENDED DECEMBER 31, 2023 THOUSANDS OF $*** | ***LESS THAN 1 YEAR*** | ***1-2 YEARS*** | ***3-7 YEARS*** | ***TOTAL CONTRACTUAL CASH FLOWS*** | ***CARRYING AMOUNT*** |
|---|---|---|---|---|---|
| **Non derivatives** | | | | | |
| Trade payables | 8,811 | - | - | 8,811 | 8,811 |
| Loans | 650 | 324 | 37,442 | 38,416 | 36,207 |
| Lease liabilities | 1,900 | 1,766 | 2,189 | 5,855 | 5,058 |
| **Total** | **11,361** | **2,090** | **39,631** | **53,082** | **50,076** |

*Note: Except for carrying amount, all figures shown in this table are undiscounted and reflect future cash payments*

The Company is also committed to a potential additional cash out of an aggregate earnout amount of up to $82.5 million that could become payable in cash by MDxHealth to Exact Sciences upon achievement of certain revenue milestones related to fiscal years 2023 through 2025 and payable during 2025 through 2027. At the option of MDxHealth, the earnout amounts to Exact Sciences can be settled in cash or through the issuance of additional shares of the Company (valued in function of a volume weighted average trading price of the Company's shares at the end of the relevant earnout period) to Exact Sciences, provided that the aggregate number of shares held by Exact Sciences shall not exceed more than 7.5% of the outstanding shares of MDxHealth. The Company is unable to determine the exact amounts payable to Exact Sciences in each of the coming years, as those amounts are dependent on the GPS revenues that the Company will achieve in 2025.

### *OTHER RISKS*

The Company subscribes to certain insurance policies to cover matters such as (i) fire, theft, and other damage to its assets, (ii) product and liability insurance and clinical trial insurance, and (iii) D&O insurance. To date, no significant claims have been made under these insurance policies and there is no guarantee that the insurances will cover all damages if they should ever occur.

## *NOTE 20: Share capital and reserves*

At December 31, 2024 and 2023, the Company’s share capital was represented by the following number of shares, adjusted for the 1-for-10 reverse stock split that took place in November 2023. Only one class of shares (common shares) exists and they have no par value.

| *FOR THE YEARS ENDED DECEMBER 31* | *2024* | *2023* |
|---|---|---|
| Common shares | 49,497,334 | 27,288,093 |
| **Total outstanding shares** | **49,497,334** | **27,288,093** |

In March 2023, the Company completed a registered public offering of 10.75 million shares at a price to the public of $4 per share for total gross proceeds of $43.0 million before deducting commissions and offering expenses of $3.4 million. As a result, the Company's share capital has increased from €123,539,165.19 to €163,471,629.58, and the number of issued and outstanding shares has increased from 16,288,093 to 27,038,093 ordinary shares.

On August 23, 2023, the Company and Exact Sciences Corporation amended their existing Oncotype DX GPS prostate cancer business asset purchase agreement, deferring the Company's initial earnout payment by 3 years, from 2024 to 2027. As part of this amendment, the Company issued Exact Sciences 250,000 of the Company's shares. As a result of this issuance, the Company's share capital increased from €163,471,629.58 to €164,302,752.89 and the number of issued and outstanding shares has increased from 27,038,093 to 27,288,093 ordinary shares.

On September 25, 2024, the Company priced a registered public offering of 20 million shares at a price to the public of $2 per Ordinary Share for total gross proceeds of $40.0 million before deducting commissions and estimated offering expenses. On October 28, 2024, the underwriters exercised their overallotment option to purchase an additional 2,209,241 shares, providing mdxhealth with an additional $4.4 million in gross proceeds. As a result of this issuance, the Company's share capital increased from €164,302,752.89 to €204,245,492.10 and the number of issued and outstanding shares has increased from 27,288,093 to 49,497,334 ordinary shares.

| | *Thousands of $* | | *Thousands of €* | |
|---|---|---|---|---|
| *For the Years ended December 31* | *Share Capital* | *Issuance Premium* | *Share Capital* | *Issuance Premium* |
| As of January 1, 2023 | **133,454** | **153,177** | **110,975** | **126,481** |
| March 2023 – Issuance of 10,750,000 shares (*) | 39,599 | | 36,612 | |
| August 2023 – Issuance of 250,000 shares | 878 | | 812 | |
| **As of December 31, 2023** | **173,931** | **153,177** | **148,398** | **126,481** |
| Sept/Oct 2024 – Issuance of 22,209,241 shares (*) | 40,739 | | 37,638 | |
| **As of December 31, 2024** | **214,670** | **153,177** | **186,036** | **126,481** |

*(*) net of expenses*

The capital stock and the issuance premium amounted to the following:

| | *Thousands of $* | | *Thousands of €* | |
|---|---|---|---|---|
| *For the years ended December 31* | *2024* | *2023* | *2024* | *2023* |
| Share Capital as per statutory accounts | 236,215 | 192,297 | 204,245 | 164,303 |
| Capital increase costs | (22,045) | (18,366) | (19,304) | (15,905) |
| Share capital under IFRS | 214,670 | 173,931 | 186,036 | 148,398 |
| Issuance premium | 153,177 | 153,177 | 126,481 | 126,481 |
| Share Capital and issuance premium | 367,847 | 327,108 | 312,517 | 274,879 |

The history of the Share Capital can be found in "General Information; Capital and Shares".

By virtue of the resolution of the extraordinary general shareholders' meeting of the Company held on May 27, 2021, which entered into force on June 1, 2021, the board of directors of the Company has been granted certain powers to increase the Company's share capital in the framework of the authorized capital. The powers under the authorized capital have been set out in article 6 of the Company's articles of association.

Pursuant to the authorization granted by the extraordinary general shareholders' meeting of June 30, 2023, the board of directors was authorized to increase the share capital of the Company on one or several occasions by a maximum aggregate amount of €163,471,629.58 (excluding issue premium, as the case may be) for a period of 5 years as from July 7, 2023.

The board of directors has used its powers under the authorized capital on the occasion of the amendment of its agreement with Exact Sciences, by issuing 250,000 new shares to Exact Sciences in October 2023 as well as by issuing 22,209,241 new shares in September and October 2024 in conjunction with the registered public offering detailed above. As a result, the board of directors therefore still has the authority under the authorized capital to increase the Company's share capital with an aggregate amount of €122,697,767.06 (excluding issue premium, as the case may be).

In addition to the outstanding shares of the Company:

- a total of 4,060,000 subscription rights of the Company have been created, of which 3,389,750 subscription rights have been granted as of December 31, 2024, which entitles their holders (assuming all subscription rights are granted and exercised) to subscribe to a total of 2,985,468 new shares with voting rights (see Note 22 for further details). The remaining 670,250 subscription rights have not yet been granted and are currently still managed by the Company's board of directors;

- 1,000,000 ordinary shares may be issuable upon the exercise of outstanding warrants issued to Genomic Health, Inc. at an exercise price of $5.265 per ordinary share

- under the credit agreement entered into by the Company and OrbiMed in May 2024, OrbiMed has the right to convert 1,243,060 warrants into shares at a conversion price per share equal to $2.2459 (see Note 15 for further details).

- ordinary shares we may issue as a portion of earnout amounts due under the agreement pursuant to which the Company acquired the GPS prostate cancer business.

***NOTE 21: Retirement benefit plans***

The Company operates defined contribution plans for all its qualifying employees in the U.S. The assets of these plans are held separately from those of the Company in designated funds.

A total cost of $1.4 million in 2024 (2023: $1.2 million) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

***NOTE 22: Share-based payments***

Warrants are granted to employees, consultants or directors of the Company and its subsidiaries. Each warrant entitles its holders to subscribe to one new share of the Company at a subscription price determined by the board of directors, within the limits decided upon at the occasion of their issuance. The warrants issued generally have a term of ten years as of issuance. Upon expiration of their term, the warrants become null and void.

On November 13, 2023, the company completed a share consolidation with respect to all its outstanding shares by means of a 1-for-10 reverse stock split (the "Share Consolidation"). Although the number of warrants does not change, the reverse stock split affects the number of shares into which the original number of warrants are convertible. Therefore, all share amounts were adjusted to reflect the Share Consolidation.

This section provides an overview of the outstanding warrants as of December 31, 2024. The warrants were created within the context of share-based incentive plans for employees, directors and consultants of the Company.

The Company has created several pools of warrants under stock option plans for grant to eligible employees, directors, and consultants. Stock option plans were announced on June 22, 2014 (150,000), June 19, 2017 (250,000), June 21, 2019 (300,000), May 27, 2021 (360,000), May 25, 2022 (500,000), June 30, 2023 (500,000), and June 20, 2024 (2,000,000) for a total amount of 2,060,000 warrants created.

| ***For the Years ended December 31*** | ***2024*** | ***2023*** |
|---|---|---|
| Warrants created | 4,060,000 | 2,060,000 |
| Warrants available for grant | (669,549) | (208,250) |
| **Warrants granted** | **3,389,750** | **1,851,750** |
| Warrants terminated or lapsed | (404,983) | (213,977) |
| Warrants exercised | - | - |

| | | |
|---|---|---|
| **Total outstanding warrants** | **2,985,468** | **1,637,773** |

As of December 31, 2024, there are 2,985,468 warrants outstanding, entitling their holders to subscribe to 2,985,468 shares of the Company.

For the year 2024, 1,538,000 (2023: 455,500) warrants were granted, 190,305 warrants (2023: 43,505) were terminated or lapsed, no warrants (2023: 0) were exercised, and 337,836 warrants (2023: 237,789) were vested.

| **FOR THE YEARS ENDED DECEMBER 31** | **2024** | **2023** |
|---|---|---|
| As of January 1 | 1,637,773 | 1,225,778 |
| Number of warrants cancelled/forfeited during the year | (190,305) | (43,505) |
| Number of warrants granted during the year | 1,538,000 | 455,500 |
| **Number of potential shares from outstanding warrants** | **2,985,468** | **1,637,773** |

The share-based compensation expense recognized in the consolidated statement of profit or loss is given below as is the cumulated amount per the consolidated statement of financial position:

| ***THOUSANDS OF $***<br>***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Share-based compensation in consolidated statement of profit or loss | 1,725 | 665 | 867 |
| Cumulated Share-based compensation in equity | 13,878 | 12,139 | 11,474 |

The Cumulated Share-based compensation amount is part of the Total Shareholders' Equity on the Consolidated statement of financial position. This amount is presented on the Consolidated statement of financial position for both exercised and non-exercised warrants.

In general, the warrants vest in cumulative tranches of 25% per year, provided that the beneficiary has provided at least one year of service. However, there are certain exceptions to this rule which are, if applicable, specified in the relevant stock option plans:

- The warrants granted to directors under the June 23, 2014 Stock Option Plan, the June 21, 2019 Stock Option Plan, the May 27, 2021 Stock Option Plan, the May 25, 2022, and the June 30, 2023 Stock Option Plan, all vest on the date of the annual meeting that takes place in the calendar year following the calendar year in which they were granted, provided that the mandate of the relevant director has not ended or been terminated.

- The warrants granted to beneficiaries who are not directors under the June 23, 2014 Stock Option Plan all vest in instalments of 25% per year, the first tranche of 25% vesting on the first anniversary date of the date of grant and the following tranches vesting on a quarterly basis.

- The warrants granted to beneficiaries who are not directors under the June 21, 2019 Stock Option Plan, the May 27, 2021 Stock Option Plan, the May 25, 2022, and the June 30, 2023 Stock Option Plan may adopt a manual or custom vesting procedure under certain conditions or a particular vesting period over 3 or 4 years.

The table below presents the outstanding warrants and their exercise price at the end of each accounting year covered by the financial statements:

| | ***WARRANTS*** | | ***WEIGHTED AVERAGE EXERCISE PRICE*** | ***POTENTIAL SHARES FROM EXERCISE OF WARRANTS*** |
|---|---|---|---|---|
| Granted in 2023 | 455,500 | € | 2.91 | 455,500 |
| Outstanding at December 31, 2023 | 1,637,773 | € | 9.64 | 1,637,773 |
| Exercisable at December 31, 2023 | 759,841 | € | 14.07 | 759,841 |
| Granted in 2024 | 1,538,000 | $ | 2.60 | 1,538,000 |
| Outstanding at December 31, 2024 | 2,985,468 | $ | 6.09 | 2,985,468 |
| Exercisable at December 31, 2024 | 1,098,918 | $ | 11.26 | 1,098,918 |

The following table provides an overview of the outstanding potential shares from warrants per personnel category at December 31, 2024 and 2023:

| ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** |
|---|---|---|
| Executive Director | 1,289,375 | 489,375 |
| Non-Executive Directors | 215,875 | 25,650 |
| Management team (excluding the Executive Director) | 915,912 | 517,912 |

| | | |
|---|---|---|
| Other employees, consultants, and former service providers | 564,306 | 604,836 |
| **Total outstanding** | **2,985,468** | **1,637,773** |

The weighted average exercise price of all outstanding warrants (vested and non-vested warrants; assuming 1 warrant = 1 share) is €5.68 or $6.09 at December 31, 2024 (€9.64 or $10.43 at December 31, 2023; €12.34 or $13.25 at December 31, 2022). The weighted average remaining contractual life of all outstanding warrants at the end of 2024 is 7.70 years (2023: 7.11 years).

The fair value of each warrant is estimated on the date of grant using the Black-Scholes methodology with the following assumptions:

| | Number of warrants granted | | | Expected | Expected | Risk-free | Expected duration (months) | |
|---|---|---|---|---|---|---|---|---|
| Dates | To Belgian benef. | To other benef. | Exercise price (€) | dividend Yield | stock price volatility | interest rate | To Belgian benef. | To other benef. |
| 06-May-22 | - | 500 | € 7.50 | - | 53.16% | 1.64% | 58.85 | 52.87 |
| 04-Aug-22 | - | 3,800 | € 7.97 | - | 55.63% | 1.41% | 55.89 | 49.91 |
| 03-Aug-22 | - | 42,500 | € 6.84 | - | 57.05% | 1.50% | 67.96 | 55.92 |
| 03-Aug-22 | - | 312,500 | € 6.84 | - | 57.05% | 1.50% | 73.97 | 61.94 |
| 04-Aug-22 | - | 1,000 | € 7.97 | - | 55.63% | 1.41% | 73.94 | 61.91 |
| 01-Oct-22 | - | 31,250 | € 7.40 | - | 57.26% | 2.77% | 72.03 | 60.00 |
| 01-Dec-22 | - | 1,500 | € 7.40 | - | 58.30% | 2.40% | 69.67 | 63.65 |
| 25-Mar-23 | - | 30,500 | € 3.20 | - | 71.42% | 2.75% | 72.26 | 60.26 |
| 3-May-23 | - | 11,000 | € 3.30 | - | 73.64% | 2.92% | 77.01 | 65.01 |
| 27-Apr-23 | - | 25,000 | € 3.20 | - | 73.60% | 3.10% | 77.21 | 65.21 |
| 22-Jun-23 | - | 1,000 | € 3.60 | - | 72.54% | 3.11% | 81.34 | 69.34 |
| 30-Jun-23 | - | 255,000 | € 2.90 | - | 72.62% | 3.09% | 81.07 | 69.07 |
| 04-Jul-23 | - | 1,000 | € 3.00 | - | 72.60% | 3.14% | 80.94 | 68.94 |
| 05-Sep-23 | - | 500 | € 3.00 | - | 73.75% | 3.23% | 72.90 | 60.90 |
| 18-Sep-23 | - | 85,000 | € 2.78 | - | 73.70% | 3.34% | 72.48 | 60.48 |
| 18-Sep-23 | - | 37,500 | € 2.78 | - | 73.70% | 3.34% | 78.44 | 66.44 |
| 09-Nov-23 | - | 1,500 | € 3.09 | - | 77.60% | 3.32% | 52.73 | 40.70 |
| 09-Nov-23 | - | 7,500 | € 3.09 | - | 77.60% | 3.32% | 76.75 | 64.75 |
| 01-Jan-24 | - | 500 | $ 3.94 | - | 89.60% | 3.38% | 61.51 | 49.51 |
| 01-Jan-24 | - | 1,500 | $ 3.94 | - | 89.60% | 3.38% | 69.01 | 57.01 |
| 01-Jan-24 | - | 2,000 | $ 3.94 | - | 89.60% | 3.38% | 79.51 | 67.51 |
| 03-Apr-24 | - | 1,000 | $ 2.93 | - | 91.93% | 4.63% | 77.92 | 65.92 |
| 04-Jun-24 | - | 1,500 | $ 2.88 | - | 89.67% | 4.33% | 76.88 | 64.88 |
| 22-Jun-24 | - | 1,470,000 | $ 2.62 | - | 89.31% | 4.25% | 82.29 | 70.29 |
| 1-Jul-24 | - | 500 | $ 2.39 | - | 88.45% | 4.48% | 76.50 | 64.50 |
| 11-Jul-24 | 10,000 | - | $ 2.81 | - | 89.80% | 4.20% | 82.18 | 69.18 |
| 1-Aug-24 | | 500 | $ 2.70 | - | 89.79% | 3.99% | 75.99 | 63.99 |
| 09-Oct-24 | | 500 | $ 2.01 | - | 90.47% | 4.06% | 74.73 | 61.73 |
| 09-Oct-24 | | 50,000 | $ 2.01 | - | 90.47% | 4.06% | 80.73 | 68.73 |

The above inputs for the Black-Scholes model have been determined based on the following:

- The dividend return is estimated by reference to the historical dividend payment of the Company. Currently, this is estimated to be zero as no dividends have been paid since inception.

- The expected volatility was determined using the average volatility of the stock over the last two years at the date of grant.

- On November 27, 2023, the Company announced its transition to a single listing on Nasdaq which repositioned the Company's shares from the Euronext Brussels trading system to the Nasdaq trading system. For shares granted prior to November 27, 2023, the risk-free interest rate was based on the interest rate applicable for the 10-year Belgian government bond at the grant date. For shares granted subsequent to November 27, 2023, the risk-free interest rate was based on the 10-year U.S. Treasury rate at the grant date.

- The weighted average fair value for warrants granted was $1.96 for year ending December 31, 2024, €1.80 for year ending December 31, 2023, and €3.46 for year ending December 31, 2022.

***NOTE 23: Related parties***

Transactions between the Company and its employees, consultants or Directors are described below. There were no other related party transactions.

***REMUNERATION OF KEY MANAGEMENT PERSONNEL***

During the year ended December 31, 2024, the executive management team included four members:

1. Chief Executive Officer, Mr. Michael K. McGarrity

2. Executive Vice President of Corporate Development & General Counsel, Mr. Joseph Sollee

3. Chief Financial Officer, Mr. Ron Kalfus

4. Chief Commercial Officer, Mr. John Bellano

Their combined remuneration package, including employer taxes, amounted to the following:

| ***THOUSANDS OF $*** ***EXCEPT PERSONNEL, WARRANTS & SHARE AMOUNTS*** ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Number of management members and Executive Directors | 4 | 4 | 4 |
| Short-term employee benefits | 2,206 | 1,967 | 1,550 |
| Post-employment benefits | 49 | 48 | 54 |
| Other employment costs | 224 | 216 | 219 |
| **Total benefits** | **2,479** | **2,231** | **1,822** |
| IFRS share-based compensation expense[1] | 339 | 909 | 863 |
| Number of warrants offered | 1,125,000 | 220,000 | 220,000 |
| Cumulative outstanding warrants | 2,120,287 | 1,007,287 | 808,800 |
| Exercisable warrants | 766,283 | 644,283 | 361,864 |

[1] Represents the fair value of the shares that vested during the year. The fair value of the awards granted to the executive management team was $1,955,000 in 2024, $304,000 in 2023 and $643,000 in 2022.

The following table sets forth the number of warrants that were exercised, granted and accepted in aggregate by the four members of the executive management team:

| ***FOR THE YEARS ENDED DECEMBER 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Number of warrants exercised | 0 | 0 | 0 |
| Number of new warrants granted and accepted | 1,125,000 | 220,000 | 220,000 |
| Annualized IFRS cost for existing warrants | $ 1,029,000 | $ 909,000 | $ 863,000 |

No loans, quasi-loans or other guarantees are outstanding with members of the executive management team.

***REMUNERATION OF THE BOARD***

The total remuneration of the Board of Directors (including the Executive Director) in 2024, 2023, and 2022 was $1,185,000, $1,090,000, and $876,000, respectively (excluding VAT, share-based compensation and reimbursement of expenses). No advances or credits have been granted to any member of the Board of Directors. None of the members of the Board of Directors have received any non-monetary remuneration other than warrants as disclosed above.

***TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS***

Since 2012, the Non-Independent Directors do not receive a fee payment for attending and preparing for Board meetings or for assisting the Company with Board matters. They receive reimbursement for expenses directly related to the Board meetings, totaling less than $1,000 in 2024.

The Independent Directors receive a fee for attending and preparing meetings of the Board of Directors and for assisting the Company with Board matters, and they receive reimbursement for expenses directly related to the Board meetings. In 2024, 2023, and 2022, fees and expense reimbursement in the amount of $359,000, $337,000, and $314,000, respectively, were paid to independent members of the Board of Directors.

No warrants were granted to Non-Executive Directors in 2024. No warrants were exercised in 2024 by Non-Executive Directors.

### *NOTE 24: Significant agreements, commitments and contingencies*

#### *FAIR VALUE OF OTHER FINANCIAL LIABILITIES*

The contingent consideration related to the acquisition of the GPS business from Exact Sciences in August 2022, has been assessed on December 31, 2024 at $67.3 million (2023: $62.6 million), and has been accounted for as other financial liabilities (current and non-current liabilities) as further detailed in Note 2.4 and 15. The liability recognized reflects a probability-weighted estimate at the current net present value which is expected to become payable. Future fair value adjustments to this contingent consideration will be recognized in the statement of profit or loss.

Other financial liabilities include the contingent consideration related to the acquisition of NovioGendix in 2015. The Company is contractually required to pay at maturity to the holder of the obligation the maximum amount of $2.2 million. Based on its judgement and estimates, management believes future milestones will be paid in 2026. The fair value of this contingent consideration as of December 31, 2024, is estimated at $572,000 (2023: $1.2 million) and was accounted for as other financial liabilities (non-current) as detailed in Note 15.

#### *COLLABORATIVE RESEARCH AGREEMENTS AND CLINICAL RESEARCH AGREEMENTS*

The Company has entered into multiple agreements with universities, medical centers and external researchers for research and development work and for the validation of the Company's technology and products. These agreements typically have durations of one to three years, and may include fixed fees to the collaborators in exchange for access and rights to the results of the work. In addition, MDxHealth collaborates on research and clinical development with leading academic and government cancer research institutes. These relationships provide the Company with additional resources and expertise for clinical marker validation as well as access to patient samples for testing.

#### *INTELLECTUAL PROPERTY IN-LICENSING AGREEMENTS*

The Company has entered into numerous agreements with universities and companies for in-licensing intellectual property. These agreements typically require the Company to pay an up-front fee, annual maintenance fees and/or minimum annual royalty fees, legal fees related to the patents, and certain milestone and royalty fees if the patents are eventually used in a commercialized product. In addition, the Company must provide the licensor with periodic reports.

#### *COMMERCIAL AND INTELLECTUAL PROPERTY SUB-LICENSING AGREEMENTS*

The Company has entered into multiple partnering and sub-licensing agreements. With regards to the Company's developed tests, the Company has entered into a range of marketing and sales arrangements with commercial entities. These important relationships provide the Company with additional resources and infrastructure to expand the geographic reach and awareness of the Company's solutions, primarily in relation to the Confirm mdx and Select mdx tests.

In regard to intellectual property that MDxHealth has developed or improved, MDxHealth has sublicensed certain of its non-core technologies to commercial partners, several of whom have launched products that generate royalties and other fees. These sublicenses include an exclusive sublicense to Laboratory Corporation of America (LabCorp) for the MGMT test, which LabCorp began to commercialize in North America in 2008, and an exclusive sublicense to Vesica Health, Inc. for the Company's patented AssureMDx test for the purpose of bladder cancer detection on a worldwide basis.

#### *LITIGATION*

As of the date of this document and as far as MDxHealth is aware, the Company is not involved in any material legal proceedings.

***NOTE 25: Subsidiaries***

The Company has the following two wholly-owned direct subsidiaries:

| ***MDxHealth Inc.*** | |
|---|---|
| Address | 15279 Alton Parkway – Suite 100 – Irvine, CA 92618 |
| Incorporation Date | April 14, 2003 |

| ***MDxHealth B.V.*** | |
|---|---|
| Address | Transistorweg 5, 6534 AT Nijmegen, The Netherlands |
| Incorporation Date | October 18, 2006 |
| Incorporated into MDxHealth on | September 18, 2015 |

***NOTE 26: Principal audit fees and services***

During the past fiscal year, in addition to their usual activity, the statutory auditor performed additional activities on behalf of the Company mainly for the issuance of special reports related to warrant plans, grant report certification, for participation to the audit committees and for participation to special projects.

The detail is presented in the table below:

| ***Thousands of $***<br>***For The Years ended December 31*** | ***2024*** | ***2023*** | ***2022*** |
|---|---|---|---|
| Audit fee for statutory and consolidated financials | 408 | 408 | 239 |
| Other audit fees | 236 | - | 191 |
| Audit-related and other services | 16 | 40 | 42 |
| **Total expenses** | **660** | **448** | **472** |

***NOTE 27: Subsequent events***

On March 10, 2025, OrbiMed advanced $25 million in gross proceeds to the Company, following notice by the Company of its option to draw the second tranche pursuant to the credit agreement, and after meeting the necessary revenue, cash, and customary conditions for the draw. Refer to Note 15 for further details on the OrbiMed credit agreement.