

CAREDX, INC.

FORM 8-K (Current report filing)

Filed 11/15/17 for the Period Ending 11/14/17

Address	3260 BAYSHORE BOULEVARD BRISBANE, CA, 94005
Telephone	415-287-2300
CIK	0001217234
Symbol	CDNA
SIC Code	8071 - Services-Medical Laboratories
Industry	Biotechnology & Medical Research
Sector	Healthcare
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): November 14, 2017

CAREDX, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-36536
(Commission
File Number)

94-3316839
(IRS Employer
Identification No.)

3260 Bayshore Boulevard
Brisbane, California 94005
(Address of Principal Executive Offices) (Zip Code)

(415) 287-2300
Registrant's telephone number, including area code

N/A
(Former Name, or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On November 14, 2017, CareDx, Inc. (the “Company”) entered into Fourth Amendments to Conditional Share Purchase Agreements and Conversion Agreements (collectively, the “Fourth Amendments”) with each of Midroc Invest AB, FastPartner AB and Xenella Holding AB (collectively, the “Former Majority Shareholders”) amending its conditional share purchase agreements with each of the Former Majority Shareholders, each dated December 16, 2015 and amended as of February 8, 2016, January 20, 2017 and July 1, 2017 (collectively, as amended, the “Purchase Agreements”). Pursuant to the Purchase Agreements, the Company had agreed, among other things, to pay the Former Majority Shareholders by March 31, 2019 an aggregate of approximately \$4.7 million as deferred purchase consideration for the Company’s acquisition of Allenex AB (now named CareDx International AB) (“CareDx International”), plus accrued but unpaid interest thereon (the “Deferred Obligation”); *provided* that an aggregate of approximately \$2.0 million (the “Additional Repayment Amount”) of the \$4.7 million Deferred Obligation would become payable on December 31, 2017 unless converted into shares of Common Stock. The Purchase Agreements further provide that the Company would use commercially reasonable efforts to solicit its stockholders’ approval to issue an aggregate of 1,791,755 shares of Common Stock (the “Additional Repayment Shares”) in lieu of paying the Additional Repayment Amount in cash (the “Stockholder Approval”). Pursuant to the Fourth Amendments, the Company and each of the Former Majority Shareholders agreed, among other things, that the Company will pay the full outstanding balance of the Deferred Obligation immediately in cash and will therefore not be required to seek the Stockholder Approval or issue the Additional Repayment Shares.

In connection with the Purchase Agreements, on July 3, 2017, the Company and the Former Majority Shareholders entered into a Registration Rights Agreement (the “Registration Rights Agreement”), pursuant to which, among other things, the Company agreed to file and keep effective one or more registration statements with the Securities and Exchange Commission (the “SEC”) under the Securities Act of 1933, as amended, relating to, among other things, the resale by the Former Majority Shareholders of (1) shares issued to the Former Majority Shareholders under the Purchase Agreements on July 3, 2017 (the “Previously Issued Shares”), and (2) the Additional Repayment Shares, in the event such shares were issued. On November 14, 2017, the Company entered into the First Amendment to Registration Rights Agreement with the Former Majority Shareholders to: (a) eliminate the Company’s obligation to register the Additional Repayment Shares for resale since such shares will not be issued by the Company, and (b) extend the deadline by which the registration statement covering the resale of the Previously Issued Shares must be declared effective to December 29, 2017 (the “Registration Rights Amendment”).

The foregoing descriptions of the Fourth Amendments and the Registration Rights Amendment do not purport to be complete and are qualified in their entirety by reference to the copies of the Fourth Amendments and the Registration Rights Amendment that are filed as Exhibit 10.1, Exhibit 10.2, Exhibit 10.3 and Exhibit 4.1, respectively, to this Current Report on Form 8-K.

The representations, warranties and covenants contained in the Fourth Amendments and the Registration Rights Amendment were made only for purposes of such agreements and as of specific dates, were solely for the benefit of the parties to the Fourth Amendments and the Registration Rights Amendment, and may be subject to limitations agreed upon by the contracting parties. Accordingly, the Fourth Amendments and the Registration Rights Amendment are incorporated herein by reference only to provide investors with information regarding the terms of the Fourth Amendments and the Registration Rights Amendment, and not to provide investors with any other factual information regarding the Company or its business, and should be read in conjunction with the disclosures in the Company’s periodic reports and other filings with the SEC.

Item 8.01 Other Events.

On November 15, 2017, the Company issued a press release announcing the entry into the Fourth Amendments and the transactions contemplated thereby. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
4.1	First Amendment to Registration Rights Agreement, dated November 14, 2017, among CareDx, Inc., FastPartner AB, Midroc Invest AB and Xenella Holding AB.
10.1	Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated November 14, 2017, between CareDx, Inc. and Midroc invest AB.
10.2	Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated November 14, 2017, between CareDx, Inc. and FastPartner AB.
10.3	Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated November 14, 2017, between CareDx, Inc. and Xenella Holding AB.
99.1	Press Release, dated November 15, 2017.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 15, 2017

CAREDX, INC.

By: /s/ Peter Maag, Ph.D.

Peter Maag, Ph.D.

Chief Executive Officer

AMENDMENT NO. 1 TO REGISTRATION RIGHTS AGREEMENT

T HIS A M E N D M E N T N O . 1 T O R E G I S T R A T I O N R I G H T S A G R E E M E N T (this “*Amendment*”) is made as of November 14, 2017, by and among CareDx, Inc., a Delaware corporation with headquarters located at 3260 Bayshore Boulevard, Brisbane, California 94005 (the “*Company*”), and the investors listed on the Schedule of Investors attached hereto as **E X H I B I T A** (individually, an “*Investor*” and collectively, the “*Investors*”). Capitalized terms used and not otherwise defined herein shall have their respective meanings as set forth in that certain Registration Rights Agreement, entered into as of July 3, 2017, by and among the Company and the Investors (the “*Agreement*”).

R E C I T A L S

W H E R E A S, the Company has entered into a Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement with each Investor dated November 14, 2017 (the “*Fourth Amendments*”);

W H E R E A S, the Fourth Amendments will amend the Amendments to provide, among other things, that the Company shall not be obligated thereunder to issue additional shares of Common Stock to each Investor, and the Company and each Investor therefore desire to amend the Agreement to reflect that the registration rights provided thereunder apply only to the restricted shares of Common Stock that were issued by the Company to each Investor on July 3, 2017 pursuant to those certain Third Amendment to Conditional Share Purchase Agreement and Conversion Agreements by and between each Investor and the Company dated July 1, 2017;

W H E R E A S, Section 4.5 of the Agreement provides, among other things, that no provision of the Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by the Company and each of the Investors; and

W H E R E A S, the Company and the Investors desire to amend the Agreement as set forth herein.

N O W , T H E R E F O R E, in consideration of the foregoing premises and the mutual covenants and conditions set forth below, and in reliance on the recitals set forth above, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties to this Amendment hereby agree as follows:

A G R E E M E N T

1. Amendments to Agreement.

- (a) Paragraphs A, B and C in the Background in the Agreement are hereby amended and restated in their entirety as follows (and corresponding changes to the defined terms therein shall be deemed to made):

“A. Each Investor, severally and not jointly, has acquired from the Company such number of shares of common stock of the Company, par value \$0.001 per share (“*Common Stock*”), set forth opposite such Investor’s name on **E X H I B I T A**, in each case pursuant to a Third Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated July 1, 2017, by and between such Investor and the Company (the “*Third Amendments*”).

B. In connection with the execution and delivery of (i) a Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated November 14, 2017, by and between such Investor and the Company (the “*Fourth Amendments*”), and (ii) the Third Amendments, the Company has agreed to grant the Investors certain registration rights as set forth below.

C. The shares of Common Stock issued to the Investors pursuant to the Third Amendments are collectively referred to herein as the “*Registrable Securities*.”

- (b) The definition of “*Initial Required Effectiveness Date*” in Section 1.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

“*Initial Required Effectiveness Date*” means December 29, 2017.

- (c) Each reference in the Agreement to “the Amendments” in the definitions of “Closing” and “Closing Date” shall be replaced with a reference to “the Fourth Amendments”.
- (d) “Exhibit A” to the Agreement is hereby amended and restated in its entirety as set forth on Exhibit A hereto.
- (e) Subject to Sections 1(a) and 1(b) hereof, each reference in the Agreement to “the Amendment” or “the Amendments” shall be replaced with a reference to “the Third Amendment” or “the Third Amendments,” as applicable.

2. Ratification; Continuing Effectiveness. Except as expressly modified by this Amendment, the Agreement shall remain in full force and effect in accordance with its terms. This Amendment shall be deemed an amendment to the Agreement and shall become effective when executed and delivered by the Company and the Investors. Upon the effectiveness of this Amendment, all references in the Agreement to “the Agreement” or “this Agreement,” as applicable, shall refer to the Agreement, as modified by this Amendment.

3. Governing Law. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, ENFORCEMENT AND INTERPRETATION OF THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. THE COMPANY AND THE INVESTORS HEREBY IRREVOCABLY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN THE CITY OF NEW YORK, BOROUGH OF MANHATTAN FOR THE ADJUDICATION OF ANY DISPUTE BROUGHT BY THE COMPANY OR ANY INVESTOR HEREUNDER, IN CONNECTION HEREWITH OR WITH ANY TRANSACTION CONTEMPLATED HEREBY OR DISCUSSED HEREIN (INCLUDING WITH RESPECT TO THE

ENFORCEMENT OF ANY OF THE TRANSACTION DOCUMENTS), AND HEREBY IRREVOCABLY WAIVE, AND AGREE NOT TO ASSERT IN ANY SUIT, ACTION OR PROCEEDING BROUGHT BY THE COMPANY OR ANY INVESTOR, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF ANY SUCH COURT, OR THAT SUCH SUIT, ACTION OR PROCEEDING IS IMPROPER. EACH PARTY HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THIS AMENDMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. THE COMPANY AND INVESTORS HEREBY WAIVE ALL RIGHTS TO A TRIAL BY JURY.

4. Persons Entitled to Benefit of Agreement. This Amendment shall inure to the benefit of and be binding upon the Company and each Investor and their respective successors and permitted assigns.
5. Execution. This Amendment may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or email attachment, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or email-attached signature page were an original thereof.

[Signature Pages Follow]

I N W ITNESS W HEREOF , the parties hereto have executed this **A MENDMENT N O . 1 TO R EGISTRATION R IGHTS A GREEMENT** as of the date first above written.

THE COMPANY:

CAREDX, INC.

By: /s/ Peter Maag, Ph.D.

Name: Peter Maag, Ph.D.

Title: President and Chief Executive Officer

Address for Notices:

3260 Bayshore Blvd

Brisbane, CA 94005

Facsimile No.:

Telephone No.:

Attn: Chief Executive Officer

With a copy to (which shall not constitute notice): Paul Hastings
LLP

1117 S. California Avenue

Palo Alto, CA 94304

Facsimile: (650) 320-1904

Telephone: (650) 320-1804

Attn: Jeffrey T. Hartlin

[Signature Page to Amendment No. 1 to Registration Rights Agreement]

I N W ITNESS W HEREOF , the parties hereto have executed this **A MENDMENT N O . 1 TO R EGISTRATION R IGHTS A GREEMENT** as of the date first above written.

INVESTORS:

FASTPARTNER AB

By: /s/ Sven-Olof Johansson

Name: Sven-Olof Johansson

Title: CEO

Address for Notices:

Facsimile No.: _____

Telephone No.: _____

Attn: _____

[Signature Page to Amendment No. 1 to Registration Rights Agreement]

I N W I T N E S S W H E R E O F , the parties hereto have executed this **A M E N D M E N T N O . 1 T O R E G I S T R A T I O N R I G H T S A G R E E M E N T** as of the date first above written.

INVESTORS:

MIDROC INVEST AB

By: /s/ Göran Linder	/s/ David Sundin
Name: Göran Linder	David Sundin
Title: CEO	Authorized Signatory

Address for Notices:
P.O. Box 3002
SE 16903 Solna, SWE
Facsimile No.: +4687331945
Telephone No.: +46104707060
Attn: G. Linder

[Signature Page to Amendment No. 1 to Registration Rights Agreement]

I N W I T N E S S W H E R E O F , the parties hereto have executed this **A M E N D M E N T N O . 1 T O R E G I S T R A T I O N R I G H T S A G R E E M E N T** as of the date first above written.

INVESTORS:

XENELLA HOLDING AB

By: /s/ Sven-Olof Johansson /s/ Oscar Ahigren

Name: Sven-Olof Johansson Oscar Ahigren

Title: Chairman Director

Address for Notices:

Facsimile No.: _____

Telephone No.: _____

Attn: _____

[Signature Page to Amendment No. 1 to Registration Rights Agreement]

E XHIBIT A
S CHEDULE OF I NVESTORS

<u>Investor</u>	<u>Shares of Common Stock</u>
FastPartner AB	424,184
Midroc Invest AB	476,463
Xenella Holding AB	121,897
TOTAL	<u>1,022,544</u>

**FOURTH AMENDMENT TO CONDITIONAL SHARE PURCHASE AGREEMENT AND
CONVERSION AGREEMENT**

This Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement (this “*Amendment*”) is made and entered into as of November 14, 2017, by and between **CAREDX, INC.**, a Delaware corporation (the “*Purchaser*”), and Midroc Invest AB (the “*Seller*”) and amends that certain Conditional Share Purchase Agreement, as amended (the “*Agreement*”), between the Purchaser and the Seller relating to the sale by the Seller and the purchase by the Purchaser of all of the Seller’s 43,678,850 shares in CareDx International AB (formerly known as Allenex AB) (the “*Company*”) in connection with the Purchaser’s public offer to acquire all outstanding shares in the Company announced by the Purchaser on December 16, 2015. Terms used but not defined herein shall have the meaning ascribed thereto in the Agreement.

RECITALS

WHEREAS, as of the date hereof, the aggregate amount of the Contingent Cash Component, plus interest accrued and unpaid thereon through the date hereof is approximately SEK 18,983,658.62 (the “*Contingent Cash Balance*”);

WHEREAS, pursuant to the Agreement, the Purchaser is required to, among other things, pay to the Seller SEK 7,883,743.97 of the Contingent Cash Balance (the “*Additional Repayment Amount*”) on December 31, 2017 and the remainder on March 31, 2019;

WHEREAS, pursuant to the Agreement, and specifically, Section 5 of that certain Third Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated July 1, 2017, by and between the Purchaser and the Seller (the “*Conversion Agreement*”), the Purchaser agreed, among other things, to use commercially reasonable efforts to solicit its stockholders’ approval of the Purchaser’s issuance of an aggregate of 834,882 shares of Purchaser Common Stock to the Seller in full satisfaction of the Additional Repayment Amount in accordance with applicable law and the rules and regulations of The Nasdaq Stock Market LLC (the “*Stockholder Approval*”); and

WHEREAS, in lieu of seeking the Stockholder Approval or issuing the Additional Repayment Shares (as defined in the Conversion Agreement) to the Seller under the Conversion Agreement, the Purchaser and the Seller have agreed that the Purchaser shall repay all of the Contingent Cash Balance in cash on the Closing Date (as defined below).

AGREEMENT

NOW, THEREFORE, each of the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are acknowledged and agreed, hereby agree as follows:

1. Closing.

(a) On the Closing Date (as defined below), upon the terms and subject to the conditions set forth herein, (i) the Purchaser shall pay to the Seller an amount in cash (the “*Cash Payment*”) equal to the Contingent Cash Balance, and (ii) the Seller will accept such amount in full satisfaction of the repayment of the Contingent Cash Component and any interest accrued and unpaid thereon.

(b) Upon the terms and subject to the conditions set forth herein, the closing of the payment of the Contingent Cash Balance (the “*Closing*”) shall occur on November 14, 2017, or on such other date as the parties may mutually agree in writing (the “*Closing Date*”).

2. Closing Deliveries.

(a) At or prior to the Closing, the Purchaser shall deliver or cause to be delivered to the Seller the amendment no. 1 to registration rights agreement in substantially the form attached hereto as **E XHIBIT A** to be entered into by and among the Purchaser, the Seller, FastPartner AB and Xenella Holding AB (the “*Registration Rights Agreement Amendment*”), duly executed by the Purchaser.

(b) At or prior to the Closing, the Seller shall deliver or cause to be delivered to the Purchaser the Registration Rights Agreement Amendment, duly executed by the Seller.

3. Amendments to the Agreement. Effective upon the date hereof, Section 2.3 of the Agreement shall be replaced in its entirety with the following:

“Subject to and conditional upon the Purchaser having accepted the tendered Shares and the contingencies identified in Appendix 1, the Contingent Cash Component, together with interest accrued pursuant to Section 2.4 below, shall become payable on November 14, 2017.”

4. Amendment to Third Amendment to Conditional Share Purchase Agreement and Conversion Agreement. Effective upon the date hereof, Section 5 of the Conversion Agreement shall be replaced its entirety with the following:

“[RESERVED]”.

5. Representations and Warranties of the Purchaser. The Purchaser hereby represents and warrants to the Seller as follows:

(a) The execution, delivery and performance of this Amendment have been duly authorized by the Purchaser and this Amendment constitutes a legal, valid, binding and enforceable obligation of the Purchaser.

(b) The execution, delivery and performance of this Amendment by the Purchaser is not contrary to the provisions of the Purchaser’s Certificate of Incorporation or Bylaws and does not and will not result in any breach of the terms of, or constitute a default under, any instrument or agreement to which the Purchaser is a party or by which it is bound.

(c) No vote, consent or approval of the stockholders of the Purchaser is required under applicable law, the Purchaser’s Certificate of Incorporation or Bylaws or under any contract between the Purchaser and any stockholder of the Purchaser, to authorize or approve this Amendment or the transactions contemplated hereby.

6. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser as follows:

(a) The execution, delivery and performance of this Amendment have been duly authorized by the Seller and this Amendment constitutes a legal, valid, binding and enforceable obligation of the Seller.

(b) The execution, delivery and performance of this Amendment by the Seller is not contrary to the provisions of the articles of association and/or other constitutional documents of the Seller and does not and will not result in any breach of the terms of, or constitute a default under, any instrument or agreement to which the Seller is a party or by which it is bound.

7. Conditions Precedent to Obligations of the Purchaser. The obligation of the Purchaser to consummate the transactions contemplated by this Amendment is subject to the satisfaction of each of the following conditions; *provided* that these conditions are for the Purchaser's sole benefit and may be waived by the Purchaser at any time in its sole discretion by providing the Seller with prior written notice thereof:

(a) No order of any court, arbitrator or governmental or regulatory authority shall be in effect which purports to enjoin or restrain any of the transactions contemplated by this Amendment.

(b) The representations and warranties of the Seller contained in Section 6 shall be true and correct in all material respects as of the date when made and as of the Closing Date.

(c) The Closing (as defined in the Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement to be entered into between the Purchaser and each of FastPartner AB and Xenella Holding AB on the date hereof (collectively, the "**Other Amendments**")) shall occur substantially contemporaneously with the Closing.

8. Conditions Precedent to Obligations of the Seller. The obligation of the Seller to consummate the transactions contemplated by this Amendment is subject to the satisfaction of each of the following conditions; *provided* that these conditions are for the Seller's sole benefit and may be waived by the Seller at any time in its sole discretion by providing the Purchaser with prior written notice thereof:

(a) No order of any court, arbitrator or governmental or regulatory authority shall be in effect which purports to enjoin or restrain any of the transactions contemplated by this Amendment.

(b) The representations and warranties of the Purchaser contained in Section 5 shall be true and correct in all material respects as of the date when made and as of the Closing Date.

(c) The Closing (as defined in each Other Amendment) shall occur substantially contemporaneously with the Closing.

9. Amendments. This Amendment may only be altered or amended in writing jointly by the Purchaser and the Seller.

10. Governing Law; Dispute Resolution. This Amendment, including the arbitration clause, shall be governed by and construed in accordance with Swedish substantive law. Any dispute arising out of or in connection with this Amendment shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm, Sweden. The language to be used in the arbitral proceedings shall be English. The parties hereto undertake and agree that all arbitral proceedings conducted with reference to this arbitration clause will be kept strictly confidential. This confidentiality undertaking shall cover all information disclosed in the course of such arbitral proceedings, as well as any decision or award that is made or declared during the proceedings. Information covered by this confidentiality undertaking may not, in any form, be disclosed other than if and to the extent permitted by Section 5 of the Agreement.

11. Counterparts. This Amendment may be executed in one or two counterparts, each of which, when executed and delivered, shall be deemed an original, and all taken together, constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile, portable document format (.pdf) or other electronic transmission will be as effective as delivery of a manually executed counterpart hereof.

12. Complete Agreement. This Amendment, together with the Agreement, represent the entire agreement about this subject matter and supersede prior negotiations or agreements with respect to such subject matter. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Amendment and the Agreement merge into this Amendment and the Agreement.

13. Fees and Expenses. The Purchaser and the Seller shall each pay their own expenses in connection with the transactions contemplated by this Amendment.

14. Termination. This Amendment may be terminated by the Purchaser or the Seller, by written notice to the other party, if the Closing has not been consummated on or prior to the fifth business day following the date of this Agreement; *provided* that no such termination will affect the right of any party to sue for any breach by the other party. For the avoidance of doubt, in the event that this Amendment is terminated, the Conversion Agreement shall be reinstated and in full force.

[Signature page to follow]

This Amendment has been executed in two (2) original counterparts of which the parties hereto have taken one each.

THE PURCHASER:

CAREDX, INC.

By: /s/ Peter Maag, Ph.D.
Name: Peter Maag, Ph.D.
Title: President and Chief Executive Officer

Date: November 14, 2017
Place: Brisbane, California, USA

THE SELLER:

MIDROCI INVEST AB

By:	<u>/s/ Göran Linder</u>	<u>/s/ David Sundin</u>
Name:	Göran Linder	David Sundin
Title:	CEO	Authorized Signatory

Date: November 14, 2017

Place: Stockholm, Sweden

[Signature Page to Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement]

E X H I B I T A

A M E N D M E N T T O R E G I S T R A T I O N R I G H T S A G R E E M E N T

A-1

**FOURTH AMENDMENT TO CONDITIONAL SHARE PURCHASE AGREEMENT AND
CONVERSION AGREEMENT**

This Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement (this “*Amendment*”) is made and entered into as of November 14, 2017, by and between **CAREDX, INC.**, a Delaware corporation (the “*Purchaser*”), and FastPartner AB (the “*Seller*”) and amends that certain Conditional Share Purchase Agreement, as amended (the “*Agreement*”), between the Purchaser and the Seller relating to the sale by the Seller and the purchase by the Purchaser of all of the Seller’s 38,886,307 shares in CareDx International AB (formerly known as Allenex AB) (the “*Company*”) in connection with the Purchaser’s public offer to acquire all outstanding shares in the Company announced by the Purchaser on December 16, 2015. Terms used but not defined herein shall have the meaning ascribed thereto in the Agreement.

RECITALS

WHEREAS, as of the date hereof, the aggregate amount of the Contingent Cash Component, plus interest accrued and unpaid thereon through the date hereof is approximately SEK 16,900,732.40 (the “*Contingent Cash Balance*”);

WHEREAS, pursuant to the Agreement, the Purchaser is required to, among other things, pay to the Seller SEK 7,018,723.09 of the Contingent Cash Balance (the “*Additional Repayment Amount*”) on December 31, 2017 and the remainder on March 31, 2019;

WHEREAS, pursuant to the Agreement, and specifically, Section 5 of that certain Third Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated July 1, 2017, by and between the Purchaser and the Seller (the “*Conversion Agreement*”), the Purchaser agreed, among other things, to use commercially reasonable efforts to solicit its stockholders’ approval of the Purchaser’s issuance of an aggregate of 743,277 shares of Purchaser Common Stock to the Seller in full satisfaction of the Additional Repayment Amount in accordance with applicable law and the rules and regulations of The Nasdaq Stock Market LLC (the “*Stockholder Approval*”); and

WHEREAS, in lieu of seeking the Stockholder Approval or issuing the Additional Repayment Shares (as defined in the Conversion Agreement) to the Seller under the Conversion Agreement, the Purchaser and the Seller have agreed that the Purchaser shall repay all of the Contingent Cash Balance in cash on the Closing Date (as defined below).

AGREEMENT

NOW, THEREFORE, each of the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are acknowledged and agreed, hereby agree as follows:

1. Closing.

(a) On the Closing Date (as defined below), upon the terms and subject to the conditions set forth herein, (i) the Purchaser shall pay to the Seller an amount in cash (the “*Cash Payment*”) equal to the Contingent Cash Balance, and (ii) the Seller will accept such amount in full satisfaction of the repayment of the Contingent Cash Component and any interest accrued and unpaid thereon.

(b) Upon the terms and subject to the conditions set forth herein, the closing of the payment of the Contingent Cash Balance (the “**Closing**”) shall occur on November 14, 2017, or on such other date as the parties may mutually agree in writing (the “**Closing Date**”).

2. Closing Deliveries.

(a) At or prior to the Closing, the Purchaser shall deliver or cause to be delivered to the Seller the amendment no. 1 to registration rights agreement in substantially the form attached hereto as **E XHIBIT A** to be entered into by and among the Purchaser, the Seller, Midroc Invest AB and Xenella Holding AB (the “**Registration Rights Agreement Amendment**”), duly executed by the Purchaser.

(b) At or prior to the Closing, the Seller shall deliver or cause to be delivered to the Purchaser the Registration Rights Agreement Amendment, duly executed by the Seller.

3. Amendments to the Agreement. Effective upon the date hereof, Section 2.3 of the Agreement shall be replaced in its entirety with the following:

“Subject to and conditional upon the Purchaser having accepted the tendered Shares and the contingencies identified in Appendix 1, the Contingent Cash Component, together with interest accrued pursuant to Section 2.4 below, shall become payable on November 14, 2017.”

4. Amendment to Third Amendment to Conditional Share Purchase Agreement and Conversion Agreement. Effective upon the date hereof, Section 5 of the Conversion Agreement shall be replaced its entirety with the following:

“[RESERVED]”.

5. Representations and Warranties of the Purchaser. The Purchaser hereby represents and warrants to the Seller as follows:

(a) The execution, delivery and performance of this Amendment have been duly authorized by the Purchaser and this Amendment constitutes a legal, valid, binding and enforceable obligation of the Purchaser.

(b) The execution, delivery and performance of this Amendment by the Purchaser is not contrary to the provisions of the Purchaser’s Certificate of Incorporation or Bylaws and does not and will not result in any breach of the terms of, or constitute a default under, any instrument or agreement to which the Purchaser is a party or by which it is bound.

(c) No vote, consent or approval of the stockholders of the Purchaser is required under applicable law, the Purchaser’s Certificate of Incorporation or Bylaws or under any contract between the Purchaser and any stockholder of the Purchaser, to authorize or approve this Amendment or the transactions contemplated hereby.

6. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser as follows:

(a) The execution, delivery and performance of this Amendment have been duly authorized by the Seller and this Amendment constitutes a legal, valid, binding and enforceable obligation of the Seller.

(b) The execution, delivery and performance of this Amendment by the Seller is not contrary to the provisions of the articles of association and/or other constitutional documents of the Seller and does not and will not result in any breach of the terms of, or constitute a default under, any instrument or agreement to which the Seller is a party or by which it is bound.

7. Conditions Precedent to Obligations of the Purchaser. The obligation of the Purchaser to consummate the transactions contemplated by this Amendment is subject to the satisfaction of each of the following conditions; *provided* that these conditions are for the Purchaser's sole benefit and may be waived by the Purchaser at any time in its sole discretion by providing the Seller with prior written notice thereof:

(a) No order of any court, arbitrator or governmental or regulatory authority shall be in effect which purports to enjoin or restrain any of the transactions contemplated by this Amendment.

(b) The representations and warranties of the Seller contained in Section 6 shall be true and correct in all material respects as of the date when made and as of the Closing Date.

(c) The Closing (as defined in the Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement to be entered into between the Purchaser and each of Midroc Invest AB and Xenella Holding AB on the date hereof (collectively, the "**Other Amendments**")) shall occur substantially contemporaneously with the Closing.

8. Conditions Precedent to Obligations of the Seller. The obligation of the Seller to consummate the transactions contemplated by this Amendment is subject to the satisfaction of each of the following conditions; *provided* that these conditions are for the Seller's sole benefit and may be waived by the Seller at any time in its sole discretion by providing the Purchaser with prior written notice thereof:

(a) No order of any court, arbitrator or governmental or regulatory authority shall be in effect which purports to enjoin or restrain any of the transactions contemplated by this Amendment.

(b) The representations and warranties of the Purchaser contained in Section 5 shall be true and correct in all material respects as of the date when made and as of the Closing Date.

(c) The Closing (as defined in each Other Amendment) shall occur substantially contemporaneously with the Closing.

9. Amendments. This Amendment may only be altered or amended in writing jointly by the Purchaser and the Seller.

10. Governing Law; Dispute Resolution. This Amendment, including the arbitration clause, shall be governed by and construed in accordance with Swedish substantive law. Any dispute arising out of or in connection with this Amendment shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm, Sweden. The language to be used in the arbitral proceedings shall be English. The parties hereto undertake and agree that all arbitral proceedings conducted with reference to this arbitration clause will be kept strictly confidential. This confidentiality undertaking shall cover all information disclosed in the course of such arbitral proceedings, as well as any decision or award that is made or declared during the proceedings. Information covered by this confidentiality undertaking may not, in any form, be disclosed other than if and to the extent permitted by Section 5 of the Agreement.

11. Counterparts. This Amendment may be executed in one or two counterparts, each of which, when executed and delivered, shall be deemed an original, and all taken together, constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile, portable document format (.pdf) or other electronic transmission will be as effective as delivery of a manually executed counterpart hereof.

12. Complete Agreement. This Amendment, together with the Agreement, represent the entire agreement about this subject matter and supersede prior negotiations or agreements with respect to such subject matter. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Amendment and the Agreement merge into this Amendment and the Agreement.

13. Fees and Expenses. The Purchaser and the Seller shall each pay their own expenses in connection with the transactions contemplated by this Amendment.

14. Termination. This Amendment may be terminated by the Purchaser or the Seller, by written notice to the other party, if the Closing has not been consummated on or prior to the fifth business day following the date of this Agreement; *provided* that no such termination will affect the right of any party to sue for any breach by the other party. For the avoidance of doubt, in the event that this Amendment is terminated, the Conversion Agreement shall be reinstated and in full force.

[Signature page to follow]

This Amendment has been executed in two (2) original counterparts of which the parties hereto have taken one each.

THE PURCHASER:

CAREDX, INC.

By: /s/ Peter Maag, Ph.D.

Name: Peter Maag, Ph.D.

Title: President and Chief Executive Officer

Date: November 14, 2017

Place: Brisbane, California, USA

THE SELLER:

FAST PARTNER AB

By: /s/ Sven-Olof Johansson

Name: Sven-Olof Johansson

Title: CEO

Date: November 14, 2017

Place: _____

[Signature Page to Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement]

E X H I B I T A

A M E N D M E N T T O R E G I S T R A T I O N R I G H T S A G R E E M E N T

A-1

**FOURTH AMENDMENT TO CONDITIONAL SHARE PURCHASE AGREEMENT AND
CONVERSION AGREEMENT**

This Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement (this “*Amendment*”) is made and entered into as of November 14, 2017, by and between **CAREDX, INC.**, a Delaware corporation (the “*Purchaser*”), and Xenella Holding AB (the “*Seller*”) and amends that certain Conditional Share Purchase Agreement, as amended (the “*Agreement*”), between the Purchaser and the Seller relating to the sale by the Seller and the purchase by the Purchaser of all of the Seller’s 11,174,755 shares in CareDx International AB (formerly known as Allenex AB) (the “*Company*”) in connection with the Purchaser’s public offer to acquire all outstanding shares in the Company announced by the Purchaser on December 16, 2015. Terms used but not defined herein shall have the meaning ascribed thereto in the Agreement.

RECITALS

WHEREAS, as of the date hereof, the aggregate amount of the Contingent Cash Component, plus interest accrued and unpaid thereon through the date hereof is approximately SEK 4,856,769.47 (the “*Contingent Cash Balance*”);

WHEREAS, pursuant to the Agreement, the Purchaser is required to, among other things, pay to the Seller SEK 2,016,975.07 of the Contingent Cash Balance (the “*Additional Repayment Amount*”) on December 31, 2017 and the remainder on March 31, 2019;

WHEREAS, pursuant to the Agreement, and specifically, Section 5 of that certain Third Amendment to Conditional Share Purchase Agreement and Conversion Agreement, dated July 1, 2017, by and between the Purchaser and the Seller (the “*Conversion Agreement*”), the Purchaser agreed, among other things, to use commercially reasonable efforts to solicit its stockholders’ approval of the Purchaser’s issuance of an aggregate of 213,596 shares of Purchaser Common Stock to the Seller in full satisfaction of the Additional Repayment Amount in accordance with applicable law and the rules and regulations of The Nasdaq Stock Market LLC (the “*Stockholder Approval*”); and

WHEREAS, in lieu of seeking the Stockholder Approval or issuing the Additional Repayment Shares (as defined in the Conversion Agreement) to the Seller under the Conversion Agreement, the Purchaser and the Seller have agreed that the Purchaser shall repay all of the Contingent Cash Balance in cash on the Closing Date (as defined below).

AGREEMENT

NOW, THEREFORE, each of the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are acknowledged and agreed, hereby agree as follows:

1. Closing.

(a) On the Closing Date (as defined below), upon the terms and subject to the conditions set forth herein, (i) the Purchaser shall pay to the Seller an amount in cash (the “*Cash Payment*”) equal to the Contingent Cash Balance, and (ii) the Seller will accept such amount in full satisfaction of the repayment of the Contingent Cash Component and any interest accrued and unpaid thereon.

(b) Upon the terms and subject to the conditions set forth herein, the closing of the payment of the Contingent Cash Balance (the “**Closing**”) shall occur on November 14, 2017, or on such other date as the parties may mutually agree in writing (the “**Closing Date**”).

2. Closing Deliveries.

(a) At or prior to the Closing, the Purchaser shall deliver or cause to be delivered to the Seller the amendment no. 1 to registration rights agreement in substantially the form attached hereto as **EXHIBIT A** to be entered into by and among the Purchaser, the Seller, FastPartner AB and Midroc Invest AB (the “**Registration Rights Agreement Amendment**”), duly executed by the Purchaser.

(b) At or prior to the Closing, the Seller shall deliver or cause to be delivered to the Purchaser the Registration Rights Agreement Amendment, duly executed by the Seller.

3. Amendments to the Agreement. Effective upon the date hereof, Section 2.3 of the Agreement shall be replaced in its entirety with the following:

“Subject to and conditional upon the Purchaser having accepted the tendered Shares and the contingencies identified in Appendix 1, the Contingent Cash Component, together with interest accrued pursuant to Section 2.4 below, shall become payable on November 14, 2017.”

4. Amendment to Third Amendment to Conditional Share Purchase Agreement and Conversion Agreement. Effective upon the date hereof, Section 5 of the Conversion Agreement shall be replaced its entirety with the following:

“[RESERVED]”.

5. Representations and Warranties of the Purchaser. The Purchaser hereby represents and warrants to the Seller as follows:

(a) The execution, delivery and performance of this Amendment have been duly authorized by the Purchaser and this Amendment constitutes a legal, valid, binding and enforceable obligation of the Purchaser.

(b) The execution, delivery and performance of this Amendment by the Purchaser is not contrary to the provisions of the Purchaser’s Certificate of Incorporation or Bylaws and does not and will not result in any breach of the terms of, or constitute a default under, any instrument or agreement to which the Purchaser is a party or by which it is bound.

(c) No vote, consent or approval of the stockholders of the Purchaser is required under applicable law, the Purchaser’s Certificate of Incorporation or Bylaws or under any contract between the Purchaser and any stockholder of the Purchaser, to authorize or approve this Amendment or the transactions contemplated hereby.

6. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser as follows:

(a) The execution, delivery and performance of this Amendment have been duly authorized by the Seller and this Amendment constitutes a legal, valid, binding and enforceable obligation of the Seller.

(b) The execution, delivery and performance of this Amendment by the Seller is not contrary to the provisions of the articles of association and/or other constitutional documents of the Seller and does not and will not result in any breach of the terms of, or constitute a default under, any instrument or agreement to which the Seller is a party or by which it is bound.

7. Conditions Precedent to Obligations of the Purchaser. The obligation of the Purchaser to consummate the transactions contemplated by this Amendment is subject to the satisfaction of each of the following conditions; *provided* that these conditions are for the Purchaser's sole benefit and may be waived by the Purchaser at any time in its sole discretion by providing the Seller with prior written notice thereof:

(a) No order of any court, arbitrator or governmental or regulatory authority shall be in effect which purports to enjoin or restrain any of the transactions contemplated by this Amendment.

(b) The representations and warranties of the Seller contained in Section 6 shall be true and correct in all material respects as of the date when made and as of the Closing Date.

(c) The Closing (as defined in the Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement to be entered into between the Purchaser and each of FastPartner AB and Midroc Invest AB on the date hereof (collectively, the "**Other Amendments**")) shall occur substantially contemporaneously with the Closing.

8. Conditions Precedent to Obligations of the Seller. The obligation of the Seller to consummate the transactions contemplated by this Amendment is subject to the satisfaction of each of the following conditions; *provided* that these conditions are for the Seller's sole benefit and may be waived by the Seller at any time in its sole discretion by providing the Purchaser with prior written notice thereof:

(a) No order of any court, arbitrator or governmental or regulatory authority shall be in effect which purports to enjoin or restrain any of the transactions contemplated by this Amendment.

(b) The representations and warranties of the Purchaser contained in Section 5 shall be true and correct in all material respects as of the date when made and as of the Closing Date.

(c) The Closing (as defined in each Other Amendment) shall occur substantially contemporaneously with the Closing.

9. Amendments. This Amendment may only be altered or amended in writing jointly by the Purchaser and the Seller.

10. Governing Law; Dispute Resolution. This Amendment, including the arbitration clause, shall be governed by and construed in accordance with Swedish substantive law. Any dispute arising out of or in connection with this Amendment shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm, Sweden. The language to be used in the arbitral proceedings shall be English. The parties hereto undertake and agree that all arbitral proceedings conducted with reference to this arbitration clause will be kept strictly confidential. This confidentiality undertaking shall cover all information disclosed in the course of such arbitral proceedings, as well as any decision or award that is made or declared during the proceedings. Information covered by this confidentiality undertaking may not, in any form, be disclosed other than if and to the extent permitted by Section 5 of the Agreement.

11. Counterparts. This Amendment may be executed in one or two counterparts, each of which, when executed and delivered, shall be deemed an original, and all taken together, constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile, portable document format (.pdf) or other electronic transmission will be as effective as delivery of a manually executed counterpart hereof.

12. Complete Agreement. This Amendment, together with the Agreement, represent the entire agreement about this subject matter and supersede prior negotiations or agreements with respect to such subject matter. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Amendment and the Agreement merge into this Amendment and the Agreement.

13. Fees and Expenses. The Purchaser and the Seller shall each pay their own expenses in connection with the transactions contemplated by this Amendment.

14. Termination. This Amendment may be terminated by the Purchaser or the Seller, by written notice to the other party, if the Closing has not been consummated on or prior to the fifth business day following the date of this Agreement; *provided* that no such termination will affect the right of any party to sue for any breach by the other party. For the avoidance of doubt, in the event that this Amendment is terminated, the Conversion Agreement shall be reinstated and in full force.

[Signature page to follow]

This Amendment has been executed in two (2) original counterparts of which the parties hereto have taken one each.

THE PURCHASER:

CAREDX, INC.

By: /s/ Peter Maag, Ph.D.
Name: Peter Maag, Ph.D.
Title: President and Chief Executive Officer

Date: November 14, 2017
Place: Brisbane, California, USA

THE SELLER:

XENELLA HOLDING AB

By:	<u>/s/ Sven-Olof Johansson</u>	<u>/s/ Oscar Ahigren</u>
Name:	Sven-Olof Johansson	Oscar Ahigren
Title:	Chairman	Director

Date: November 14, 2017

Place: _____

[Signature Page to Fourth Amendment to Conditional Share Purchase Agreement and Conversion Agreement]

E X H I B I T A

A M E N D M E N T T O R E G I S T R A T I O N R I G H T S A G R E E M E N T

A-1



CareDx Further Simplifies its Balance Sheet

BRISBANE, Calif., November 15, 2017 – CareDx, Inc. (Nasdaq: CDNA), a molecular diagnostics company focused on the discovery, development and commercialization of clinically differentiated, high-value diagnostic solutions for transplant recipients, today reported that it has agreed to immediately repay certain obligations related to CareDx’s acquisition of Allenex AB, which eliminates the requirement to issue 1.8 million new shares.

Of the total \$4.7 million deferred purchase consideration owed to the former majority shareholders of Allenex AB, approximately \$2.0 million was due by December 31, 2017 and was to be paid in 1.8 million shares of common stock, pending stockholder approval. The remaining balance of \$2.7 million was due to be paid in cash on March 31, 2019. Under the amended agreements with the former majority shareholders of Allenex AB, CareDx will pay the total deferred purchase consideration of \$4.7 million, plus accrued interest, immediately.

Michael Bell, CareDx’s Chief Financial Officer, stated, “This agreement further simplifies our balance sheet and avoids dilution to CareDx stockholders, as we will not be required to issue new shares in lieu of payment. We continue to execute well against our plans, both on improving our capital structure and on bringing AlloSure cell free DNA testing to the field of transplantation.”

About CareDx

CareDx, Inc., headquartered in Brisbane, California, is a molecular diagnostics company focused on the discovery, development and commercialization of clinically differentiated, high-value diagnostic solutions for transplant recipients. CareDx offers products across the transplant testing continuum, including AlloMap and AlloSure for post-transplant surveillance and Olerup SSP[®], Olerup QTYPE[®], and Olerup SBT[™] for pre-transplant HLA testing.

For more information, please visit: www.CareDx.com.

Forward Looking Statements

This press release includes forward-looking statements, including expectations regarding the Company’s plans and capital structure and the expected impact of the amended agreements on the Company’s balance sheet. These forward-looking statements are based upon information that is currently available to CareDx and its current expectations, speak only as of the date hereof, and are subject to numerous risks and uncertainties, including general economic and market factors, among others discussed in CareDx’s filings with the SEC, including the Annual

Report on Form 10-K for the fiscal year ended December 31, 2016 filed by CareDx with the SEC on April 21, 2017 and the periodic reports that CareDx has subsequently filed with the SEC. Any of these may cause CareDx's actual results, performance or achievements to differ materially and adversely from those anticipated or implied by CareDx's forward-looking statements. CareDx expressly disclaims any obligation, except as required by law, or undertaking to update or revise any such forward-looking statements.