



## Securities note

### Admission to trading of new ordinary shares on Euronext Brussels and Euronext Paris

This securities note (the "**Securities Note**") has been prepared by BioSenic SA (the "**Company**" or "**BioSenic**", and together with its subsidiaries "**BioSenic Group**") in relation to the admission to listing and trading on Euronext Brussels and Euronext Paris of up to 60,000,000 new shares of the Company (the "**New Shares**"), that may be issued by the Company upon conversion of a maximum of 120 Convertible Bonds in accordance with the terms and conditions of an issuance and subscription agreement dated 8 January 2024 between the Company and Global Tech Opportunities 15 ("**GTO 15**") (the "**Subscription Agreement**"). This Securities Note has been approved by the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*, the "**FSMA**"), as competent authority under Regulation (EU) 2017/1129, on 23 January 2024, and subsequently notified to the French Financial Markets Authority (*Autorité des Marchés Financiers*, the "**AMF**"), and should be read in conjunction with the following documents:

- BioSenic's registration document as approved by the FSMA on 7 February 2023, as supplemented by the supplement approved by the FSMA on 6 November 2023 (the "**Registration Document**"); and
- BioSenic's summary in relation to the admission to trading of the New Shares on Euronext Brussels and Euronext Paris, as approved by the FSMA on 23 January 2024 and as subsequently notified to the AMF (the "**Summary**").

The Registration Document and the Summary, together with this Securities Note, are available on BioSenic's website (<https://biosenic.com/investors>).

The FSMA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 (the "**Prospectus Regulation 2017/1129**"). Such approval should not be considered as an endorsement of BioSenic or of the quality of the New Shares. Investors should make their own assessment as to the suitability of investing in the securities of BioSenic.

The Registration Document and the Summary, together with this Securities Note, constitute a prospectus within the meaning of article 10 of the Prospectus Regulation 2017/1129 (the "**Prospectus**"). **The Prospectus is only valid for a period of 12 months after its approval (i.e. until 22 January 2025), provided that it is completed by any supplement required pursuant to article 23 of the Prospectus Regulation 2017/1129.** In accordance with the Prospectus Regulation 2017/1129, the Prospectus will not be further supplemented in the event of significant new factors, material mistakes or material inaccuracies when the Prospectus is no longer valid.

**An investment in the New Shares involves substantial risks and uncertainties and the investors could lose their investment. Prospective investors should read the entire Prospectus, and, in particular, should refer to the chapter "Risk Factors" in the Registration Document and in this Securities Note for a discussion of certain factors that should be considered in connection with an investment in the New Shares. Within each category of risk factors, the risks estimated to be the most material are presented first. BioSenic refers in particular to the following risks that should be considered in connection with an investment in the New Shares:**

- **BioSenic Group does currently not have sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as of the date of this Securities Note.** The shortfall over the 12-month period from the date of approval of the Securities Note is estimated at approximately EUR 7.3 million (assuming and including full drawdown of the new Convertible Bonds funding program with GTO 15 and without reimbursement of the renegotiated debts). BioSenic Group is dependent on the realisation of various assumptions with regard to the working capital needs in order to meet its capital and expenditure needs. If such assumptions cannot be realised (including in particular because BioSenic would be unable to satisfy the conditions under the Convertible Bonds funding program with GTO 15 to draw down the remaining three tranches of €300,000 in Q1 2024 or to raise sufficient new equity to continue its operations (including the initiation of the patient treatment in Q2 2024 of the Phase 3 clinical trial with Oral ATO, BioSenic's lead therapeutic candidate targeting cGvHD)), which is not certain, BioSenic will run out of cash by end-January 2024 and its ability to complete the milestones in the development of OATO with cGvHD will be put at risk. Furthermore, if BioSenic Group is not able to increase its funding (including via one or more equity raises), which is uncertain, during the 12-month period starting from the date of this Securities Note, its ability to continue as a going concern would be threatened, which could lead to its liquidation or bankruptcy and which would have a material adverse impact on the BioSenic Group, and its shareholders leading to the potential total loss of their entire investment.
- **The agreements between the Company and its main creditors for the restructuring of its key financial debts are conditional upon BioSenic raising sufficient new equity, which is uncertain.**
- **The Company's access to funds under the Convertible Bonds program with GTO 15 is subject to certain conditions.** The inability for the Company to draw tranches, under the Convertible Bonds program or a breach of the Company's contractual obligations under the Subscription Agreement could have a material adverse effect on the Company's cash position and could lead to a bankruptcy taken into account the Company's heavy dependency on the Convertible Bonds program for its working capital needs in Q1 2024.

- **Various factors including changes in the operating results of BioSenic and its competitors as well the potential extreme price and volume volatility of stock markets, and the limited liquidity of BioSenic's shares may have a significant negative impact on the share price of BioSenic and as a result on BioSenic's ability to raise additional equity at favourable conditions or to raise equity at all.** This may therefore have an adverse effect on the working capital position and viability of BioSenic.
- **Future sales of substantial amounts of BioSenic's shares may negatively affect the market value of the New Shares.** As the Company's shares have a relatively limited trading volume, any sale (including by GTO 15 following the conversion of Convertible Bonds) of a significant number of shares on Euronext Brussels or Euronext Paris, or the perception that such sales could occur, may adversely affect the market value of the New Shares.
- **Future issuances of shares or subscription rights or the conversion of convertible bonds may significantly dilute the interests of existing shareholders** and therefore adversely affect the market price of the shares, the earnings of the shares and the net asset value thereof. This dilutive effect may be reinforced if the market price of the Company's shares would decrease.
- **BioSenic and its subsidiary Medsenic are clinical-stage biotechnology companies and have not yet commercialised any of their products.** They have therefore incurred net losses since their inception and expect to continue to incur net losses in the foreseeable future. As a result, BioSenic Group might never achieve sustained profitability.
- **Biosenic Group's research programmes and its therapies for cGvHD, SLE and SSc based on arsenic trioxide, must undergo rigorous pre-clinical tests and regulatory reviews before, during and after each phase of the clinical trials, of which the start, timing of completion, number and results are uncertain and could substantially delay or prevent the products from reaching the market.** As most autoimmune diseases are rare diseases, a smaller patient population is available which needs to be recruited over multiple clinical sites. Moreover, many factors other than patient population size affect patient enrolment and could lead to a slower than expected patient recruitment rate. If BioSenic Group experiences significant delays or is unable to obtain marketing authorisation, this would prevent the product candidates from reaching the market and could have adverse effects on BioSenic Group's activities, costs and valuation, as well as on the shareholders' investment.

All of these risk factors should be considered before investing in the New Shares. Prospective investors must be able to bear the economic risk of an investment in the New Shares, and should be able to sustain a partial or total loss of their investment. Each decision to invest in the New Shares must be based on all information provided in the Prospectus.

The Board of Directors of BioSenic assumes responsibility for the content of the Prospectus. The Board of Directors declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

On behalf of the Board of Directors,

Prof. François Rieger  
President of the Board

Véronique Pomi-Schneiter  
Director

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# 1 Risk Factors related to the shares

The risks and uncertainties that BioSenic believes to be material are described below. The occurrence of one or more of these risks may have a material adverse effect on BioSenic's share price, cash flows, results of operations, financial condition and/or prospects and may even endanger BioSenic's ability to continue as a going concern. Moreover, BioSenic's share price could fall significantly if any of these risks were to materialise. However, these risks and uncertainties may not be the only ones faced by BioSenic. Additional risks, including those currently unknown or deemed immaterial, may also impair BioSenic's business operations.

The risk factors which in the assessment of BioSenic are the most material, taking into account the negative impact on BioSenic and the probability of its occurrence, are mentioned first. The remaining risk factors are not ranked in order to their materiality.

## 1.1 Risks relating to insufficient funding, continuation as a going concern and potential bankruptcy

**1.1.1** *BioSenic Group does currently not have sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as of the date of this Securities Note. The shortfall over the 12-month period from the date of approval of the Securities Note is estimated at approximately EUR 7.3 million (assuming and including full drawdown of the new Convertible Bonds funding program with GTO 15 and without reimbursement of the renegotiated debts). BioSenic Group is dependent on the realisation of various assumptions with regard to the working capital needs in order to meet its capital and expenditure needs. If such assumptions cannot be realised (including in particular because BioSenic would be unable to satisfy the conditions under the Convertible Bonds funding program with GTO 15 to drawdown the remaining three tranches of €300,000 in Q1 2024 or to raise sufficient new equity to continue its operations (including the initiation of the patient treatment in Q2 2024 of the Phase 3 clinical trial with Oral ATO, BioSenic's lead therapeutic candidate targeting cGvHD)), which is not certain, BioSenic will run out of cash by end-January 2024 and its ability to complete the milestones in the development of OATO with cGvHD will be put at risk. Furthermore, if BioSenic Group is not able to increase its funding (including via one or more equity raises), which is uncertain, during the 12-month period starting from the date of this Securities Note, its ability to continue as a going concern would be threatened, which could lead to its liquidation or bankruptcy and which would have a material adverse impact on the BioSenic Group, and its shareholders leading to the potential total loss of their entire investment.*

BioSenic Group does currently not have sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as of the date of this Securities Note.

BioSenic ended the first nine months of 2023 with EUR 0.39 million in cash and cash equivalent. The Company is in the process of closing the ALLOB Phase 2b clinical trial, with many actions to be carried out to follow up the last patients recruited at the end of last year and the beginning of 2023, as well as the regulatory closure of the 24 European centers involved. BioSenic anticipates having sufficient cash to launch the Phase 3 clinical trials in cGvHD, considering the following relevant assumptions:

- Finalisation and implementation of the key terms that were agreed with certain key historical creditors of the Company to postpone the maturity date and interest payments of the ongoing loans for an aggregate principal amount of EUR 15.5 million.
- A full use of the new Convertible Bonds funding program with GTO 15 in Q1 2024. There are no liquidity conditions under the new funding program with GTO 15, other than that for the fourth tranche, the 20-day average daily value traded – trimmed for 10% of the outliers (meaning the data points from the top and bottom tails) – must be greater than EUR 15,000 prior to the disbursement of the tranche. GTO 15 can also terminate the funding program if a material adverse effect has occurred.
- A successful fundraising or the negotiation of a renewed convertible bond program.
- A reinforced strict policy of cost management.

The assumptions made above comprise various risks and uncertainties.

As the cash runway of the Company is currently expected into early Q2 2024 (assuming the full use of the new Convertible Bonds program with GTO 15), BioSenic Group will continue to require additional financing to continue its operations in the longer term. BioSenic Group therefore continues to evaluate other options with a potential positive impact on going concern, including as follows:

- *Fundraising.* BioSenic is currently preparing a fundraising to be organized in Q1 2024. Securing this fundraising will be a condition to a successful deal with the main creditors. BioSenic Group expects to use

the proceeds of anticipated future fundraisings in priority for progressing the Phase 3 clinical trial in cGvHD. As a result, it will only be possible to start the SLE and SSc Phase 2b clinical trials if the BioSenic Group succeeds in concluding a strong partnership with a biopharmaceutical company or if it manages to successfully out-license some of its technology.

- *Potential partnership to develop and commercialize of JTA.* BioSenic, which does not intend to allocate R&D resources to support the clinical development of JTA-004, is seeking to collaborate with existing and potential partners to explore options for the future development of JTA-004 based on this new post-hoc analysis. Following disappointing Phase 3 clinical results, Biosenic transferred its rights to the JTA technology to the Walloon Region and consequently terminated the license agreement with Enrico Bastianelli SRL in 2022. In March 2023, however, BioSenic obtained new statistical analysis results from the JTA-004 Phase 3 clinical trial data. This new post-hoc analysis changes the therapeutic profile of the molecule and potentially allows for the possibility of stratifying patients for a new, optimized Phase 3 clinical study. The agreement with respect to the JTA technology (including Intellectual Property Rights forming the JTA-Gen1 patent families) has been since reacquired from the Walloon Region, as the Walloon Region accepted to retrocede its rights to the JTA technology to BioSenic Group in 2023. BioSenic is still discussing the opportunity with Enrico Bastianelli SRL to enter into a co-ownership agreement for the JTA-Gen1 patent families, the absence of which could give rise to exploitation problems with third parties for the use of the JTA technology and could therefore have a negative impact on BioSenic's possibilities to collaborate with external partners for the future development and valorisation of the JTA technology.
- *Potential partnership to develop and commercialize of ALLOB.* In October 2022, BioSenic regained worldwide rights to develop, manufacture and commercialised ALLOB following the termination by Shenzhen Pregene Biopharma Co., Ltd ("**Pregene**") of the exclusive license agreement entered into between BioSenic, Pregene and Link Health Pharma Co., Ltd ("**LinkHealth**") in October 2020. Following the recovery of the worldwide rights to ALLOB, BioSenic received a final payment of EUR 1.00 million from Pregene linked to the achievement of a development milestone. Although regulatory changes in China have halted establishment of ALLOB in the Chinese market, BioSenic continues preliminary discussions with Pregene, LinkHealth and other potential partners to reach an agreement for the development and commercialization of ALLOB in other geographies, including in the U.S., based on the information collected by BioSenic's past preclinical research as well as the present review and work on the clinical trials performed.
- *Potential debt and equity financing with TrialCap Pte. Ltd.* BioSenic signed a term sheet in December 2023 with TrialCap Pte. Ltd. for a proposed debt and equity financing. In accordance with the term sheet, two term loan facilities of each up to USD 4,000,000 will be provided to BioSenic, as well as an equity investment of USD 800,000 in new shares of BioSenic. BioSenic is seeking the funds to continue its clinical development. Completion of the transactions set out in the term sheet is subject to the following conditions: (i) the satisfactory completion of due diligence by the lender, (ii) the signing of the definitive agreements for the debt and equity financing, (iii) the signing with a Clinical Research Organization ("**CRO**") and (iv) an equity raise by BioSenic of an amount to be further determined.

All of the above circumstances and events are however subject to material uncertainties, which may cast significant doubt about the Company's ability to continue as a going concern.

If all Convertible Bonds have been subscribed for the aggregate amount of EUR 1.2 million and if BioSenic is not in breach of the Subscription Agreement with GTO 15 in any material respect, BioSenic has the option to renew the EUR 1.2 million program prior to 8 July 2024.

For more information about BioSenic Group's working capital, see also Section 3.1 "Capitalisation and Indebtedness" and Section 3.2 "Working capital statement" of this Securities Note.

#### **1.1.2 The agreements between the Company and its main creditors for the restructuring of its key financial debts are conditional upon BioSenic raising sufficient new equity, which is uncertain.**

The agreements that the Company reached in September 2023 with Patronale, Monument and the European Investment Bank for the restructuring of its key financial debts for an aggregate outstanding principal amount of EUR 15.5 million plus accrued interests, are conditional upon BioSenic raising sufficient new equity to support its R&D plans including the initiation of the patient treatment in Q2 2024 of a Phase 3 clinical trial of its lead Oral ATO therapeutic candidate targeting cGvHD, which is uncertain. The in principle agreement of the European Investment Bank remains subject to its internal credit approval.

If the Company would not be able to satisfy the condition to completing the financial restructuring or if the formal credit approval would not be obtained by the European Investment Bank, the aforementioned creditors could regain their rights to enforce the relevant loan contracts and claim the repayment of the borrowed funds, which would likely lead to the liquidation or bankruptcy of the Company and which would have a material adverse impact on the BioSenic Group, and its shareholders leading to the potential total loss of their entire investment.

**1.1.3** *The Company's access to funds under the Convertible Bonds program with GTO 15 is subject to certain conditions. The inability for the Company to draw tranches, under the Convertible Bonds program or a breach of the Company's contractual obligations under the Subscription Agreement could have a material adverse effect on the Company's cash position and could lead to a bankruptcy taken into account the Company's heavy dependency on the Convertible Bonds program for its working capital needs in Q1 2024.*

The average daily traded value of the Company's shares over 20 days - reduced by ten per cent (10%) of the outliers<sup>1</sup> - must be greater than EUR 15,000 before payment of the fourth tranche. For information, on 9 January 2024, the average daily traded value of the Company's shares over the last 20 days, excluding outliers, was EUR 40,394.

Also, the Investor will subscribe to the new Convertible Bonds only if (i) a share loan of 8 million listed shares is provided by Mr François Rieger and the relevant shares have been delivered to GTO 15, (ii) the Company complies in all material respects with its undertakings under the Subscription Agreement, the previous convertible bond subscription agreement entered into between the Company and the Investor dated 30 May 2022 (as amended) and aforementioned share loan, (iii) there is no event or change which renders any of the warranties set out in the Subscription Agreement untrue or incorrect in any material respect as at the dates set out in the Subscription Agreement, (iv) no regulatory, supervisory or governmental authority which has the power to supervise the Company objects or has objected to the issue of the Convertible Bonds, the subscription of any tranche or their conversion, (v) that there is no event of default, (vi) in respect of all tranches other than the first tranche, the Company obtains from the relevant authorities that they issue freely tradable shares in an amount equal to at least 150% of the nominal value of the relevant tranche plus the outstanding convertible bonds and (vii) that the ordinary shares remain listed.

The inability for the Company to draw tranches, under the Convertible Bonds program or a breach of the Company's contractual obligations under the Subscription Agreement could have a material adverse effect on the Company's cash position and could lead to a bankruptcy taken into account the Company's heavy dependency on the Convertible Bonds program for its working capital needs in Q1 2024.

## **1.2 Risks relating to the New Shares**

**1.2.1** *Various factors including changes in the operating results of BioSenic and its competitors as well the potential extreme price and volume volatility of stock markets, and the limited liquidity of BioSenic's shares may have a significant negative impact on the share price of BioSenic and as a result on BioSenic's ability to raise additional equity at favourable conditions or to raise equity at all. This may therefore have an adverse effect on the working capital position and viability of BioSenic.*

A number of factors may significantly affect the market price of the shares. Such factors include divergence in BioSenic's financial results and cash position from stock market expectations, changes in estimates in relation to the duration or success of BioSenic's ongoing and envisaged clinical trials, changes in the general conditions in the pharmaceutical industry and general economic, financial market and business conditions in the countries in which BioSenic operates.

In addition, as the biotech sector is perceived to be riskier than certain other sectors, stock prices of biotech companies on Euronext Brussels and Paris have from time to time experienced extreme price and volume volatility which, in addition to general economic, financial and political conditions, could materially adversely affect the market price for the shares regardless of the operating results or financial condition of BioSenic.

Also, the liquidity of BioSenic's shares trading on the regulated markets of Euronext Brussels and Euronext Paris is limited and this may cause BioSenic's share price to be volatile. For example, the average daily trading volume of BioSenic's shares in September 2023 was 2,752,106 shares. There is no guarantee that the existing active trading market for the shares can be sustained or that it will be sufficiently liquid. If an active trading market is not sustained, the liquidity and trading price of the New Shares could be adversely affected.

The negative fluctuations of the market price of the shares of BioSenic resulting from the abovementioned factors are likely to continue to occur and may have a significant negative impact on the share price of BioSenic and as a result on BioSenic's ability to raise additional equity at favourable conditions or to raise equity at all. This may therefore lead to the impossibility to raise additional equity, which would have an adverse effect on the working capital position and viability of BioSenic.

**1.2.2** *Future sales of substantial amounts of BioSenic's shares may negatively affect the market value of the New Shares.*

Large, unorganised sales by shareholders or by holders of convertible bonds or subscription rights upon conversion of the bonds or exercise of the subscription rights, may adversely affect BioSenic's share price. In particular, it can be expected that the shares issued to GTO 15 upon conversion of the Convertible Bonds will be sold by GTO 15 within a short period of time. Per analogy, as per 30 November 2023, under the convertible bonds program of 30 May 2022

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<sup>1</sup> Outliers means the data points from the top and bottom tails that shall be excluded from the data set.

with GTO 15, GTO 15 converted for 51,202,360 new shares at a subscription price that is equal to 95% of the lowest daily VWAP (volume-weighted average price) of BioSenic's shares during the 10 consecutive trading days immediately preceding the conversion. The share sales by GTO 15 may continue to put significant pressure on the market price of BioSenic's shares as BioSenic continues to draw amounts under the Convertible Bonds program for its financing in the short term by asking GTO 15 to subscribe for additional convertible bonds.

Furthermore, the shareholders of Medsenic SAS agreed not to sell the 90,668,594 new shares in BioSenic that they received in consideration for the contribution of 51% of Medsenic SAS's shares for a period of nine months as of 24 October 2022 (i.e. until 24 July 2023). As the lock-up period has expired, no guarantee can be given that there are no large, unorganised sales by the former shareholders of Medsenic SAS and by other shareholders, which could have a material adverse effect on BioSenic's share price.

As the Company's shares have a relatively limited trading volume, any sale (including by GTO 15 following the conversion of Convertible Bonds) of a significant number of shares on Euronext Brussels or Euronext Paris, or the perception that such sales could occur, may adversely affect the market value of the New Shares.

The negative fluctuations of the market price of the shares of BioSenic resulting from the abovementioned potential sales of shares may have a significant negative impact on BioSenic's ability to raise additional equity at favourable conditions or to raise equity at all. This may therefore lead to the impossibility to raise sufficient additional equity, which would have an adverse effect on the working capital position and viability of BioSenic.

**1.2.3 *Future issuances of shares or subscription rights or the conversion of convertible bonds may significantly dilute the interests of existing shareholders and therefore adversely affect the market price of the shares, the earnings of the shares and the net asset value thereof.***

BioSenic intends to raise capital in the future through public or private offering of equity securities, convertible debt or rights to acquire these securities. BioSenic may decide to exclude or limit the preferential subscription rights pertaining attached to the then outstanding securities in accordance with applicable law. If BioSenic raises significant amounts of capital by these or other means, it could cause dilution for the holders of its securities and could have a significant negative impact on the share price, earnings per share and net asset value per share. This dilutive effect may be reinforced if the market price of the Company's shares would decrease.

BioSenic agreed with the shareholders of Medsenic SAS that such shareholders will contribute the remaining shares in Medsenic SAS in up to two tranches at the occasion of the next equity raise and at the latest on 24 October 2024. This additional contribution by the shareholders of Medsenic SAS will result in a significant additional dilution of the holders of BioSenic's securities. A quantitative description of the maximum dilution for the existing shareholders can be found under Section 6.3.

Also, the dilution resulting from issue and exercise of new or existing subscription rights could materially adversely affect the price of shares.

1,600 convertible bonds were issued following the private placement on 6 May 2020. At the date of this Document, only 800 convertible bonds issued following the private placement on 6 May 2020 remain outstanding. Using the predetermined conversion price of EUR 7.00, the 800 convertible bonds can be converted into 285,714 new shares in BioSenic in case all such convertible bonds are converted. These 800 convertible bonds could have been converted at the convertible bonds holder's request at any time until the day before their maturity date (i.e. 38 months after their issuance). The shares resulting from the convertible bonds conversions shall immediately bear the same rights of all other existing shares and will be traded on the Euronext stock exchanges in Brussels and in Paris. In September 2023, new binding term sheets were signed for the replacement of the Monument and Patronale bonds and loans by new unsecured convertible bonds. Implementation of the agreed terms with all three lenders is subject to completion of an equity investment in the Company, which may not occur.

In addition, as per 31 December 2023, all twelve tranches (seven tranches of 10 convertible bonds and five tranches of 6 Convertible Bonds) of convertible bonds have been subscribed for by GTO 15 in accordance with the subscription agreement entered into on 30 May 2022 for a total aggregate nominal value of EUR 5 million. All 100 convertible bonds have therefore been subscribed at the date hereof. The 10 convertible bonds of the first, second, third, fourth, fifth and sixth tranche have been converted into shares resulting in the issuance of 51,202,360 new shares in BioSenic. As a result, 40 subscribed convertible bonds are outstanding (including all 10 convertible bonds of the seventh tranche and all 6 convertible bonds of, respectively, the eighth, ninth, tenth, eleventh and twelve tranche). In addition, EUR 185,000 in additional convertible bonds were issued to GTO 15 (substantially on the same terms and conditions) in consideration for a waiver and a withdrawal of conversion granted by GTO 15 under the subscription agreement of 30 May 2022. As the conversion price is equal to 95% of the lowest daily VWAP of BioSenic's shares during the 10 consecutive trading days immediately preceding the conversion, any future negative fluctuation of the market price of the shares of BioSenic will lead to a greater dilution for the existing shareholders upon conversion of the convertible bonds by GTO 15. The shares resulting from the conversion of the convertible bonds held by GTO 15 shall immediately bear the same rights of all other existing shares and will be traded on the Euronext stock exchanges in Brussels and in Paris.



Furthermore, under the new Convertible Bonds Funding Program with GTO 15 dated 8 January 2024, up to 120 convertible bonds for an aggregate value of EUR 1.2 million could be issued to GTO 15 in accordance with the Subscription Agreement. As the conversion price is equal to 95% of the lowest daily VWAP of BioSenic's shares during the 10 consecutive trading days immediately preceding the conversion, any future negative fluctuation of the market price of the shares of BioSenic will lead to a greater dilution for the existing shareholders upon conversion of the Convertible Bonds by GTO 15. The shares resulting from the conversion of the Convertible Bonds held by GTO 15 shall immediately bear the same rights of all other existing shares and will be traded on the Euronext stock exchanges in Brussels and in Paris. If all Convertibles Bonds have subscribed for prior the end of the 6 months commitment period (started on 8 January 2024) and if BioSenic is not in breach of the Subscription Agreement in any material aspect, BioSenic has the option to renew the EUR 1.2 million program.

For more information on the financial consequences of the issuance of the New Shares, the exercise of existing subscription rights and the conversion of existing convertible bonds for the shareholders of BioSenic, please refer to Section 6.3 of this Securities Note.

#### **1.2.4 *BioSenic does not intend to pay dividends for the foreseeable future.***

All shares (including the New Shares) of BioSenic are entitled to participate in the profits of BioSenic (if any). For more information on the entitlement to dividends, please refer to Section 3.9.1 of the Registration Document and Section 4.6.1 of this Securities Note.

As indicated under Section 3.9.2 of the Registration Document, BioSenic has never declared or paid any dividend on its shares. BioSenic does not anticipate paying dividends for the foreseeable future. In case BioSenic then changes its dividend policy, the payment of future dividends to shareholders will still be subject to a decision by the shareholders' meeting or the Board of Directors of BioSenic and subject to legal restrictions pursuant to Belgian corporate law. For more details on these requirements and restrictions, please refer to Section 4.6.1 of this Securities Note. Furthermore, financial restrictions and other limitations may be included in current or future credit and subsidy agreements.

Moreover, under the outstanding loan agreement entered into with the European Investment Bank, BioSenic agreed not to declare or distribute dividends, or return or purchase shares, except with the prior written consent of European Investment Bank. Furthermore, under the subscription agreement between BioSenic and GTO 15 dated 30 May 2022, BioSenic agreed not to distribute any non-cash dividends without the approval of GTO 15 until all convertible bonds subscribed prior to 30 November 2023 are fully converted (or redeemed). Finally, under the Subscription Agreement between BioSenic and GTO 15 dated 8 January 2024, BioSenic agreed not to distribute any non-cash dividends without the approval of GTO 15 until the later of (i) 8 July 2024 and (ii) the date on which all Convertible Bonds subscribed for prior to 8 July 2024 are fully converted (or redeemed).

The probability that the shareholders of BioSenic do not receive dividends in the near future is therefore high.

#### **1.2.5 *BioSenic does not intend to obtain a registration statement in the United States or to fulfil any requirement in other jurisdictions, which may significantly affect the ability of holders of shares outside Belgium and France to exercise pre-emption rights.***

In the event of an increase in the share capital of BioSenic in cash, holders of shares and other voting securities are generally entitled to preferential subscription rights (unless these rights are excluded or limited by either a resolution of the shareholders' meeting or a resolution by the meeting of Board of Directors). For more information on the exercise of preferential subscription rights, please refer to Section 4.6.4 of this Securities Note. Certain holders of shares outside Belgium or France may not be able to exercise pre-emption rights unless local securities laws have been complied with. In particular, US holders of the shares may not be able to exercise preferential subscription rights unless a registration statement under the Securities Act is declared effective with respect to the shares issuable upon exercise of such rights or an exemption from the registration requirements is available. BioSenic does not intend to file a registration statement in the United States or to fulfil any requirement in other jurisdictions (other than in Belgium and France) in order to allow shareholders in such jurisdictions to exercise their preferential subscription rights (to the extent not excluded or limited). As a result, the risk that holders of shares of BioSenic outside Belgium and France may not be able to exercise pre-emption rights is high.

#### **1.2.6 *Certain significant shareholders of BioSenic may have different interests from BioSenic and may be able to control BioSenic, including the outcome of shareholder votes, which may have a negative impact on BioSenic's activities and financial condition.***

For an overview of BioSenic's current significant shareholders reference is made to Section 6.1 (*Shareholding structure*).

BioSenic is not aware that any of its current shareholders have entered or will enter into a shareholders' agreement with respect to the exercise of their voting rights in BioSenic. Nevertheless, based on the transparency declarations the 4 largest shareholders of BioSenic together own 32.35% of the shares. Upon the contribution of the additional shares of Medsenic held by such shareholders, their participation will further increase. They could, alone or together,

have the ability to elect or dismiss directors, and, depending on how broadly BioSenic's other shares are held, take certain other shareholders' decisions that require, or require more than, 50%, 75% or 80% of the votes of the shareholders that are present or represented at shareholders' meetings where such items are submitted to voting by the shareholders. Alternatively, to the extent that these shareholders have insufficient votes to impose certain shareholders' decisions, they could still have the ability to block proposed shareholders' resolutions that require, or require more than, 50%, 75% or 80% of the votes of the shareholders that are present or represented at shareholders' meetings where such decisions are submitted to voting by the shareholders. Any such voting by the shareholders may not be in accordance with the interests of BioSenic or the other shareholders of BioSenic and may therefore have a negative impact on BioSenic's activities and financial condition. As a result, this risk is medium.

## 2 General Information

### 2.1 Introduction

#### 2.1.1 *The Prospectus*

This Securities Note is to be read together with the Registration Document and the Summary, which together constitute a prospectus (the "**Prospectus**"), prepared by BioSenic in accordance with articles 6, al.3, and 10 of the Prospectus Regulation 2017/1129.

On 8 January 2024, the Company entered into an agreement for the issuance and irrevocable subscription of the Convertible Bonds (the "**Subscription Agreement**") with Global Tech Opportunities 15 the "**Investor**" or "**GTO 15**"). Under the terms of the Subscription Agreement, the Investor agreed to make available to the Company a convertible bond funding program for a total amount of up to EUR 1.2 million to be drawn down for the full amount by the way of the issuance of a maximum of 120 Convertible Bonds with a nominal value of EUR 10,000 each (to be fully paid up in cash at the time of subscription). The Convertible Bonds will be subscribed for by GTO 15 in four tranches of EUR 300,000 each (each such tranche including 30 Convertible Bonds). Between each tranche, from the second tranche onwards, there will be a cool down period of 20 trading days with respect to each remaining tranche. The Company agreed to drawdown up to one (1) tranche on the demand of GTO 15. There are no liquidity conditions, other than that for the fourth tranche, the 20-day average daily value traded – trimmed for 10% of the outliers (meaning the data points from the top and bottom tails) – must be greater than EUR 15,000 prior to the disbursement of the tranche. The Convertible Bonds are non-interest bearing, unsecured and subordinated to the existing loan granted to the Company by the European Investment Bank pursuant to the loan agreement dated 30 June 2021.

The Convertible Bonds constitute convertible bonds within the meaning of articles 7:65 and following of the Belgian Code on Companies and Associations and shall be convertible into new shares. Upon conversion of all 120 Convertible Bonds, the Company may issue up to 60,000,000 New Shares based on a potential share price of EUR 0.02. The maturity date of the Convertible Bonds will be five years following the issue date of the relevant Convertible Bond (the "**Maturity Date**"). The Convertible Bonds may be converted into ordinary shares at a conversion price (the "**Conversion Price**") which shall be equal to the lowest 1-day volume-weighted average price (the "**1-day VWAP**") at which the Company's existing shares are tradable on the Euronext Brussels and Euronext Paris markets during a period of 10 consecutive trading days immediately preceding the date of the Conversion Notice with the application of a discount of 5%. Pursuant to the terms and conditions of the Convertible Bonds, the Conversion Price may be lower than the par value of the existing shares (i.e., EUR 0.215 (rounded) per share). In case the Conversion Price would fall below EUR 0.02 per share, additional new shares will be issued upon conversion of the Convertible Bonds and, if and when required, a new prospectus (or, within the 12-month validity period of the present Prospectus, a supplement) will be prepared by the Company for the admission to trading of these additional shares.

The Convertible Bonds may be converted at the holder's request at any time from the issue date until the close of business on the date expected to be 10 trading days prior to the final Maturity Date of such Convertible Bond, or in the event of early redemption 10 trading days prior to the relevant early redemption date, at the Conversion Price (as defined above) upon delivery of a conversion notice (the "**Conversion Notice**"). The Company is required to issue the relevant New Shares fully paid and listed no later than the opening of business on the third trading day (or if the Company's shares are suspended from trading upon the end of the suspension) following receipt by the Company of the conversion note from GTO 15. The number of New Shares to be issued upon conversion of a Convertible Bond shall be determined by dividing the principal amount of the Convertible Bond to be converted (i.e., the issue price) by the Conversion Price.

This Prospectus has been prepared, pursuant to and in accordance with article 3, paragraph 3 of the Prospectus Regulation 2017/1129, for the purpose of the admission to trading of up to 60,000,000 New Shares (assuming a potential conversion share price of EUR 0.02, that may be issued by the Company upon conversion of up to 120 Convertible Bonds to be issued under the Subscription Agreement, on Euronext Brussels, a regulated market of Euronext Brussels and on Euronext Paris, a regulated market of Euronext Paris.

#### 2.1.2 *No offering of the New Shares and the Convertible Bonds*

No offering of the New Shares or the Convertible Bonds to the public was made or will be made and no one has taken any action that would, or is intended to, permit such an offering in any country or jurisdiction where any such action for such purpose is required, including in Belgium, France or any other member state of the European Economic Area to which the Prospectus Regulation 2017/1129 applies (each a "**Relevant Member State**").

For purposes of this provision, (a) the expression an "offer of securities to the public" in any Relevant Member State means the communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the New Shares to be offered, so as to enable an investor to decide to purchase or subscribe for the New Shares and (b) the expression "Prospectus Regulation 2017/1129" means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered

to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (as transposed in the Relevant Member State).

The New Shares and the Convertible Bonds have not been, or will not be, registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States, and they may not be offered, sold, pledged or otherwise transferred in the United States except pursuant to a transaction that is exempt from, or not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws.

### **2.1.3 Language of the Prospectus**

The Prospectus has been prepared in English and has been translated by BioSenic into French. Without prejudice to the responsibility of BioSenic for inconsistencies between the different language versions of the Prospectus, the English version will prevail. However, in their contractual relation with BioSenic, the investors can call upon the translated version.

### **2.1.4 Availability of the Prospectus**

The Prospectus consists of the Summary, this Securities Note and the Registration Document. The Summary and the Securities Note can only be distributed together, in combination with the Registration Document. To obtain a copy of the Prospectus in English or in French, free of charge, please contact:

*To the attention of Investor Relations  
Rue Granbonpré 11, Building H  
1435 Mont-Saint-Guibert  
Belgium*

The Prospectus is also available on BioSenic's website (<https://biosenic.com/investors>). The consultation of the Prospectus may be subject to certain conditions, such as the acceptance of a disclaimer. The distribution of the Prospectus may be restricted by law in certain jurisdictions outside Belgium or France. BioSenic does not represent that the Prospectus may be lawfully distributed in jurisdictions outside Belgium and France. BioSenic does not assume any responsibility for such distribution. Posting this Prospectus on the internet does not constitute an offer to sell or a solicitation of an offer to purchase shares in BioSenic in any jurisdiction and there will not be a sale of any of the shares in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to its registration or qualification under the laws of such jurisdiction or to or for the benefit of any person to whom it is unlawful to make such offer, solicitation or sale. The electronic version of the Prospectus may not be copied, made available or printed for distribution. Other information on the website of BioSenic or on any other website does not form part of this Prospectus and has not been scrutinised or approved by the competent authority. Persons in whose possession this Prospectus or any New Shares may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus. Any person that, for any reason whatsoever, circulates or allows circulation of this Prospectus, must draw the addressee's attention to the provisions of this Section.

## **2.2 Persons responsible for the contents of the Prospectus**

In accordance with article 26, §1 and 2 of the Prospectus Act, BioSenic, with registered office at Rue Granbonpré 11, Building H, 1435 Mont-Saint-Guibert, Belgium, represented by its Board of Directors, assumes responsibility for the completeness and accuracy of the content of the Prospectus. BioSenic declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

Prospective investors should also carefully read the detailed information set out in this Securities Note and in the Registration Document (including any documents incorporated in it by reference) and reach their own view prior to making any investment decision.

## **2.3 Approval of the Prospectus**

The English version of the Securities Note and the Summary were approved by the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*, the "FSMA") on 23 January 2024 as competent authority under the Prospectus Regulation 2017/1129, and subsequently notified to the AMF, for the purposes of the admission to trading of the New Shares on Euronext Brussels and Euronext Paris.

The approval by the FSMA does not imply any judgment on the merits or the quality of the transactions contemplated by the Prospectus nor of the securities or the status of BioSenic. The FSMA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the New Shares that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the New Shares.

## 2.4 Available information

BioSenic must file its coordinated Articles of Association and all other deeds that are to be published in the Belgian Official Gazette with the clerk's office of the enterprise court of Walloon Brabant (Belgium), where they are available to the public. A copy of the most recently coordinated Articles of Association and of BioSenic's corporate governance charter is also available on BioSenic's website <http://www.biosenic.com/investors>.

In accordance with Belgian law, BioSenic must annually prepare audited statutory and consolidated financial statements. The statutory and consolidated financial statements and the reports of the Board of Directors and of the statutory auditor relating thereto are filed with the National Bank of Belgium, where they are available to the public. Furthermore, as a listed company, BioSenic publishes statutory financial statements and semi-annual interim financial statements (in the form as provided by the Belgian Royal Decree of 14 November 2007 relating to the obligations of issuers of financial instruments admitted to trading on a Belgian regulated market (as amended from time to time) (*Arrêté royal relatif aux obligations des émetteurs d'instruments financiers admis à la négociation sur un marché réglementé*)). Copies will be available on BioSenic's website <http://www.biosenic.com/investors>.

BioSenic also has to disclose price sensitive information, information about its shareholders' structure and certain other information to the public. In accordance with the Belgian Royal Decree of 14 November 2007, such information and documentation will be made available through press releases, BioSenic's website, the communication channels of Euronext Brussels and Euronext Paris or a combination of these media.

All regulated information on BioSenic will be made available on STORI, the Belgian central storage mechanism, which is operated by the FSMA and can be accessed via [stori.fsma.be](http://stori.fsma.be) or [www.fsma.be/en/stori](http://www.fsma.be/en/stori).

## 2.5 Notice to investors

### 2.5.1 Decision to invest

In making an investment decision, potential investors must rely on their own examination of BioSenic and the terms of the admission to trading, including the risks and merits involved. Any summary or description set forth in the Prospectus of legal provisions, corporate structuring or contractual relationships is for information purposes only and should not be construed as legal or tax advice as to the interpretation or enforceability of such provisions or relationships. In general, none of the information in the Prospectus should be considered investment, legal or tax advice. Investors should consult their own counsel, accountant and other advisers for legal, tax, business, financial and related advice regarding investing in BioSenic's shares. BioSenic's shares have not been recommended by any federal or state securities commission or regulatory authority in Belgium, France or elsewhere.

No dealer, sales person or other person has been authorized to give any information or to make any representation in connection with the admission to trading of the New Shares that is not contained in the Prospectus. If anyone provides different or inconsistent information, it should not be relied upon. The information appearing in the Summary, Securities Note and Registration Document should be assumed to be accurate only as at the date of approval by the FSMA of the relevant document as indicated on the cover page of this Securities Note. BioSenic's business, financial condition, results of operations and the information set forth in the Prospectus may have changed since those dates. In accordance with Belgian law, if a significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of BioSenic's shares and which arises or is noted between the time when the Prospectus is approved and the start of the trading of the New Shares on the relevant market, such will be set out in a supplement to the Prospectus. Any supplement is subject to approval by the FSMA, in the same manner as the Prospectus and must be made public, in the same manner as the Prospectus.

### 2.5.2 Forward looking statements

The Prospectus contains forward-looking statements and estimates made by BioSenic with respect to the anticipated future performance of BioSenic and the market in which it operates. Certain of these statements, forecasts and estimates can be recognised by the use of words such as, without limitation, "believes", "anticipates", "expects", "intends", "plans", "seeks", "estimates", "may", "will", "predicts", "projects" and "continue" and similar expressions. They include all matters that are not historical facts. Such statements, forecasts and estimates are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable when made but may or may not prove to be correct. Actual events are difficult to predict and may depend upon factors that are beyond BioSenic's control. Therefore, actual results, the financial condition, performance or achievements of BioSenic, or industry results, may turn out to be materially different from any future results, performance or achievements expressed or implied by such statements, forecasts and estimates. Factors that might cause such a difference include, but are not limited to, those discussed in the Sections "Risk Factors" of this Securities Note and/or the Registration Document. Given these uncertainties, no representations are made as to the accuracy or fairness of such forward-looking statements, forecasts and estimates. Furthermore, forward-looking statements, forecasts and estimates in the Summary, the Securities Note or the Registration Document only speak as at the date of approval by the FSMA of the relevant document as indicated on the cover page of this Securities Note. BioSenic

disclaims any obligation to update any such forward-looking statement, forecast or estimates to reflect any change in BioSenic's expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement, forecast or estimate is based, except to the extent required by Belgian law.

### **2.5.3    *Industry data, market share, ranking and other data***

Certain of the information contained in the Prospectus is based on BioSenic's own estimates and assumptions, believed by BioSenic to be reasonable. Certain information, industry data, market size/share data and other data provided in the Prospectus was derived from publications by leading organisations and scientific journals. The information published by such organisations and journals has been accurately reproduced and as far as BioSenic is aware and able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading. Neither BioSenic (with respect to information derived from publications by leading organisations) nor its advisers have independently verified any of the abovementioned information. Furthermore, market information is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market information. As a result, prospective investors should be aware that market share, ranking and other similar data in the Prospectus, and estimates and beliefs based on such data, may not be reliable.

### **2.5.4    *Rounding of financial and statistical information***

Certain numerical figures included in the Prospectus have been subject to rounding adjustments and currency conversion adjustments. Accordingly, the sum of certain data may not be equal to the expressed total.

### 3 Essential Information

#### 3.1 Capitalisation and indebtedness

The following tables sets forth the consolidated capitalisation and net financial indebtedness as of 31 October 2023 of BioSenic Group on an actual basis. These tables should be read in conjunction with BioSenic Group's financial statements, including the notes thereto, and the information set out in the Registration Document.

There have been no material changes to BioSenic Group's consolidated capitalisation and net financial indebtedness since 31 October 2023.

(€'000) – Capitalisation		BioSenic Group As of 31/10/2023 (unaudited)
<b>Total Current debt</b>		<b>8,724</b>
Guaranteed		<b>0</b>
	Secured	<b>292</b>
	<i>Bank loans</i>	0
	<i>Finance lease liabilities</i>	292
Unguaranteed/Unsecured		<b>8,432</b>
	<i>Bank loans</i>	294
	<i>Government loans "recoverable cash advances"</i>	805
	<i>loans from related parties</i>	0
	<i>Convertible Bonds</i>	3,519
	<i>Non Convertible Bonds</i>	0
	<i>Interest-free advances</i>	250
	<i>Trade and other payables</i>	3,475
	<i>Other current liabilities</i>	89
	<b>Total Non-Current debt</b>	<b>19,405</b>
Guaranteed		<b>0</b>
	Secured	<b>879</b>
	<i>Bank loans</i>	0
	<i>Finance lease liabilities</i>	879
Unguaranteed/Unsecured		<b>18,526</b>
	<i>Bank loans</i>	858
	<i>Government loans "recoverable cash advances"</i>	2,803
	<i>Non Convertible Bonds</i>	14,216
	<i>Interest-free advances</i>	581
	<i>Other non-current liabilities</i>	68
<b>Shareholder's Equity-</b>		<b>(16,478)</b>
Share capital		6,274
Share premium		4,594
Accumulated losses <sup>2</sup>		(26,652)
Other reserves		(48)
Non-controlling interests		(646)
<b>Total capitalisation and Indebtedness</b>		<b>11,651</b>

<sup>2</sup> Situation as of 30 June 2023.

The following table sets out the net financial indebtedness of BioSenic Group as of 31 October 2023:

(€'000)	BioSenic Group As of 31/10/2023 (unaudited)
A Cash	108
B Cash equivalents	0
C Other current financial assets	0
<b>D Liquidity (A + B + C)</b>	<b>108</b>
Current financial debt (including debt instrument, but excluding current portion of non-current financial debt)*	3,595
F Current portion of non-current financial debt	0
<b>G Current financial indebtedness (E + F)</b>	<b>3,595</b>
<b>H Net current financial indebtedness (G – D)</b>	<b>3,487</b>
Non-current financial debt (excluding current portion and debt instrument)*	19,555
J Debt instruments	0
K Non-current trade and other payables	0
<b>L Non-current financial indebtedness (I + J + K)</b>	<b>19,555</b>
<b>M Total financial indebtedness (H + L)</b>	<b>23,042</b>

\* The convertible bonds issued by BioSenic in May 2020 are included therein as they are redeemable since 6 July 2023 (i.e., the maturity date).

On 14 September 2023, BioSenic announced that it had reached an agreement with Patronale, Monument and the European Investment Bank for the restructuring of its key financial debts for an aggregate outstanding principal amount of EUR 15.5 million plus accrued interests. Under the terms of the agreed binding term sheet, Patronale and Monument agreed to replace their outstanding loans granted to BioSenic for an aggregate outstanding principal amount of EUR 7.5 million plus accrued interests, by new convertible bonds to be issued by BioSenic later this year. The convertible bonds will not be secured and will have a maturity date of 31 December 2030, which can be further extended by BioSenic for up to 24 months depending on its cash balance, end of 2032. BioSenic has also negotiated a lower interest rate of 5% per year, payable annually, with an additional non-compounding interest of 3% per year that will be added to the principal amount upon conversion or (p)repayment of a convertible bond. The convertible bonds will only become convertible as from 10 trading days after the announcement of the official remittance to the Regulatory Agency of the Final Clinical Report following the final results of BioSenic's phase 3 clinical trial of its lead Oral ATO therapeutic candidate targeting chronic graft versus host disease (cGVHD). The conversion price will be equal to 95% of the 30-calendar day VWAP immediately preceding the date of the conversion notice. The outstanding warrants of Patronale are being cancelled. The outstanding loan from the European Investment Bank ("EIB") for a principal outstanding amount of EUR 8 million should as well be extended to 2030, with the same 24-month extension possibility as for the new convertible bonds. The interest rate will also be aligned with the new convertible bonds. The outstanding warrants of the EIB should also be cancelled, and EIB should receive a similar return as Monument and Patronale if the new convertible bonds are effectively converted into shares. The key refinancing principles discussed with EIB remain subject to formal EIB approval. Completion of the refinancing of the loans granted by Patronale, Monument and the EIB will be subject to BioSenic raising sufficient new equity for BioSenic to continue its operations including the initiation of the patient treatment in Q2 2024 of a Phase 3 clinical trial of its lead Oral ATO therapeutic candidate targeting cGVHD.

Since 31 October 2023, the two final tranches of 6 convertible bonds each were subscribed and fully paid-up by GTO 15 according to the subscription agreement of 30 May 2022 (as amended), respectively on 6 November 2023 and 20 November 2023 for a total amount of EUR 600,000.

End December 2023, the Company decided to convert the EUR 1,000,000 convertible bonds previously issued by Medsenic SAS to the Company, in accordance with the terms agreed upon on 8 September 2022. As a result of the conversion, the Company has increased its participation in its subsidiary Medsenic SAS by 0.81%, bringing its total participation in Medsenic SAS to 51.81%.

### 3.2 Working capital statement

BioSenic Group does currently not have sufficient working capital to meet its present requirements and cover the working capital needs for a period of at least 12 months as of the date of this Securities Note.

BioSenic ended the first nine months of 2023 with EUR 0.39 million in cash and cash equivalent. The Company is in the process of closing the ALLOB Phase 2b clinical trial, with many actions to be carried out to follow up the last



patients recruited at the end of last year and the beginning of 2023, as well as the regulatory closure of the 24 European centers involved. BioSenic anticipates having sufficient cash to launch the Phase 3 clinical trials in cGvHD, considering the following relevant assumptions:

- Finalisation and implementation of the key terms that were agreed with certain key historical creditors of the Company to postpone the maturity date and interest payments of the ongoing loans for an aggregate principal amount of EUR 15.5 million.
- A full use of the new Convertible Bonds funding program with GTO 15 in Q1 2024. There are no liquidity conditions under the new funding program with GTO 15, other than that for the fourth tranche, the 20-day average daily value traded – trimmed for 10% of the outliers (meaning the data points from the top and bottom tails) – must be greater than EUR 15,000 prior to the disbursement of the tranche. GTO 15 can also terminate the funding program if a material adverse effect has occurred.
- A successful fundraising or the negotiation of a renewed convertible bond program.
- A reinforced strict policy of cost management.

The assumptions made above comprise various risks and uncertainties.

As the cash runway of the Company is currently expected into early Q2 2024 (assuming the full use of the new Convertible Bonds program with GTO 15), BioSenic Group will continue to require additional financing to continue its operations in the longer term. BioSenic Group therefore continues to evaluate other options with a potential positive impact on going concern, including as follows:

- *Fundraising.* BioSenic is currently preparing a fundraising to be organized in Q1 2024. Securing this fundraising will be a condition to a successful deal with the main creditors. BioSenic Group expects to use the proceeds of anticipated future fundraisings in priority for progressing the Phase 3 clinical trial in cGvHD. As a result, it will only be possible to start the SLE and SSc Phase 2b clinical trials if the BioSenic Group succeeds in concluding a strong partnership with a biopharmaceutical company or if it manages to successfully out-license some of its technology.
- *Potential partnership to develop and commercialize of JTA.* BioSenic, which does not intend to allocate R&D resources to support the clinical development of JTA-004, is seeking to collaborate with existing and potential partners to explore options for the future development of JTA-004 based on this new post-hoc analysis. Following disappointing Phase 3 clinical results, Biosenic transferred its rights to the JTA technology to the Walloon Region and consequently terminated the license agreement with Enrico Bastianelli SRL in 2022. In March 2023, however, BioSenic obtained new statistical analysis results from the JTA-004 Phase 3 clinical trial data. This new post-hoc analysis changes the therapeutic profile of the molecule and potentially allows for the possibility of stratifying patients for a new, optimized Phase 3 clinical study. The agreement with respect to the JTA technology (including Intellectual Property Rights forming the JTA-Gen1 patent families) has been since reacquired from the Walloon Region, as the Walloon Region accepted to retrocede its rights to the JTA technology to BioSenic Group in 2023. BioSenic is still discussing the opportunity with Enrico Bastianelli SRL to enter into a co-ownership agreement for the JTA-Gen1 patent families, the absence of which could give rise to exploitation problems with third parties for the use of the JTA technology and could therefore have a negative impact on BioSenic's possibilities to collaborate with external partners for the future development and valorisation of the JTA technology.
- *Potential partnership to develop and commercialize of ALLOB.* In October 2022, BioSenic regained worldwide rights to develop, manufacture and commercialised ALLOB following the termination by Shenzhen Pregene Biopharma Co., Ltd ("**Pregene**") of the exclusive license agreement entered into between BioSenic, Pregene and Link Health Pharma Co., Ltd ("**LinkHealth**") in October 2020. Following the recovery of the worldwide rights to ALLOB, BioSenic received a final payment of EUR 1.00 million from Pregene linked to the achievement of a development milestone. Although regulatory changes in China have halted establishment of ALLOB in the Chinese market, BioSenic continues preliminary discussions with Pregene, LinkHealth and other potential partners to reach an agreement for the development and commercialization of ALLOB in other geographies, including in the U.S., based on the information collected by BioSenic's past preclinical research as well as the present review and work on the clinical trials performed.
- *Potential debt and equity financing with TrialCap Pte. Ltd.* BioSenic signed a term sheet in December 2023 with TrialCap Pte. Ltd. for a proposed debt and equity financing. In accordance with the term sheet, two term loan facilities of each up to USD 4,000,000 will be provided to BioSenic, as well as an equity investment of USD 800,000 in new shares of BioSenic. BioSenic is seeking the funds to continue its clinical development. Completion of the transactions set out in the term sheet is subject to the following conditions: (i) the satisfactory completion of due diligence by the lender, (ii) the signing of the definitive agreements for the debt and equity financing, (iii) the signing with a Clinical Research Organization and (iv) an equity raise by BioSenic of an amount to be further determined.

All of the above circumstances and events are however subject to material uncertainties, which may cast significant doubt about the Company's ability to continue as a going concern.

If all Convertible Bonds have been subscribed for the aggregate amount of EUR 1.2 million and if BioSenic is not in breach of the Subscription Agreement with GTO 15 in any material respect, BioSenic has the option to renew the EUR 1.2 million program prior to 8 July 2024.

### **3.3 Reason for the capital increase and use of proceeds**

If all 120 Convertible Bonds that can potentially be issued under the Subscription Agreement, are subscribed for by the Investor, this will result in approximately EUR 1,100,000 of net proceeds. The costs and expenses incurred by the Company in relation to the issue and the admission to trading of the New Shares on Euronext Brussels and Euronext Paris amount to approximately 8% (including a 5% commitment fee for GTO 15) of the gross proceeds of the transaction.

The Company intends to use the net proceeds resulting from the Convertible Bonds to cover general business expenses and corporate activities.

The total use of funds by the Company in 2024 is expected to be EUR 8.5 million. Assuming the full drawdown of the Convertible Bonds program, the remaining net requirement in cash is expected to amount to approximately EUR 7,300,000 in 2024. BioSenic Group has in its projections not taken into consideration yet any income from partnering activities which could positively impact the cash burn in the future.

At the date of this Securities Note, BioSenic Group cannot predict with certainty all of the particular uses of the funds, or the amounts that will effectively be allocated to the above projects.

The Board of Directors and management of the Company have the discretion to set the amounts and timing of expenditures, which will be based on many factors, including all conditions that may be imposed by regulatory authorities to BioSenic Group, the progress of its clinical trials, the research of potential partnerships, strategic collaborations and all resulting funding, such as the existence of candidates for the licensing or acquisition, the funds, all received grants or subsidies, and the costs and operating expenses of BioSenic Group. Consequently, the management of the Company will have flexibility in allocating the funds.

Depending on the use to be made of the actual proceeds of the New Shares, as described before, or elsewhere, BioSenic Group intends to invest the net proceeds in risk-free short-term securities and or interest-bearing investment grade and other money market instruments.

### **3.4 Outlook**

BioSenic, which does not intend to allocate R&D resources to support the clinical development of JTA-004, is seeking to collaborate with existing and potential partners to explore options for the future development of JTA-004 based on new post-hoc analysis. Following disappointing Phase III clinical results, Biosenic transferred its rights to the JTA technology to the Walloon Region and consequently terminated the license agreement with Enrico Bastianelli SRL in 2022 prior to the reverse merger with Medsenic. In March 2023, however, BioSenic obtained new statistical analysis results from the JTA-004 Phase III clinical trial data. This new post-hoc analysis changes the therapeutic profile of the molecule and potentially allows for the possibility of stratifying patients for a new, optimized Phase III clinical study. The agreement with respect to the JTA technology (including Intellectual Property Rights forming the JTA-Gen1 patent families) has been since reacquired from the Walloon Region, as the Walloon Region accepted to retrocede its rights to the JTA technology to BioSenic Group in 2023. BioSenic is still discussing the opportunity with Enrico Bastianelli SRL to enter into a co-ownership agreement for the JTA-Gen1 patent families, the absence of which could give rise to exploitation problems with third parties for the use of the JTA technology and could therefore have a negative impact on BioSenic's possibilities to collaborate with external partners for the future development and valorisation of the JTA technology.

The Medsenic Phase 2 clinical study with arsenic trioxide in the first-line treatment of cGvHD has been completed and provided positive results. A Phase 3 study with oral arsenic trioxide in the first-line treatment of cGvHD, for which Medsenic received positive pre-IND response from the FDA, is currently anticipated to start in 2024. A Phase 2a clinical trial for systemic lupus erythematosus ("**SLE**") had previously established safety for the patient and efficacy on the course of the autoimmune disease. Positive preclinical work gives good grounds for a Phase 2 clinical trial on systemic sclerosis ("**SSc**"). Phase 2b clinical trials for SLE and SSc are in the planning stage with the protocols for both studies being ready.

BioSenic is currently preparing a fundraising to be organized in Q1 2024. BioSenic Group expects to use the proceeds of anticipated future fundraisings in priority for progressing the Phase 3 clinical trial in cGvHD. As a result, it will only be possible to start the SLE and SSc Phase 2b clinical trials if the BioSenic Group succeeds in concluding a

strong partnership with a biopharmaceutical company or if it manages to successfully out-license some of its technology.

BioSenic also works with TrialCap Pte. Ltd. in order to finalise the proposed debt and equity financing currently materialised in a term-sheet signed in December 2023. In accordance with the term sheet, two term loan facilities of each up to USD 4,000,000 will be provided to BioSenic, as well as an equity investment of USD 800,000 in new shares of BioSenic. BioSenic is seeking the funds to continue its clinical development. Completion of the transactions set out in the term sheet is subject to the following conditions: (i) the satisfactory completion of due diligence by the lender, (ii) the signing of the definitive agreements for the debt and equity financing, (iii) the signing with a Clinical Research Organization ("**CRO**") and (iv) an equity raise by BioSenic of an amount to be further determined.

BioSenic continues preliminary discussions with Pregene and other potential partners to reach an agreement for the development and commercialization of ALLOB.

## 4 Description of the New Shares

### 4.1 Authorised capital

In accordance with the Articles of Association, on 24 October 2022, the extraordinary shareholders' meeting of BioSenic granted the authorisation to the Board of Directors to increase BioSenic's share capital in one or several times, in accordance with articles 7:199 *juncto* 7:202, para. 2, 2° of the Belgian Code on Companies and Associations, for a period of five years from the date of the publication of the resolution in the Annexes to the Belgian Official Gazette (*Moniteur belge*), with a global maximum amount of EUR 32,800,668.71 on the same terms as currently provided for in article 7 of the Articles of Association, including in case of reception by BioSenic of a communication by the FSMA stating that the FSMA has been informed of a public takeover bid regarding BioSenic.

The extraordinary shareholders' meeting amended article 7 of the Articles of Association in order to reflect the renewal of said authorisation.

If BioSenic's share capital is increased within the limits of the authorised share capital, the Board of Directors is authorised to request payment of an issuance premium. This issuance premium will be booked on a non-available reserve account, which may only be decreased or disposed of by a resolution of the shareholders' meeting subject to the same quorum and majority requirements that apply to an amendment of the Articles of Association.

The Board of Directors can make use of the authorised share capital for capital increases subscribed for in cash or in kind, or effected by incorporation of reserves, issuance premiums or revaluation surpluses, with or without issue of new shares. The Board of Directors is authorised to issue convertible bonds, bonds cum warrants or subscription rights within the limits of the authorised share capital and with or without preferential subscription rights for the existing shareholders.

The Board of Directors is authorised, within the limits of the authorised share capital, to limit or cancel the preferential subscription rights granted by law to the existing shareholders in accordance with article 7:191 of the Belgian Code on Companies and Associations. The Board of Directors is also authorised to limit or cancel the preferential subscription rights of the existing shareholders in favour of one or more specified persons, even if such persons are not members of the personnel of BioSenic or its subsidiaries.

This authorisation was granted for a term of five years commencing from the date of the publication of the resolution in the Annexes to the Belgian Official Gazette on 28 October 2022 (i.e., authorisation until 28 October 2027), and can be renewed.

In principle, from the date of the FSMA's notification to BioSenic of a public takeover bid on the financial instruments of BioSenic, the authorization of the Board of Directors to increase BioSenic's share capital in cash or in kind, while limiting or cancelling the preferential subscription right, is suspended. However, BioSenic's extraordinary shareholders' meeting held on 24 October 2022 expressly granted the Board of Directors the authority to increase BioSenic's share capital, in one or several times, from the date of the FSMA's notification to BioSenic of a public takeover bid on the financial instruments of BioSenic and subject to the limitations imposed by the Belgian Code on Companies and Associations. This authorization is valid for a period of three years until 28 October 2025.

Since the renewal of the authorized capital by the extraordinary shareholders' meeting on 24 October 2022, the Board has made use of its powers as described above to issue (i) 37 convertible bonds to the GTO 15 on 20 November 2023, upon conversion of which the Company's capital could potentially be increased by up to EUR 185,000 and (ii) the Convertible Bonds as set out in Section 4.2 below.

### 4.2 The issue of the New Shares

On 16 January 2024, the Board of Directors conditionally increased the share capital of the Company for an amount of up to EUR 1.2 million, using the authorised capital, through the conditional issuance of up to 120 Convertible Bonds, subject to and to the extent of subscription of the Convertible Bonds and the conversion thereof leading to the issue of the New Shares.

The New Shares (if and when issued) will be traded on Euronext Brussels and Euronext Paris under the symbol "BIOS" and under international code number ISIN BE0974280126.

### 4.3 Standstill and lock-up

BioSenic is not aware of any other outstanding sales restrictions or lock-up arrangements signed by its shareholders in connection with the issue of the New Shares.

## 4.4 Issue price of the New Shares

The aggregate issue price of the New Shares (accounting par value (*pair comptable*) plus issuance premium (*prime d'émission*) if any) at which the New Shares have been and will be subscribed for and issued upon conversion of all Convertible Bonds is EUR 1.2 million.

The issue price of the New Shares will depend on the 1-day VWAP of the Company's shares during a period of 10 consecutive trading days immediately preceding the conversion requests for the Convertible Bonds and the number of New Shares to be issued is calculated by dividing the amount of the nominal value of the Convertible Bonds for which the conversion has been requested by the applicable issue price for each conversion request.

The portion of the issue price per New Share up to the accounting par value (as may be changed from time to time) will be recorded on the "Share Capital" account. The balance (if any) will be recorded on the "Issuance Premium" account, which in the same manner as BioSenic's share capital serves as guarantee for third parties and which, save for the possibility of conversion into capital, can only be decided on in accordance with the conditions required for an amendment of the Articles of Association.

## 4.5 Description of the New Shares

The New Shares are being issued under Belgian law without nominal value, having the same rights and advantages as the existing shares, it being understood, for the avoidance of doubt, that these New Shares will be entitled to dividends as from the first date of the financial year during which they are issued. The New Shares will be issued in dematerialised form.

Delivery of any New Shares in dematerialised form will take place through the book-entry facilities of Euroclear Belgium (having its statutory seat located at Koning Albert II-laan 1, 1210 Brussels).

Where applicable, distributed dividends on the New Shares will be subject to a Belgian withholding tax at the applicable ordinary rate which currently amounts to 30%, save for any reduction or exemption. See Sections 5.1 "Taxation in Belgium" and 5.2 "Taxation in France" for more information.

All of BioSenic's shares are fully paid up and freely transferable. Likewise, all of the New Shares will be fully paid up and freely transferable. The New Shares do not have a nominal value, but each reflect the same fraction of BioSenic's share capital which is denominated in euro.

Every shareholder may request conversion of its shares, at its own cost, either into registered shares, or into dematerialised shares. Conversion of dematerialised shares into registered shares will be done by entering them in the related register of registered shares.

For a more detailed description of the rights attached to the shares of BioSenic, reference is made to Section 4.6 below.

## 4.6 Rights attached to the shares of BioSenic

### 4.6.1 Dividend rights

All shares, including the New Shares, participate in the same manner in BioSenic's profits (if any). In accordance with the Belgian Code on Companies and Associations, the shareholders can in principle decide on the distribution of profits with a simple majority vote at the occasion of the annual shareholders' meeting, on the basis of the most recent statutory audited annual accounts, prepared in accordance with the generally accepted accounting principles in Belgium and based on a (non-binding) proposal of the Board of Directors. The Articles of Association also authorise the Board of Directors to declare interim dividends subject to the terms and conditions of the Belgian Code on Companies and Associations. BioSenic's dividend policy is determined by, and may change from time to time by determination of, BioSenic's Board of Directors.

In accordance with article 7:212 of the Belgian Code on Companies and Associations, dividends can only be distributed if following the declaration and issuance of the dividends the amount of BioSenic's net assets on the date of the closing of the last financial year according to the statutory annual accounts (i.e.. the amount of the assets as shown in the balance sheet, decreased with provisions and liabilities, all as prepared in accordance with Belgian accounting rules), decreased with the non-amortised costs of incorporation and expansion and the costs for research and development, does not fall below the amount of the paid-up capital (or, if higher, the called capital), increased with the amount of non-distributable reserves. In addition, prior to distributing dividends, 5% of the net profits must be allotted to a legal reserve, until the legal reserve amounts to 10% of the share capital.

The right of shareholders to receive payment of dividends expires five years after, respectively, the shareholders' meeting or the Board of Directors declared the dividend payable, in which case the entitlement to dividends lapses to the benefit of BioSenic.

Under the outstanding loan agreement entered into with the European Investment Bank, BioSenic agreed not to declare or distribute dividends, or return or purchase shares, except with the prior written consent of European Investment

Bank. Furthermore, under the subscription agreement between BioSenic and GTO 15 dated 30 May 2022, BioSenic agreed not to distribute any non-cash dividends without the approval of GTO 15 until all Convertible Bonds subscribed prior to 30 November 2023 are fully converted (or redeemed).

Belgian law does not provide for any dividend restrictions and procedures for non-resident holders generally. See, however, Sections 5.1.2 and 5.2.1 for more information about the impact of applicable tax legislation in Belgium and France.

For more information on the dividend policy of BioSenic and other restrictions, see Section 3.9 of the Registration Document and Risk Factor 1.2.4 "BioSenic does not intend to pay dividends for the foreseeable future".

#### **4.6.2 Voting rights**

Each shareholder is entitled to one vote per share.

Voting rights may be suspended in relation to shares, in the following events, without limitation and without this list being exhaustive:

- which are not fully paid up, notwithstanding the request thereto by the Board of Directors;
- to which more than one person is entitled, except in the event that a single representative is appointed for the exercise of the voting right;
- which entitle their holder to voting rights above the threshold of 5%, 10%, 15% or any multiple of 5% of the total number of voting rights attached to the outstanding financial instruments of BioSenic on the date of the relevant shareholders' meeting, except in case the relevant shareholder has notified BioSenic and the FSMA at least 20 days prior to the date of the shareholders' meeting of its shareholding reaching or exceeding the thresholds above; and
- of which the voting right was suspended by a competent court or the FSMA.

Generally, the shareholders' meeting has sole authority with respect to:

- the approval of the audited statutory financial statements under Belgian GAAP;
- the appointment and dismissal of directors and of the auditor;
- the granting of discharge of liability to the directors and to the auditor;
- the determination of the remuneration of the directors and of the auditor for the exercise of their mandate;
- the determination of the remuneration of the directors and of the auditor for the exercise of their mandate, including inter alia, as relevant, (i) in relation to the remuneration of executive and non-executive directors, the approval of an exemption from the rule that, in accordance with article 7:91, subsection 1, of the Belgian Code on Companies and Associations, Share based awards can only vest during a period of at least three years as of the grant of the awards, (ii) in relation to the remuneration of executive directors, the approval of an exemption from the rule that, in accordance with article 7:91, subsection 2, of the Belgian Code on Companies and Associations, (unless the variable remuneration is less than a quarter of the annual remuneration) at least one quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least two years and that at least another quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least three years and (iii) in relation to the remuneration of non-executive directors (that are not independent directors), the approval of any variable part of the remuneration, in accordance with article 7:92, subsection 4 of the Belgian Code on Companies and Associations;
- the approval of provisions of service agreements to be entered into with executive directors, members of the Executive Committee and other executives providing for severance payments exceeding 12 months' remuneration (or, subject to a motivated opinion by the Nomination & Remuneration Committee, 18 months' remuneration);
- the approval of the grant of rights to third parties affecting the assets and liabilities of BioSenic or creating a debt or obligation of BioSenic when the exercise of these rights depends on the issue of a public takeover bid over BioSenic or on a change of control of BioSenic, in accordance with article 7:151 of the Belgian Code on Companies and Associations;
- the approval of the remuneration report included in the annual report of the Board of Directors;
- the distribution of profits;
- the filing of a claim for liability against directors;
- the decisions relating to the dissolution, mergers, de-mergers and certain other reorganisations of BioSenic; and
- the approval of amendments to the articles of association.

#### **4.6.3 Right to participate in shareholders' meeting and voting rights**

##### **4.6.3.1 Ordinary shareholders' meetings**

The ordinary shareholders' meeting is held each year on the second Wednesday of June at 4:00 p.m. (Brussels time), or if not a business day, on the next business day.

At the ordinary shareholders' meeting, the Board of Directors submits the audited statutory financial statements under Belgian GAAP, the audited consolidated financial statements under IFRS, as adopted by the European Union, and the reports of the Board of Directors and of the auditor with respect thereto to the shareholders.

The ordinary shareholders' meeting typically decides on:

- the approval of the audited statutory financial statements under Belgian GAAP;
- the proposed allocation of BioSenic's profit or loss;
- the discharge of liability to the directors and the auditor;
- the approval of the remuneration report included in the annual report of the Board of Directors;
- the (re-) appointment or dismissal of all or certain directors (as the case may be); and
- the (re-) appointment or dismissal of the auditor (as the case may be).

In addition, as relevant, the shareholders' meeting must also decide on the approval of the remuneration of the directors and the auditor for the exercise of their mandate, and on the approval of provisions of service agreements to be entered into with executive directors, members of the management team and other executives providing (as the case may be) for severance payments exceeding 12 months' remuneration (or, subject to a motivated opinion by the Nomination and Remuneration Committee, 18 months' remuneration).

##### **4.6.3.2 Other shareholders' meetings**

The Board of Directors or the auditor (or the liquidator(s), as the case may be) may, whenever the interest of BioSenic so requires, convene a shareholders' meeting.

The Board of Directors must convene a shareholders' meeting if one or more shareholders representing 10% of BioSenic's issued share capital so request. Said request shall specify the agenda items to be included in the convocation notice.

##### **4.6.3.3 Convening notices**

The convocation notice for the shareholders' meeting must include:

- the place, date and hour of the meeting; and
- the agenda of the meeting indicating the items to be discussed as well as any draft resolutions.

The notice needs to contain a description of the formalities that shareholders must fulfil in order to be admitted to the shareholders' meeting and exercise their voting right, information on the manner in which shareholders can put additional items on the agenda of the shareholders' meeting and table draft resolutions, information on the manner in which shareholders can ask questions during the shareholders' meeting, information on the procedure to participate to the shareholders' meeting by means of a proxy or to vote by means of a remote vote, and the registration date for the shareholders' meeting.

The notice must also mention where shareholders can obtain a copy of the documentation that will be submitted to the shareholders' meeting, the agenda with the proposed draft resolutions or, if no resolutions are proposed, a commentary by the Board of Directors, updates of the agenda if shareholders have put additional items or draft resolutions on the agenda, the forms to vote by proxy or by means of a remote vote, and the address of the webpage on which the documentation and information relating to the shareholders' meeting will be made available. This documentation and information, together with the notice and the total number of outstanding voting rights, must also be made available on BioSenic's website at the same time as the publication of the convocation notice for the shareholders' meeting.

At least 30 days prior to the date of the shareholders' meeting, the convocation notice must be published:

- in the Belgian Official Gazette (*Moniteur belge*);
- in a nation-wide newspaper (except if the relevant meeting is an ordinary shareholders' meeting held at the municipality, place, date and hour mentioned in the articles of association and its agenda is limited to the review of the annual financial statements, the annual report of the Board of Directors, the report of the auditor, the vote on the discharge of the directors and the auditor and the matters described in article 7:92 paragraph 1 and article 7:149, paragraph 3 of the Belgian Code on Companies and Associations);

- in media of which it reasonably can be expected that they will ensure an effective distribution of the information among the public in the EEA and which is accessible quickly and in a non-discriminatory manner; and
- on BioSenic's website.

Convocation notices must be sent 30 days prior to the shareholders' meeting to the holders of registered shares, holders of registered bonds, holders of registered subscription rights, holders of registered certificates issued with the co-operation of BioSenic (if any), and, as the case may be, to the directors and auditor. This communication is made by letter unless the addressees have individually and expressly provided their email-address to BioSenic, in accordance with articles 7:128 *juncto* 2:32 of the Belgian Code on Companies and Associations. The convocation notice and the other documents referred to above are also made available on BioSenic's website as of the date of the publication of the convening notice.

The term of 30 days prior to the date of the shareholders' meeting for the publication and distribution of the convening notice can be reduced to 17 days for a second meeting if the applicable quorum for the meeting is not reached at the first meeting, the date of the second meeting was mentioned in the notice for the first meeting and no new item is put on the agenda of the second meeting.

#### 4.6.3.4 Formalities to attend the shareholders' meeting

All holders of shares, subscription rights and bonds issued by BioSenic and all holders of certificates issued with the co-operation of BioSenic (if any) may attend the shareholders' meeting. Only shareholders, however, may vote at shareholders' meetings. If any holder of securities other than shares wishes to attend a shareholders' meeting, it must comply with the same formalities as those imposed on the shareholders.

The fourteenth day prior to the shareholders' meeting, at 24:00 (Brussels time), constitutes the registration date. A shareholder can only participate to a shareholders' meeting and exercise its voting right provided that its shares are registered in its name on the registration date (and irrespective of the number of Shares the shareholder holds at the date of the shareholders' meeting). For registered shares, this is the registration of the shares in BioSenic's shareholders' register, and for dematerialized shares, this is the registration of the shares in the accounts of a certified account holder or settlement institution in accordance with article 7:134 of the Belgian Code on Companies and Associations. The convocation notice to the shareholders' meeting must explicitly mention the registration date.

The shareholder must also notify BioSenic (or any person so appointed by BioSenic) whether it intends to participate to the shareholders' meeting, at the latest on the sixth day before the date of such meeting.

Prior to participating to the shareholders' meeting, the holders of securities or their proxy holders must sign the attendance list, thereby mentioning: (i) the identity of the holder of securities, (ii) if applicable, the identity of the proxy holder and (iii) the number of securities they represent. The representatives of shareholders-legal entities must present the documents evidencing their quality as legal body or special proxy holder of such legal entity. In addition, the proxy holders must present the original of their proxy evidencing their powers, unless the convocation notice required the prior deposit of such proxies. The physical persons taking part in the shareholders' meeting must be able to prove their identity.

#### 4.6.3.5 Voting by proxy

Each shareholder has, subject to compliance with the requirements set forth above to attend shareholders' meetings, the right to attend a shareholders' meeting and to vote at such meeting in person or through a proxy holder. The Board of Directors can request the participants to the meeting to use a model of proxy (with voting instructions), which must be deposited at BioSenic's registered office or at a place specified in the notice convening the shareholders' meeting at the latest six days prior to the meeting. The appointment of a proxy holder must be made in accordance with the applicable rules of Belgian law, including in relation to conflicts of interest and the keeping of a register.

#### 4.6.3.6 Quorums and majorities

In general, there is no attendance quorum requirement for a shareholders' meeting and decisions are generally passed with a simple majority of the votes of the shares present or represented at the meeting.

However, decisions regarding:

- amendments of the articles of association;
- an increase or decrease of BioSenic's share capital (other than a capital increase decided by the Board of Directors pursuant to the authorised share capital);
- BioSenic's dissolution, mergers, de-mergers and certain other reorganisations of BioSenic;
- the issue of convertible bonds or bonds with subscription rights or the issue of subscription rights; and
- certain other matters referred to in the Belgian Code on Companies and Associations,



require a presence quorum of 50% of the share capital of BioSenic and a majority of at least 75% of the votes cast, with the exception of an amendment of BioSenic's corporate purpose which requires the approval of at least 80% of the votes cast at a shareholders' meeting, which can only validly pass such resolution if at least 50% of BioSenic's share capital and at least 50% of the profit certificates, if any, are present or represented.

In the event where the required quorum is not present or represented at the first meeting, a second meeting needs to be convened through a new notice. The second shareholders' meeting may validly deliberate and decide regardless of the number of shares present or represented.

#### 4.6.3.7 Right to add items to the agenda and file draft resolutions

In accordance with article 7:130 of the Belgian Code on Companies and Associations, one or more shareholders holding at least 3% of BioSenic's share capital have the right to add new items on the agenda of a shareholders' meeting and to file draft resolutions concerning items that were or will be included on the agenda of a shareholders' meeting. This right does not apply to shareholders' meetings that are being convened on the grounds that the presence quorum was not met at the first duly convened meeting.

Shareholders who exercise this right must comply with the following two conditions for the proposal(s) to be eligible for consideration at the shareholders' meeting: (i) they must prove that they hold the abovementioned percentage of shares on the date of their request (either by producing a certificate of registration of those shares in BioSenic's shareholders' register, or by producing a certificate from a certified account holder or settlement institution evidencing that the relevant number of dematerialised shares are registered in their name in the accounts of such certified account holder or settlement institution) and (ii) they must demonstrate that they still hold the abovementioned percentage of shares on the registration date.

BioSenic must receive requests to add new items on the agenda of shareholders' meetings and to file draft resolutions at the latest 22 days prior to the date of the shareholders' meeting. The revised agenda must be published by BioSenic at the latest 15 days prior to the date of the shareholders' meeting.

#### 4.6.3.8 Right to ask questions

In accordance with article 7:139 of the Belgian Code on Companies and Associations, shareholders have a right to ask questions to the directors in connection with the report of the Board of Directors or the items on the agenda of such shareholders' meeting. Shareholders can also ask questions to the auditor in connection with its report. Such questions can be submitted in writing prior to the meeting or can be raised at the meeting. Written questions must be received by BioSenic no later than the sixth day prior to the meeting.

Written and oral questions will be answered during the meeting in accordance with applicable law. In addition, in order for written questions to be considered, the shareholders who submitted the written questions concerned must comply with the requirements set forth above to attend shareholders' meetings.

### 4.6.4 *Preferential subscription right*

In the event of a capital increase in cash with issue of new shares, or in the event of an issue of convertible bonds or subscription rights exercisable in cash, the shareholders have a preferential right to subscribe for the new shares, convertible bonds or subscription rights, pro rata to the part of the share capital represented by the shares that they already hold. The shareholders' meeting may decide to limit or cancel such preferential subscription right, subject to specific substantive and reporting requirements. Such decision must satisfy the same quorum and majority requirements as the decision to increase BioSenic's share capital.

The shareholders can also decide to authorise the Board of Directors to limit or cancel the preferential subscription right within the framework of the authorised capital, subject to the terms and conditions set forth in the Belgian Code on Companies and Associations. In principle, the authorisation of the Board of Directors to increase the share capital of BioSenic through contributions in cash with cancellation or limitation of the preferential right of the existing shareholders is suspended as of the notification to BioSenic by the FSMA of a public takeover bid on the shares of BioSenic. The shareholders' meeting can, however, authorise the Board of Directors to increase the share capital by issuing further shares, not representing more than 10% of the shares of BioSenic at the time of such a public takeover bid.

In accordance with the Articles of Association, on 24 October 2022, the extraordinary shareholders' meeting of BioSenic granted the authorisation to the Board of Directors to increase BioSenic's share capital in one or several times, in accordance with articles 7:199 juncto 7:202, para. 2, 2° of the Belgian Code on Companies and Associations, for a period of five years from the date of the publication of the resolution in the Annexes to the Belgian Official Gazette (Moniteur belge) on 28 October 2022 (i.e., authorisation until 28 October 2027), with a global maximum amount corresponding to the current capital of BioSenic on the same terms as currently provided for in article 7 of the Articles of Association, including in case of reception by BioSenic of a communication by the FSMA stating that the FSMA has been informed of a public takeover bid regarding BioSenic. The authorisation to use the authorised capital

following the receipt of a takeover bid is valid for three years from the date of the publication of the resolution in the Annexes to the Belgian Official Gazette (i.e., until 28 October 2025).

#### **4.6.5 Dissolution and liquidation**

BioSenic can only be dissolved by a shareholders' resolution passed with a majority of at least 75% of the votes at an extraordinary shareholders' meeting where at least 50% of the share capital is present or represented.

If, as a result of losses incurred, the ratio of BioSenic's net assets (determined in accordance with Belgian GAAP) to share capital is less than 50%, the Board of Directors must convene a shareholders' meeting within two months from the date the Board of Directors discovered or should have discovered this undercapitalisation. At such shareholders' meeting, the Board of Directors must propose either the dissolution of BioSenic, or the continuation of BioSenic's activities, in which case the Board of Directors must propose measures to redress BioSenic's financial situation. Shareholders representing at least 75% of the votes validly cast at this meeting can decide to dissolve BioSenic, provided that at least 50% of BioSenic's share capital is present or represented at the shareholders' meeting.

If, as a result of losses incurred, the ratio of BioSenic's net assets to share capital is less than 25%, the same procedure must be followed, it being understood, however, that in such event shareholders representing 25% of the votes validly cast at the shareholders' meeting can decide to dissolve BioSenic.

If the amount of BioSenic's net assets fall below EUR 61,500 (the minimum amount of share capital of a Belgian public limited liability company (*société anonyme*)), each interested party is entitled to request the competent court to dissolve BioSenic. The court may order the dissolution of BioSenic or grant a grace period within which BioSenic is allowed to remedy the situation.

In case of dissolution of BioSenic for whatever reason, and provided that BioSenic is not dissolved and liquidated in one deed, the shareholders' meeting shall appoint and dismiss the liquidator(s), determine their powers and the manner of liquidation. The shareholders' meeting shall fix the remuneration of the liquidator(s), if any.

The liquidators can only take up their function after confirmation of their appointment by the shareholders' meeting by the competent Enterprise Court pursuant to articles 2:83 to 2:86 of the Belgian Code on Companies and Associations.

After settlement of all debts, charges and expenses relating to the liquidation, the net assets shall be equally distributed amongst all shares, after deduction of that portion of such shares that are not fully paid-up, if any.

#### **4.6.6 Acquisition of BioSenic's shares**

In accordance with the Belgian Code on Companies and Associations, BioSenic can only purchase and sell its own shares by virtue of a special shareholders' resolution approved by at least 75% of the votes validly cast at a shareholders' meeting where at least 50% of the share capital are present or represented. The prior approval by the shareholders is not required if BioSenic purchases its own shares to offer them to its personnel.

In accordance with the Belgian Code on Companies and Associations, an offer to purchase shares must be made by way of an offer to all shareholders under the same conditions. This does not apply to (i) the acquisition of shares by companies listed on a regulated market and companies whose shares are admitted to trading on a multilateral trading facility (an "MTF"), provided that the company ensures equal treatment of shareholders finding themselves in the same circumstances by offering an equivalent price (which is assumed to be the case: (a) if the transaction is executed in the central order book of a regulated market or MTF; or (b) if it is not so executed in the central order book of a regulated market or MTF, in case the offered price is lower than or equal to the highest actual independent bid price in the central order book of a regulated market or (if not listed on a regulated market) of the MTF offering the highest liquidity in the share); or (ii) the acquisition of shares that has been unanimously decided by the shareholders at a meeting where all shareholders were present or represented.

A company can only acquire its own shares with funds that would otherwise be available for distribution to the company's shareholders pursuant to article 7:212 of the Belgian Code on Companies and Associations.

At the date of this Securities Note, the Board of Directors of BioSenic was not authorised by the shareholders' meeting to purchase its own shares and neither do the Articles of Association authorise the Board of Directors to purchase own shares in case of imminent serious harm to BioSenic in accordance with article 7:215, §1, paragraph 4 of the Belgian Code on Companies and Associations.

### **4.7 Takeover bids, squeeze-out and sell-out rules**

#### **4.7.1 Takeover bids**

The Directive 2004/25/EC of the European Parliament and the Council dated 21 April 2004 on takeover bids (the "**Takeover Directive**") sets forth the principles governing the choice of laws applicable to BioSenic in the context of a takeover bid for the shares of BioSenic. Article 4-2I of the Takeover Directive provides that if the securities of a

company subject to the offer were first admitted to trading on regulated markets in more than one Member State simultaneously, the offeree company shall determine which of the supervisory authorities of those Member States shall be the authority competent to supervise the bid by notifying those regulated markets and their supervisory authorities on the first day of trading.

Article 4.2 I of the Takeover Directive also provides that matters relating to the consideration offered in the case of an offer, in particular the price and matters relating to the offer procedure, in particular the information on the offeror's decision to make an offer, the contents of the offer document and the disclosure of the offer, shall be dealt with in accordance with the rules of the Member State of the competent authority. As to matters relating to the information to be provided to the employees of the offered company and matters relating to corporate law, in particular the percentage of voting rights which confers control and any exemption from the obligation to launch an offer, as well as the conditions under which the supervisory board of the offeree company may undertake any action which might result in the frustration of an offer, the applicable rules and the competent authority shall be those of the Member State in which the offeree company has its registered office.

These provisions have been implemented in Belgium by the Law of 1 April 2007 on public takeover bids (*Loi du 1er avril 2007 relative aux offres publiques d'acquisition*) (the "**Takeover Law**"), as implemented by the Royal Decree of 27 April 2007 on public takeover bids (*Arrêté royal du 27 avril 2007 relatif aux offres publiques d'acquisition*) (the "**Takeover Decree**") and the Royal Decree of 27 April 2007 on public squeeze-outs (*Arrêté royal du 27 avril 2007 relatif aux offres publiques de reprise*).

BioSenic has chosen the FSMA as competent authority. As a consequence, Belgian laws and regulations will fully apply and public takeover bids on BioSenic's shares and other securities granting access to voting rights (such as subscription rights or convertible bonds, if any) will be subject to supervision by the FSMA. In accordance with article 6.2 of the Takeover Directive, the takeover bid documents approved by the FSMA will be recognized in full in France, subject to any translation required, without the need to obtain the approval of the AMF. The AMF may however require the inclusion of additional information regarding the formalities to be complied with to accept the takeover bid and to receive the consideration due at the close of the takeover bid as well as to the tax arrangements to which the consideration offered to the holders of the securities will be subject.

Public takeover bids must be made for all of BioSenic's voting securities, as well as for all other securities issued by BioSenic that entitle the holders thereof to the subscription for, or the conversion in, voting securities. Prior to making an offer, an offeror must issue and disseminate an offer document, which must be approved by the FSMA. The offeror must also obtain approval of the relevant competition authorities, where such approval is legally required for the acquisition of the shares of the target.

All shareholders and holders of subscription rights (and holders of other securities granting access to voting rights issued by the target company) must have equal rights to contribute their securities in any public takeover bid. Furthermore, whenever a person (as a result of its own acquisition or the acquisition by persons acting in concert with it or by persons acting for their account, directly or indirectly) acquires more than 30% of the voting securities of a company that are (at least in part) admitted to trading on a regulated market, such person must launch a mandatory takeover bid for all the voting securities and securities granting access to voting securities issued by the target company. In general and except for certain exceptions, the mere fact of exceeding the relevant threshold as a result of an acquisition will give rise to the obligation to launch a mandatory takeover bid, irrespective of whether or not the price paid in the relevant transaction exceeds the then current market price. For the calculation of the 30% threshold, the number of voting securities is taken into account and not the number of voting rights attached to such voting securities.

In such an event, the takeover bid must be launched at a price equal to the higher of the two following amounts: (i) the highest price paid by the offeror or the persons acting in concert with it for the acquisition of the relevant securities during the last 12 calendar months; and (ii) the average trading price during the last 30 days before the obligation to launch a takeover bid arose. No mandatory takeover bid is required, amongst other things, when the acquisition is the result of a subscription for a capital increase with application of the preferential subscription rights of the shareholders as decided by the shareholders' meeting.

The price for the acquisition of the shares can be in cash or in securities. In the event of a mandatory takeover bid or a voluntary takeover bid launched by an offeror who controls the target, if a price composed of securities is offered, a cash alternative must also be offered in the event that: (i) the price does not consist of liquid securities admitted to trading on a regulated market; or (ii) the offeror, or a person acting in concert with it, acquired shares for cash during a period of 12 calendar months preceding the publication of the takeover bid or during the takeover bid period (whereby these shares, in the event of a voluntary takeover bid by a controlling shareholder, represent more than 1% of the outstanding voting securities).

Where the voluntary takeover bid is launched by a controlling shareholder, the price must be supported by a fairness opinion issued by an independent expert. In addition, in any cases, the Board of Directors of the target company is required to publish its opinion concerning the takeover bid, as well as its comments on the offer document.

The acceptance period for the takeover bid must be at least two weeks and may not exceed ten weeks.

In principle, from the date of the FSMA's notification to BioSenic of a public takeover bid on the financial instruments of BioSenic, the authorization of the Board of Directors to increase BioSenic's share capital in cash or in kind, while limiting or cancelling the preferential subscription right, is suspended. However, BioSenic's extraordinary shareholders' meeting held on 24 October 2022 expressly granted the Board of Directors the authority to increase BioSenic's share capital, in one or several times, from the date of the FSMA's notification to BioSenic of a public takeover bid on the financial instruments of BioSenic and subject to the limitations imposed by the Belgian Code on Companies and Associations. This authorization became effective as per 28 October 2022 and was granted for a period of three years.

A Belgian public limited liability company (*société anonyme*) can acquire, dispose of, or pledge its own shares, profit certificates or any certificates relating thereto subject to compliance with the relevant legal provisions. In particular, the shareholders' meeting can authorise the Board of Directors to, without any resolution of the shareholders' meeting, purchase and keep BioSenic's own shares when such is necessary to "to avoid imminent and serious danger to BioSenic" within the meaning of article 7:215 of the Belgian Code on Companies and Associations. If granted, such authorisation is valid for a period of three years as of the publication thereof in the Annexes to the Belgian Official Gazette (*Moniteur belge*). On the date of this Securities Note, such authorisation has not been granted to the Board of Directors of BioSenic.

The Articles of Association do not provide for any other specific protective mechanisms against public takeover bids.

#### **4.7.2 Squeeze-out and sell-out**

Pursuant to article 7:82 of the Belgian Code on Companies and Associations, a person or legal entity, acting alone or in concert, who owns 95% of the voting securities in a listed company, such as BioSenic, can acquire all of the outstanding voting securities or securities granting access to such voting securities in BioSenic following a squeeze-out offer. The securities that are not voluntarily tendered in response to such offer are deemed to be automatically transferred to the offeror at the end of the procedure. At the end of the procedure, BioSenic is no longer deemed to be a listed company, unless bonds issued by BioSenic, if any, are still spread across the public. The consideration paid for the securities must be in cash and must represent the fair value of the securities with a view to safeguarding the interests of the holders of voting securities and securities granting access to such voting securities.

The Takeover Law and the Takeover Decree provide for certain rules on the squeeze-out by majority shareholders of the minority shareholders and on the sell-out right of the minority shareholders. If, as a result of a (reopened) public takeover bid, a bidder (together with any person acting in concert with the bidder) holds 95% or more of the voting capital and 95% of the voting securities of the target company, and provided that, in case of a voluntary public takeover bid, the bidder acquired securities representing at least 90% of the voting capital to which the public takeover bid relates, then the bidder can proceed with a simplified squeeze-out in accordance with article 42 of the Takeover Decree, provided that all conditions for such simplified squeeze-out are met, to acquire the securities not yet acquired by the bidder (or any other person deemed to act in concert with the bidder).

Also, if, as a result of such a (reopened) public takeover bid, a bidder (together with any person acting in concert with the bidder) holds 95% or more of the voting capital and 95% or more of the voting securities of the target company, and provided that the bidder acquired securities representing at least 90% of the voting capital to which the public takeover bid relates, each security holder has the right to require the bidder take over its securities against the offer price in accordance with article 44 of the Takeover Decree.

### **4.8 Takeover bids instigated by third parties during the previous financial year and the current financial year**

No takeover bid has been instigated by third parties in respect of BioSenic's equity during the previous financial year and the current financial year.

## 5 Tax aspects

### 5.1 Taxation in Belgium

#### 5.1.1 Important Notice

Prospective investors are warned that the tax legislation of the investor's jurisdiction or of Belgium (being the Issuer's country of incorporation) might have an impact on the income received from the New Shares.

The following is a non-exhaustive summary of the principal Belgian tax consequences for investors relating to the acquisition, the ownership and disposal of the New Shares. The Prospectus does not cover the tax consequences related to the acquisition, ownership, conversion or disposition of the Convertible Bonds. Prospective investors should consult their own (tax) advisers regarding the tax consequences, in Belgium or elsewhere, related to the acquisition, ownership, conversion or disposition of the Convertible Bonds.

This summary is based on BioSenic's understanding of the applicable laws, treaties and regulatory interpretations as in effect in Belgium on the date of this Prospectus, all of which are subject to change, including changes that could have a retroactive effect. The foregoing is particularly relevant since the Belgian government in place as from September 30, 2020 announced a "wide-ranging tax reform". Some measures adopted in the framework of this tax reform have already entered into force as of January 1, 2023. Other foreseen measures (such as the tightening of the conditions for the application of the Dividend Received Deduction) have however been abandoned in the course of the summer 2023 due to a lack of political consensus, but these measures may nevertheless be the subject of a future reform (possibly after the federal elections of June 2024). Investors should appreciate that, as a result of evolutions in law or practice, the eventual tax consequences may be different from what is stated below.

This summary does not purport to address all tax consequences associated with the acquisition, ownership and disposal of the New Shares, and does not take into account the specific circumstances of any particular investor or the tax laws of any country other than Belgium. Moreover, it does not address specific rules, such as Belgian federal or regional estate and gift taxes, nor the tax treatment of investors who are subject to special rules, such as financial institutions, insurance companies, collective investment undertakings, dealers in securities or currencies or persons who hold the shares as a position in a straddle, share-repurchase transactions, conversion transactions, a synthetic security or other integrated financial transaction. This summary does not address the local taxes that may be due in connection with an investment in shares, other than Belgian local surcharges (*gemeentebelasting/taxe communale*) which generally vary from 0% to 10% of the investor's income tax liability.

For the purposes of this summary, a resident investor is:

- an individual subject to Belgian personal income tax, i.e. (i) an individual having their domicile in Belgium, (ii) when not having their domicile in Belgium, an individual having their seat of wealth in Belgium, or (iii) an individual assimilated to a resident for purposes of Belgian tax law;
- a company (as defined by Belgian tax law) subject to Belgian corporate income tax, i.e. a corporate entity having its principal establishment, administrative seat or effective place of management in Belgium (and that is not excluded from the scope of the Belgian corporate income tax). A company having its registered seat in Belgium shall be presumed, unless the contrary is proved, to have its principal establishment, administrative seat or effective place of management in Belgium; or
- a legal entity subject to the Belgian tax on legal entities, i.e. a legal entity other than a company subject to Belgian corporate income tax having its principal establishment, administrative seat or effective place of management in Belgium.

A non-resident investor is any individual, company or legal entity that does not fall in any of the three previous classes.

This summary does not address the tax regime applicable to shares held by Belgian tax residents through a fixed basis or a permanent establishment situated outside Belgium.

Investors should consult their own (tax) advisers regarding the tax consequences of an investment in the New Shares in light of their particular situation, including the effect of any state, local or other national laws, treaties and regulatory interpretations thereof.

#### 5.1.2 Dividends

For Belgian income tax purposes, the gross amount of all benefits paid on or attributed to the shares (including the New Shares) is generally treated as a dividend distribution.

By way of exception, the repayment of capital carried out in accordance with the Belgian Code on Companies and Associations is not treated as a dividend distribution to the extent that such repayment is imputed (proportionally or totally) to the fiscal capital (*gestort kapitaal/capital libéré*). Whether a repayment is imputed to fiscal capital will depend on the company's taxed (and certain untaxed) reserves. Any capital reduction will be deemed to be paid out

on a pro rata basis of BioSenic's fiscal capital and its relevant reserves (being any taxed reserve incorporated or not in the capital, and any tax-exempt reserve incorporated in the capital). The portion of the capital reduction that is deemed to be paid out of the reserves will be considered as a dividend distribution.

Belgian withholding tax of 30% is normally levied on dividends, subject to such relief as may be available under applicable domestic or tax treaty provisions.

In the case of a redemption of the shares (including the New Shares), the redemption distribution (after deduction of the part of the fiscal capital represented by the redeemed shares) will be treated as a dividend subject to a Belgian withholding tax of 30%, subject to such relief as may be available under applicable domestic or tax treaty provisions. No withholding tax will be triggered if this redemption is carried out on a stock exchange and meets certain conditions.

In case of liquidation of BioSenic, any amounts distributed in excess of the fiscal capital (i.e. the liquidation bonus) will in principle be treated as a dividend subject to a Belgian withholding tax of 30%, subject to such relief as may be available under applicable domestic or tax treaty provisions.

#### 5.1.2.1 Resident individuals

For Belgian resident individuals who acquire and hold the New Shares as a private investment, the Belgian dividend withholding tax fully discharges their personal income tax liability. This means that they do not have to declare the dividends in their personal income tax return and that the Belgian withholding tax constitutes a final tax.

They may nevertheless opt to report the dividends in their personal income tax return. Belgian resident individuals who report the dividends in their personal income tax return will normally be taxable at the lower of the generally applicable 30% Belgian withholding tax rate on dividends or at the progressive personal income tax rates applicable to their overall declared income. If the beneficiary reports the dividends, any income tax due on such dividends will not be increased by communal surcharges. In addition, if the dividends are reported, the Belgian dividend withholding tax levied at source may, in both cases, be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due, provided that the dividend distribution does not result in a reduction in value of or a capital loss on the shares of BioSenic. The latter condition is not applicable if the individual can demonstrate that they have held shares in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends. An exemption from personal income tax could in principle be claimed by Belgian resident individuals in their personal income tax return for a first bracket of dividend income up to the amount of EUR 800 per year (amount applicable for income year 2023 – tax year 2024). For the avoidance of doubt, all reported dividends (not only dividends distributed on the New Shares) are taken into account to assess whether said maximum amount is reached (and hence not only the amount of dividends paid or attributed on the shares).

For resident individuals who acquire and hold the shares (including the New Shares) for professional purposes, the Belgian withholding tax does not fully discharge their income tax liability. Dividends received must be declared by the investor as a professional income and will, in such a case, be taxable at the investor's progressive (per bracket) personal income tax rates (from 25% up to 50%, depending on the bracket, plus local surcharges). The Belgian withholding tax levied at source may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the investor must have held full legal ownership of BioSenic's shares at the time of payment or attribution of the dividends and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on, BioSenic's shares. The latter condition is not applicable if the investor demonstrates that they have held full legal ownership of BioSenic's shares during an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

#### 5.1.2.2 Resident companies

##### *Corporate income tax*

For Belgian resident companies, the dividend withholding tax does not fully discharge the corporate income tax liability. For resident companies, the gross dividend income (including the Belgian withholding tax levied) must be declared in the corporate income tax return and will generally be taxable at the ordinary corporate income tax rate of 25% (the ordinary rate of 25% is applicable since tax year 2021 in relation to a taxable period starting at the earliest on January 1, 2020). Subject to certain conditions, a reduced corporate income tax rate of 20% (the reduced rate of 20% is applicable since tax year 2021 in relation to a taxable period starting at the earliest on January 1, 2020) applies for small companies and Medium Sized Enterprises (as defined by article 1:24, §1 to §6 of the Belgian Code on Companies and Associations) on the first bracket of EUR 100,000 taxable profits.

Belgian resident companies can generally (subject to certain limitations) deduct 100% of the gross dividend received from their taxable income (the "**Dividend Received Deduction**"), provided that at the time of a dividend payment or attribution: (i) the Belgian resident company holds shares representing at least 10% of the share capital of BioSenic or a participation in BioSenic with an acquisition value of at least EUR 2,500,000 (it being understood that only one out of the two tests must be satisfied); (ii) the shares of BioSenic have been or will be held in full ownership for an uninterrupted period of at least one year immediately prior to the payment or attribution of the dividend; and (iii) the conditions relating to the taxation of the underlying distributed income ("subject-to-tax" condition), as described in

article 203 of the Belgian Income Tax Code (the "**Article 203 BITC Taxation Condition**") are met (together, the "**Conditions for the application of the Dividend Received Deduction regime**").

Conditions (i) and (ii) above are, in principle, not applicable for dividend received by an "investment company" within the meaning of art. 2, §1, 5°, f) of the Belgian Income Tax Code 1992 ("**BITC**"). The Conditions for the application of the Dividend Received Deduction regime depend on a factual analysis and for this reason the availability of this regime should be verified upon each dividend distribution.

Any Belgian dividend withholding tax levied at source may, in principle, be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the investor's corporate income tax due, subject to two conditions: (i) the investor must have held the full legal ownership of the shares on the day the beneficial owner of the dividend is identified, and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on, BioSenic's shares. The latter condition is not applicable (A) if the investor demonstrates that it has held BioSenic's shares in full legal ownership during an uninterrupted period of 12 months prior to the payment or attribution of the dividends or (B) if, during that period, BioSenic's shares never belonged to a taxpayer other than a resident company or a non-resident company that held BioSenic's shares in an uninterrupted manner through a permanent establishment in Belgium.

#### *Withholding tax*

Dividends distributed to a resident company will be exempt from Belgian withholding tax provided that the Belgian resident company holds, upon payment or attribution of the dividends, at least 10% of BioSenic's share capital and such minimum participation is held or will be held during an uninterrupted period of at least one year.

In order to benefit from this exemption, the investor must provide BioSenic or its paying agent at the latest upon the attribution or payment of the dividend with an *ad hoc* tax certificate confirming its qualifying status and the fact that it meets the two required conditions. If the investor holds a minimum participation for less than one year, at the time the dividends are paid on or attributed, BioSenic will levy the withholding tax but will not transfer it to the Belgian Treasury provided that the investor certifies its qualifying status, the date from which it has held such minimum participation, its commitment to hold the minimum participation for an uninterrupted period of at least one year and its commitment to immediately notify to BioSenic or its paying agent a reduction of its shareholding below such threshold prior to the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the levied dividend withholding tax which was temporarily withheld will be passed on to the investor.

The above described Dividend Received Deduction and withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) for which the Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine (*kunstmatig/non authentique*) and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the EU Parent-Subsidiary Directive of November 30, 2011 (2011/96/EU) ("**Parent-Subsidiary Directive**") in another EU Member State. An arrangement or a series of arrangements is regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

#### 5.1.2.3 Organisations for Financing Pensions

For organisations for financing of pensions ("**OFPs**"), i.e. Belgian pension funds incorporated under the form of an OFP (*organisme voor de financiering van pensioenen/organismes de financement de pensions*) within the meaning of Article 8 of the Belgian Law of 27 October 2006, dividend income is generally tax exempt. Subject to certain limitations, any Belgian withholding tax levied at source may be credited against the final income tax due and is reimbursable to the extent that it exceeds the investor's income tax due.

Belgian (or foreign) OFPs not holding the shares – which give rise to dividends – for an uninterrupted period of 60 days in full ownership amounts to a rebuttable presumption that the arrangement or series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) which are connected to the dividend distributions, are not genuine (*kunstmatig/non authentique*). The withholding tax exemption will in such case not apply and/or any Belgian dividend withholding tax levied at source on the dividends will in such case not be credited against the corporate income tax, unless counterproof is provided by the OFP that the arrangement or series of arrangements are genuine.

#### 5.1.2.4 Resident legal entities

For resident legal entities subject to the Belgian income tax on legal entities, the Belgian withholding tax levied at source generally constitutes their final tax liability.

#### 5.1.2.5 Non-residents

##### *Belgian dividend withholding tax for non-resident*

For non-resident individuals, corporations or other legal entities the withholding tax levied at source will be the only tax on dividends in Belgium, unless the non-resident holds Company's shares in connection with a business conducted in Belgium through a fixed base in Belgium or a permanent establishment in Belgium.

If BioSenic's shares are acquired or held by a non-resident in connection with a business conducted in Belgium through a fixed base in Belgium or a permanent establishment in Belgium, the investor must report any dividends received in its Belgian income tax return and the dividends will be taxable at the applicable non-resident individual or corporate income tax rate, as appropriate. Withholding tax levied at source may then be credited against non-resident individual or corporate income tax and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the investor must have held full legal ownership of the shares on the day the beneficial owner of the dividend is identified and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on, BioSenic's shares. The latter condition is not applicable if (i) the non-resident individual or the non-resident company demonstrates that BioSenic's shares were held in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends or (ii) with regard to non-resident companies only, if, during the said period, BioSenic's shares have not belonged to a taxpayer other than a resident company or a non-resident company that held BioSenic's shares in an uninterrupted manner through a permanent establishment in Belgium.

Non-resident companies whose Company's shares are invested in a permanent establishment may deduct up to 100% of the gross dividends included in their taxable profits if, at the date dividends are paid or attributed, the Conditions for the application of the Dividend Received Deduction regime are met (see above Section 5.1.2.2 "Resident companies"). Application of the Dividend Received Deduction regime depends, however, on a factual analysis to be made upon each distribution and its availability should be verified upon each distribution.

##### *Belgian dividend withholding tax relief for non-residents*

Dividends distributed to non-resident companies established in a Member State of the EU or in a country with which Belgium has concluded a double tax treaty that includes a qualifying exchange of information clause and qualifying as a parent company in the meaning of Parent-Subsidiary Directive, will, under certain conditions, be exempt from Belgian withholding tax provided that Company's shares held by the non-resident company, upon payment or attribution of the dividends, amount to at least 10% of BioSenic's share capital and such minimum participation is held or will be held during an uninterrupted period of at least one year. A company qualifies as a parent company provided that (i) for companies established in a Member State of the EU, it has a legal form as listed in the annex to the Parent-Subsidiary Directive, or, for companies established in a country with which Belgium has concluded a qualifying double tax treaty it has a legal form similar to the ones listed in such annex, (ii) it is considered to be a tax resident according to the tax laws of the country where it is established and the double tax treaties concluded between such country and third countries, and (iii) it is subject to corporate income tax or a similar tax without benefiting from a tax regime that derogates from the ordinary tax regime.

In order to benefit from this exemption, the non-resident company must provide BioSenic or its paying agent with an *ad hoc* tax certificate confirming its qualifying status and the fact that it meets the three abovementioned conditions. If the investor holds a minimum participation for less than one year, at the time the dividends are paid on or attributed to BioSenic's shares, BioSenic or the paying agent will levy the withholding tax but will not transfer it to the Belgian Treasury provided that the investor certifies its qualifying status, the date from which the investor has held such minimum participation, its commitment to hold the minimum participation for an uninterrupted period of at least one year and its commitment to immediately notify BioSenic of a reduction of its shareholding below such threshold prior to the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the levied dividend withholding tax, which was temporarily withheld, will be passed on to the non-resident company.

The withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) for which the Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine (*kunstmatig/non authentique*) and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the Parent-Subsidiary Directive in another EU Member State. An arrangement or a series of arrangements are regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

Dividends distributed by a Belgian company to non-resident companies on a share participation of less than 10% will under certain conditions be subject to an exemption from withholding tax, provided that the non-resident companies (i) are either established in another Member State of the EEA or in a country with which Belgium has concluded a double tax treaty, where that treaty, or any other treaty concluded between Belgium and that jurisdiction, includes a qualifying exchange of information clause; (ii) have a legal form as listed in Annex I, Part A to the Parent-Subsidiary Directive as amended from time to time, or a legal form similar to the legal forms listed in the aforementioned annex and which is governed by the laws of another Member State of the EEA or a similar legal form in a country with



which Belgium has concluded a double tax treaty; (iii) hold a share participation in the Belgian dividend distributing company, upon payment or attribution of the dividends, of less than 10% of the issuer's share capital but with an acquisition value of at least EUR 2,500,000; (iv) hold or will hold the shares which give rise to the dividends in full legal ownership during an uninterrupted period of at least one year; and (v) are subject to the corporate income tax or a tax regime similar to the corporate income tax without benefiting from a tax regime which deviates from the ordinary regime. The exemption from withholding tax is only applied to the extent that the Belgian withholding tax, which would be applicable absent the exemption, could not be credited nor reimbursed at the level of the qualifying, dividend receiving, company. The non-resident company must provide the issuer or its paying agent with an *ad hoc* tax certificate confirming, in addition to its full name, legal form, address and fiscal identification number (if applicable), its qualifying status and the fact that it meets the required conditions mentioned under (i) to (v) above, and indicating to which extent the withholding tax, which would be applicable absent the exemption, is in principle creditable or reimbursable on the basis of the law as applicable on 31 December of the year preceding the year during which the dividend is paid or attributed.

Under Belgian tax law, withholding tax is also not due on dividends paid to a non-resident pension fund which satisfies the following conditions: (i) to be a legal entity with fiscal residence outside of Belgium and without a Belgian establishment, (ii) whose corporate purpose consists solely in managing and investing funds collected in order to serve legal or complementary pension schemes, (iii) whose activity is limited to the investment of funds collected in the exercise of its statutory mission, without any profit making aim, (iv) which is exempt from income tax in its country of residence, and (v) provided that it is not contractually obligated to remit or transfer the dividends received to any ultimate beneficiary of such dividends for whom it would manage the shares, nor obligated to pay a manufactured dividend with respect to the shares under a securities borrowing transaction. The exemption will only apply if the non-resident pension fund provides an *ad hoc* tax certificate confirming that it is the full legal owner or usufruct holder of BioSenic's shares and that the above conditions are satisfied.

A pension fund not holding the shares – which give rise to dividends – for an uninterrupted period of 60 days in full ownership amounts to a rebuttable presumption that the arrangement or series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) which are connected to the dividend distributions, are not genuine (*kunstmatig/non authentique*). The withholding tax exemption will in such case be rejected, unless counterproof is provided by the OFP that the arrangement or series of arrangements are genuine.

If there is no exemption or reduced rate available under Belgian domestic law, the Belgian withholding tax can potentially be reduced for non-resident investors pursuant to the bilateral tax treaty concluded between Belgium and the state of residence of the investor. Belgium has concluded tax treaties with over 95 countries, reducing the dividend withholding tax rate to 20%, 15%, 10%, 5% or 0% for residents of such countries, subject to conditions relating, amongst others, to the size of the shareholding and certain identification formalities. Such reduction may be obtained either directly at source or through a refund of taxes withheld in excess of the applicable tax treaty rate.

Prospective investors should consult their own (tax) adviser as to whether they qualify for a reduction of, or exemption from, Belgian withholding tax upon payment or attribution of dividends, and as to the procedural requirements for obtaining such a reduction or exemption.

Dividends paid or attributed to Belgian non-resident individuals who do not use the shares (including the New Shares) in the exercise of a professional activity, may be exempt from Belgian non-resident individual income tax up to the amount of EUR 800 (amount applicable for income year 2023 – tax year 2024) per year. Consequently, if Belgian withholding tax has been levied on dividends paid or attributed to the shares, such Belgian non-resident individual may request in his or her Belgian non-resident income tax return that any Belgian withholding tax levied on dividends up to the amount of EUR 800 (amount applicable for income year 2023 – tax year 2024) per year be credited and, as the case may be, reimbursed. However, if no such Belgian income tax return has to be filed by the Belgian non-resident individual, any Belgian withholding tax levied on such an amount could in principle be reclaimed by filing a request thereto addressed to the tax authority. Such a request has to be made at the latest on December 31 of the calendar year following the calendar year in which the relevant dividend(s) have been received, together with an affidavit confirming the non-resident individual status and certain other formalities.

### **5.1.3 Capital gains and losses**

#### **5.1.3.1 Resident individuals**

For resident individuals acquiring and holding BioSenic's shares (including the New Shares) as a private investment, capital gains realised upon the transfer of the shares are generally – in application of the current version of the Belgian fiscal legislation – not subject to Belgian income tax and capital losses are, however, not tax deductible.

However, resident individuals may be subject to a 33% income tax (to be increased with local surcharges) if the capital gain on the shares is deemed to be speculative or realised outside the scope of the normal management of their private estate. Moreover, capital gains realised by Belgian resident individuals on the disposal of BioSenic's shares for consideration, outside the exercise of a professional activity, to a legal person that has its principal establishment, or place of management outside the European Economic Area, are in principle taxable at a rate of 16.5% (plus local

surcharges) if, at any time during the five years preceding the sale, the Belgian resident individual has owned directly or indirectly, alone or with their spouse or with certain relatives, a substantial shareholding in BioSenic (*i.e.*, a shareholding of more than 25% in BioSenic). Capital losses are, however, not tax deductible.

For resident individuals holding BioSenic's shares (including the New Shares) for professional purposes, capital gains realised upon transfer of shares shall be taxable at the normal progressive personal income tax rates (which are currently in the range of 25% to 50%, plus local surcharges), except for Company's shares held for more than five years, which are taxable at a separate rate of 10% (capital gains realised in the framework of the cessation of activities under certain circumstances) or at a separate rate of 16.5% (other circumstances), plus local surcharges. Capital losses on BioSenic's shares incurred by resident individuals holding the shares for professional purposes are in principle tax deductible.

Capital gains realised by resident individuals upon redemption of BioSenic's shares or upon liquidation of BioSenic will in principle be taxed as dividend income (see above).

#### 5.1.3.2 Resident companies

Belgian resident companies are not subject to Belgian corporate income tax on gains realised upon the disposal of Company's shares (including the New Shares) provided that all the Conditions for the application of the Dividend Received Deduction regime are met: (i) the Article 203 BITC "subject-to-tax" Condition is satisfied, (ii) the shares have been held in full legal ownership for an uninterrupted period of at least one year and (iii) it holds a participation of at least 10% in the capital of the company or at least EUR 2,500,000 of investment value in capital.

If one or more of the Conditions for the application of the Dividend Received Deduction regime are not met, the capital gains realised upon the disposal of shares in BioSenic will be taxable at the ordinary corporate income tax rate of 25% (since tax year 2021 in relation to a taxable period starting at the earliest on January 1, 2020). The ordinary corporate income tax rate can be further reduced to 20% on the first bracket of EUR 100,000 of yearly taxable profits for small companies and Medium Sized Enterprises if conditions are met (see above).

Capital gains realized by Belgian resident companies upon the redemption of Shares by BioSenic or upon the liquidation of BioSenic will, in principle, be subject to the same taxation regime as dividends (see above). However, the income received by Belgian resident companies upon a redemption of shares in accordance with the Belgian Code on Companies and Associations could be treated as a capital gain on shares (taxed in accordance with the rules described above) if certain conditions are fulfilled.

Capital losses on Company's shares incurred by resident companies (both non-SMEs and SMEs) are, as a general rule, not tax deductible.

If BioSenic's shares form part of the trading portfolio (*handelsportefeuille/portefeuille commerciale*) of companies that are subject to the Royal Decree of 23 September 1992 on the annual accounts of credit institutions, investment firms and management companies of collective investment institutions (*jaarrekening van de kredietinstellingen, de beleggingsonderneming en de beheervennootschappen van instellingen van collectieve belegging/comptes annuels des établissements de crédit, des entreprises d'investissement et des sociétés de gestion d'organismes de placement collectif*), the capital gains realised upon the disposal of shares will be subject to corporate income tax, and capital losses will be tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realisation.

#### 5.1.3.3 Organisation for Financing Pensions

OFPs are, in principle, not subject to Belgian corporate income tax on the capital gains realised upon the disposal of BioSenic's shares, and capital losses are not tax deductible.

However, in general, capital gains realised by Belgian resident OFPs upon redemption of the shares or upon liquidation of BioSenic will, in principle, be subject to the same taxation regime as dividends (see above).

#### 5.1.3.4 Other resident legal entities

Capital gains realised upon transfer of BioSenic's shares (including the New Shares) by resident legal entities subject to the legal entities income tax are generally not subject to income tax, save in case of a sale of Company's shares which are directly or indirectly part of a stake representing more than 25% of the share capital in BioSenic which may, under certain conditions, give rise to a 16.5% tax (plus surcharges). Capital losses on BioSenic's shares incurred by Belgian resident legal entities are not tax deductible.

Capital gains realised by Belgian resident legal entities upon the redemption of BioSenic's shares or upon the liquidation of BioSenic will in principle be taxed as dividends (see above).

#### 5.1.3.5 Non-residents

### *Non-resident individuals*

Capital gains realised on BioSenic's shares by a non-resident individual that has not acquired the shares in connection with a business conducted in Belgium through a fixed base in Belgium are in principle not subject to taxation, unless the capital gains are earned or received in Belgium and:

- deemed to be speculative or realised outside the scope of the normal management of the individual's private estate (as defined in articles 90, 1° and 9° of the BITC), in which case (i) capital gains taxable under article 90, 1° and article 228, §2, 9°, a) of the BITC will be subject to a final Belgian professional withholding tax of 30.28% (to the extent that article 248 of the BITC is applicable) and (ii) capital gains taxable under article 90, 9° and article 228, §2, 9°, h) of the BITC need to be declared in a Belgian non-resident income tax return and will be subject to tax at a rate of 35.31% (i.e. 33% plus local surcharges of 7%); or
- originate from the disposal of (part of) a substantial participation in BioSenic (being a participation representing more than 25% of BioSenic's share capital at any time during the last five years prior to the disposal – see Section 5.1.2.2 "Resident companies" above), in which case the capital gains will be subject to tax at a rate of 17.66% (i.e., 16.5% plus local surcharges of currently 7%) and will need to be declared in a Belgian non-resident income tax return.

However, Belgium has concluded tax treaties with more than 95 countries which generally provide for a full exemption from Belgian capital gains taxation on such gains realised by residents of those countries. Capital losses are generally not tax deductible.

Capital gains will be taxable at the ordinary progressive income tax rates and capital losses will be tax deductible, if those gains or losses are realised on Company's shares by a non-resident individual that holds BioSenic's shares in connection with a business conducted in Belgium through a fixed base in Belgium.

Capital gains realised by Belgian non-resident individuals upon the redemption of Company's shares or upon the liquidation of BioSenic will generally be taxable as a dividend (see above).

### *Non-resident companies*

Non-resident companies that have not acquired BioSenic's shares in connection with a business conducted in Belgium through a Belgian establishment are generally not subject to taxation in Belgium on capital gains on those shares.

Non-resident companies that hold the shares in connection with a business conducted in Belgium through a Belgian establishment will generally be taxable in the same way as resident companies (see Section 5.1.2.2 "Resident companies" above).

Capital gains realised by non-resident companies upon redemption of the shares or upon liquidation of BioSenic will in principle be taxed as dividend income (see above).

### **5.1.4 Tax on stock exchange transactions**

Upon the issue of the New Shares (primary market), no tax on stock exchange transactions is due.

The purchase and sale or any other acquisition or transfer for consideration of existing Company's shares (secondary market transactions) in Belgium through a professional intermediary is subject to the tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) currently at a rate of 0.35%, capped at EUR 1,600 per taxable transaction. A separate tax is due from each party to the transaction, both collected by the professional intermediary.

Following the Law of December 25, 2016, the scope of application of the tax on the stock exchange transactions has been extended as of January 1, 2017 to secondary market transactions of which the order is, directly or indirectly, made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a "**Belgian Investor**"). In such a scenario, the tax on the stock exchange transactions is due by the Belgian Investor, unless the Belgian Investor can demonstrate that the tax on the stock exchange transactions due has already been paid by the professional intermediary established outside of Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel*), at the latest on the business day after the day the transaction concerned was realized. Alternatively, professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities ("**Stock Exchange Tax Representative**"). Such Stock Exchange Tax Representative will then be liable towards the Belgian Treasury for the tax on stock exchange transactions due and for complying with reporting obligations and the obligations relating to the order statement in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

No tax on stock exchange transactions is due on transactions entered into by the following parties, provided they are acting for their own account:

- professional intermediaries described in articles 2, 9° and 10° of the Belgian Law of 2 August 2002 on the supervision of the financial sector and financial services;
- insurance companies described in article 2, §1 of the Belgian Act of 9 July 1975 on the supervision of insurance companies;
- pension institutions described in article 2, 1° of the Belgian Act of 27 October 2006 on the supervision of pension institutions;
- collective investment undertakings;
- regulated real estate companies; and
- non-residents (provided that they deliver a certificate to the professional intermediary in Belgium confirming their non-resident status).

The EU Commission adopted on 14 February 2013 the Draft Directive on an Financial Transaction Tax ("**FTT**"). The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. Due to the lack of progress in the negotiations on the Directive, a new timeline has been agreed upon by the Participating Member States. This should lead the Commission to issue a new proposal by 2024.

Investors should consult their own professional (tax) adviser as to the specific implications of this Tax on stock exchange transactions for their tax situation.

#### **5.1.5 (New) Tax on Securities Accounts**

The 'Law introducing an annual tax on security accounts' was published in the Belgian Official Gazette on 25 February 2021. The Tax on Securities Accounts ("**TSA**") entered into force on 26 February 2021 (with exception of the anti-abuse provisions provided by the law and which entered into force on 30 October 2020).

The TSA is an annual subscription tax of 0.15% applicable to taxable financial instruments held in a securities account with an average value of minimum EUR 1,000,000 during the reference period. All financial instruments held in a securities account do fall into the scope of the TSA (including financial instruments such as the New Shares).

The TSA is levied on the securities account itself and not on the holder of the securities account. The TSA will be due only when the average value of the financial instruments held in the securities account amounts to more than EUR 1,000,000 during the reference period.

In principle, the reference period of 12 following months starts on 1 October and ends on 30 September of the following year (the reference period can be shorter in certain circumstances). To calculate the average value, 'snapshots' of the account will be taken every three months and the threshold will hence be assessed on the average value of the financial instruments in the securities account at four reference points within the reference period (i.e., on 31 December, 31 March, 30 June and 30 September). For the first reference period (2021), these 'snapshots' will take place on 31 March 2021, 30 June 2021 and 30 September 2021. The second reference period begins on 1 October 2021.

The TSA is applicable to securities accounts held both in Belgium and abroad by Belgian residents. The TSA is not limited to natural persons (subject to personal income tax) residing in Belgium, but also applies to companies (subject to corporate income tax) and to legal entities (subject to the tax for legal entities) that are established in Belgium. The TSA is also applicable to securities accounts held by non-Belgian residents (both natural persons and legal persons subject to non-resident income taxes) when the securities account is held in Belgium, subject to such relief as may be available under the applicable tax treaty provisions. Certain companies are exempted from the TSA for security accounts held exclusively for their own account. These are 'financial entities' such as banks, listed companies, asset managers, funds and insurers.

For securities accounts held at a Belgian intermediary (e.g. a Belgian Bank), this Belgian intermediary has to withhold the due TSA and must submit the TSA return. In all other circumstances, the account holder must submit the TSA return and pay the due TSA. Foreign intermediaries will have the possibility to have a responsible representative recognized in Belgium who can submit the TSA return and pay the TSA due. Non-compliance with the TSA obligations is sanctioned with a fine of 10% to 200% of the TSA due. Interest for late payment are due when the TSA is paid late.

Investors should consult their own professional (tax) adviser as to the specific implications of this TSA on their tax situation.

#### 5.1.6 Common reporting standard

Following recent international developments, the exchange of information will be governed by the Common Reporting Standard ("CRS"). More than 90 jurisdictions have signed the multilateral competent authority agreement ("MCAA"), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

More than 50 jurisdictions, including Belgium, have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017, relating to income year 2016.

Under CRS, financial institutions resident in a CRS country will be required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On December 9, 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation ("DAC2"), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The mandatory automatic exchange of financial information by EU Member States as foreseen in DAC2 had to become effective on September 30, 2017 at the latest, except with regard to Austria. The mandatory automatic exchange of financial information had to become effective in Austria on September 30, 2018 (at latest).

The Belgian government has implemented said Directive 2014/107/EU, respectively the Common Reporting Standard, per the Law of December 16, 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes.

As a result of the Law of December 16, 2015, the mandatory automatic exchange of information applies in Belgium (i) as of income year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of income year 2014 (first information exchange in 2016) towards the US and (iii), with respect to any other non-EU States that have signed the MCAA, as of the respective date (to be further) determined by Royal Decree.

Investors who are in any doubt as to their position should consult their professional (tax) advisers.

## 5.2 Taxation in France

**Important Notice** - Prospective investors are warned that the tax legislation of the investor's jurisdiction or of Belgium (being the Issuer's country of incorporation) might have an impact on the income received from the New Shares. The following is a non-exhaustive summary of the principal French tax consequences for investors relating to the acquisition, the ownership and disposal of the New Shares. The Prospectus does not cover the tax aspects related to the acquisition, ownership, conversion or disposition of the Convertible Bonds. Prospective investors should consult their own (tax) advisers regarding the tax aspects related to the acquisition, ownership, conversion or disposition of the Convertible Bonds.

### 5.2.1 Dividends

- 5.2.1.1 Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity

#### *Income tax*

Dividends received by individuals who are fiscally domiciled in France are taken into account for the computation of their taxable income. They are subject to personal income tax and, subject to certain conditions, to the exceptional tax on high income (*contribution exceptionnelle sur les hauts revenus*). For taxpayers who are married or have entered into a civil partnership (*PACS*) and who are filing a joint tax return, the exceptional tax on high income applies at a rate of 3% on fiscal income (*revenu fiscal de référence*<sup>3</sup>) of the fiscal household between EUR 500,000 and EUR 1,000,000 and at a rate of 4% on fiscal income above EUR 1,000,000. For other taxpayers who are single, widowed,

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<sup>3</sup> As defined under IV.1 of Section 1417 of the French Tax Code.

separated or divorced, the tax applies at a rate of 3% on fiscal income between EUR 250,000 and EUR 500,000 and at a rate of 4% on fiscal income above EUR 500,000.

Furthermore, dividends are generally subject to the 12.8% withholding tax set out under article 117 *quater* of the French *Code général des impôts* (the "**French Tax Code**") if paid by a paying agent located in France. The 12.8% withholding tax is applicable to the gross amount of the dividend paid and is deductible from their personal income tax liability in respect of the year in which the payment has been made. If the 12.8% withholding tax exceeds the amount of personal income tax due by the taxpayer, it may be reimbursed.

Persons belonging to a fiscal household with a fiscal income (*revenu fiscal de référence*) below EUR 75,000, for taxpayers filing a joint return and below EUR 50,000 for other taxpayers during the penultimate year preceding the payment of the dividends, can elect not to be subject to the 12.8% withholding tax. Furthermore, dividends paid on shares of BioSenic held in a personal equity plan (*plan d'épargne en action*) are exempt from the 12.8% withholding tax<sup>4</sup>.

When the paying agent is established outside France, the 12.8% withholding tax is only due by persons belonging to a fiscal household with a fiscal income above EUR 75,000, for taxpayers filing a joint return and above EUR 50,000 for other taxpayers during the penultimate year preceding the payment of the dividends. In this case, the dividend is reported and the 12.8% withholding tax is paid either by:

- the taxpayer himself; or
- the person who ensures the payment of the income when that person:
  - o is established in a Member State of the European Union or in another State party to the Agreement on the European Economic Area which has concluded an administrative assistance agreement with France to combat tax evasion and avoidance; and
  - o has been mandated by the taxpayer for this purpose.

Upon final taxation, dividends are subject to personal income tax (after deduction of the 12.8% withholding tax) at a flat rate of 12.8% or, upon irrevocable option covering all income within the scope of the 12.8% flat rate, at progressive rates (per bracket) of the personal income tax (from 0% up to 45% depending on the bracket). In case of option for the progressive rates, pursuant to article 158 of the French Tax Code, a rebate of 40% (*abattement de 40%*) is applicable (under certain conditions) to the gross amount of the distributions arising from a regular decision when the personal income tax liability is computed and certain costs and expenses may also be deducted. However, the social levies are still levied on the gross amount of the dividends. The *contribution sociale généralisée* (CSG) is deductible up to 6.8% from the taxable income.

Furthermore, in application of the tax treaty entered into between France and Belgium on 10 March 1964 (the "**Treaty**"<sup>5</sup>), a French shareholder is entitled to claim a tax credit for the Belgian withholding tax applicable to the dividends. This foreign tax credit may be offset against his/her personal income tax, to the extent that the foreign tax credit does not exceed the amount of French tax attributable to the dividend payments (*règle du butoir*) and that the Belgian withholding tax has been levied at the rate provided in the Treaty.

#### *Social levies*

The following social levies are applicable to the gross amount of the dividends:

- *contribution sociale généralisée* (CSG) at the rate of 9.2% (6.8% being deductible from the taxable income subject to personal income tax in case of option for the progressive scale);
- *contribution au remboursement de la dette sociale* (CRDS) at the rate of 0.5% (not deductible from the taxable income subject to personal income tax); and
- *prélèvement de solidarité* at the rate of 7.5% (not deductible from the taxable income subject to personal income tax).

The aggregate rate of the social levies equals 17.2%.

#### 5.2.1.2 Legal entities subject to French corporation tax

##### *Shareholders not qualifying for the participation exemption (régime des sociétés mères et filiales)*

Dividends received by shareholders who do not qualify for the participation exemption are subject to corporation tax at a standard rate. For financial years beginning as from 1 January 2022, the standard rate of corporate income tax is

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<sup>4</sup> Although, since the Finance Act for 2019, early withdrawals from a PEA are subject to the 12.8% flat tax.

<sup>5</sup> A new tax treaty was signed between Belgium and France on 9 November 2021, which will replace the treaty of 10 March 1964 after it has been ratified (not yet executed). This new tax treaty should enter into force on 1 January 2023 at the earliest. Certain provisions of the Treaty relating to the rules described below may be amended. As such, prospective investors should consult their own (tax) advisers in respect of changes that may affect their specific situation.

set at 25% (article 219,I of the French Tax Code).

The CIT rate has been gradually declining since 2019 as follows :

Turnover (EUR)	Taxable income (EUR)	CIT rate (%)			
		Fiscal year open on :			
		2019	2020	2021	2022
Up to EUR 7,63M for financial years opened before January 1, 2021 and up to EUR 10M for financial years opened as of January 1, 2021	Up to EUR 38,120	15%	15%	15%	15%
	EUR 38,120 to €500,000	28%	28%	26.5%	25%
	Over EUR 500,000	31%			
Between EUR 7,63M and EUR 250M for financial years opened before January 1, 2021 and between EUR 10M and EUR 250M for financial years opened as of January 1, 2021	Up to EUR 500,000	28%	28%	26.5%	25%
	Over EUR 500,000	31%			
From EUR 250M	Up to EUR 500,000	28%	28%	27.5%	25%
	Over EUR 500,000	33.1/3%	31%		

The standard rate has thus been gradually reduced to 25% for financial years beginning as from 1 January 2022 (regardless of taxable profits).

In addition, legal entities liable to corporate income tax may, under certain conditions and subject to certain exceptions, be also liable to a social contribution of 3.3% (article 235 *ter* ZC of the French Tax Code).

Small and medium sized enterprises (i.e. enterprises whose turnover is lower than EUR 10,000,000) may benefit, if the conditions specified under articles 219,I,b) and 235 *ter* ZC of the French Tax Code respectively, are met, from a 15% reduced rate of corporation tax on profits up to EUR 42,500 and from an exemption of the 3.3% social surtax.

By application of the Treaty, a French shareholder is entitled to claim a tax credit for the Belgian withholding tax applicable to the dividends. This foreign tax credit may be offset against the corporation tax due, to the extent that the foreign tax credit does not exceed the amount of French tax attributable to the dividend payments (*règle du butoir*) and that the Belgian withholding tax has been levied at the rate provided in the Treaty<sup>6</sup>.

#### *Shareholders qualifying for the participation exemption*

Pursuant to articles 145 and 216 of the French Tax Code, legal entities may benefit from the participation exemption regime if the shares are *inter alia* (i) in registered form or deposited or recorded in an account held by an authorized intermediary; (ii) represent at least 5% of the subsidiary's share capital; or, if this threshold is not reached, 2.5% of the

<sup>6</sup> Certain provisions of the new Treaty relating to the rules described may be amended. As such, prospective investors should consult their own (tax) advisers in respect of changes that may affect their specific situation.

subsidiary's share capital and 5% of the subsidiary's voting rights, provided that the parent is controlled by one or more non-profit organisations (mentioned in 1 *bis* of article 206 of the French Tax Code); (iii) and kept for a period of two years when the shares represent at least 5% of the subsidiary's share capital; or five years when the shares represent 2.5% of the subsidiary's share capital and 5% of the voting rights.

Under the participating exemption, dividends are exempt from corporation tax, except that 5% of the dividends received (including any foreign tax credit) must be added back to the shareholder's taxable income (*quote-part de frais et charges*).

## 5.2.2 Capital gains and losses

### 5.2.2.1 Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity

Pursuant to the Treaty, any capital gains realised by a French resident individual shareholder upon the disposal of the shares of BioSenic will only be taxable in France<sup>7</sup>.

In accordance with article 150-0A of the French Tax Code, capital gains on the disposal of shares are subject to personal income tax at a rate of 12.8% and to social levies at the aggregate rate of 17.2%, as mentioned under paragraph "Social levies", under "Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity" (see Section 5.2.1 "Dividends").

According to article 150-0 D of the French Tax Code, capital losses incurred in a given year may be offset against capital gains of the same kind realised during that year and during the ten following years.

Individuals concerned can also opt for a capital gains tax based on the progressive scale of income tax. In this latter case, on the one hand, the taxable capital gains can be reduced by the rebates applicable according to the period of ownership (50% where the transferred securities were held for at least two years and less than eight years, and 65% if they were held for at least eight years, it being specified that subject to compliance with certain conditions, increased rebate rates are applicable to the sale of securities of SMEs "younger" than ten years : 50% where the securities were held for at least 1 year and less than 4 years, 65% where the securities were held at least 4 years and less than 8 years, and 85% where the securities were held for at least 8 years), provided that the transferred securities are acquired before 1 January 2018 and, on the other hand, the 6.8% CSG will be deductible in full or in part from the taxable income.

The capital gains on the disposal of shares may also be subject to the exceptional tax on high income (*contribution exceptionnelle sur les hauts revenus*), as mentioned under paragraph "Income tax", under "Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity" (see Section 5.2.1 "Dividends").

*Special rules applicable to a plan d'épargne en actions PEA (personal equity plan) and to a plan d'épargne en actions destiné au financement des petites et moyennes entreprises et des entreprises de taille intermédiaire PEA PME-ETI (personal plan for equity of small and medium sized companies)*

Under certain conditions set out under article 163 *quinquies* D of the French Tax Code, the shares<sup>8</sup> of BioSenic may be eligible to the PEA (personal equity plan) or PEA PME-ETI (personal plan for equity of small and medium sized companies<sup>9</sup>).

Holders of a PEA and PEA PME-ETI are, subject to certain conditions, entitled to an exemption from personal income tax on net income and net capital gains derived from investments held in the PEA and PEA PME-ETI provided that no withdrawal occurs during the five-year period following the opening of the PEA and PEA PME-ETI. Personal income tax applies to closing and withdrawals occurring before five years following the opening of the PEA and PEA PME-ETI. Regardless of the date of withdrawal, social levies are due at the rate of 17.2% upon withdrawal from the PEA and PEA PME-ETI for all PEAs opened since 1 January 2018 (for PEAs opened before this date, social security contributions are calculated at the historical rate<sup>10</sup> according to the date of recognition of each fraction of the gain).

<sup>7</sup> Certain provisions of the new Treaty relating to the rules described may be amended. As such, prospective investors should consult their own (tax) advisers in respect of changes that may affect their specific situation.

<sup>8</sup> May be held in a PEA shares issued by a company (i) having its registered office in France, another Member State of the European Union or another Member State of the European Economic Area having signed with France an information exchange agreement to combat fraud and tax evasion and (ii) subject to corporation tax under standard conditions or an equivalent tax.

<sup>9</sup> Small and medium sized companies are companies which have (i) less than 5,000 employees and (ii) an annual turnover not exceeding EUR 1.5 billion or a total balance sheet not exceeding EUR 2 billion. When the shares are admitted to trading on a regulated market or on a multilateral trading system, additional conditions have to be satisfied in order for their issuing companies to be considered as small and medium sized companies: the market capitalisation must be less than EUR 1 billion or must have been less than EUR 1 billion at the end of at least one of the four financial years preceding the financial year taken into account to assess the eligibility of the securities of the issuing company.

<sup>10</sup> 15.5% (five years guaranteed as from the opening).



Capital losses incurred on shares held in a PEA and PEA PME-ETI may in principle only be offset against capital gains realised on other shares held in the plan.

#### 5.2.2.2 Legal entities subject to French corporation tax

Pursuant to the Treaty<sup>11</sup>, any capital gains realised by a French resident corporate shareholder upon the disposal of the shares of BioSenic will only be taxable in France (provided that such capital gains are not attributable to a permanent establishment situated in Belgium of that shareholder).

##### *General regime*

Capital gains realised upon the disposal of the shares are subject to corporation tax, and to the social surtax at the rates mentioned under paragraph "Shareholders not qualifying for the participation exemption", under "Legal entities subject to French corporation tax" (see Section 5.2.1 "Dividends").

Capital losses are deductible from the taxable income.

##### *Special rules applicable to long-term capital gains and losses*

Pursuant to article 219, I-a *quinquies* of the French Tax Code, long-term capital gains realised upon the disposal of shares qualifying as non-portfolio shares (*titres de participation*) and which have been held for at least two years, are exempt from corporation tax, except that 12% of the gross capital gains must be added back to the shareholder's taxable income (*quote-part de frais et charges*).

Long-term capital losses are not deductible for corporation tax purposes and may not be imputed against long-term capital gains for the purposes of computation of the *quote-part de frais et charges*.

Prospective investors should consult their own tax adviser as to the qualification of the shares of BioSenic as non-portfolio shares (*titres de participation*) and shares assimilated thereto for tax purposes.

#### 5.2.3 Stamp duties

The subscription of the shares does not give rise to stamp duties or other transfer taxes in France. The sale of the shares is not subject to stamp duties or other transfer taxes in France provided that the transfer is not evidenced by a written deed or agreement executed in France, unless a purchase agreement is voluntarily registered before the French tax authorities (in which case the 0.1% rate would apply)<sup>12</sup>.

#### 5.2.4 Other situations

Prospective investors who are subject to taxation regimes other than those described above should consult their own tax adviser in respect of their specific situation.

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<sup>11</sup> Certain provisions of the new Treaty relating to the rules described may be amended. As such, prospective investors should consult their own (tax) advisers in respect of changes that may affect their specific situation.

<sup>12</sup> Please see French administrative guidelines referred to as BOI-ENR-DMTOM-40, paragraphs 20 and 30.

## 6 Dilution

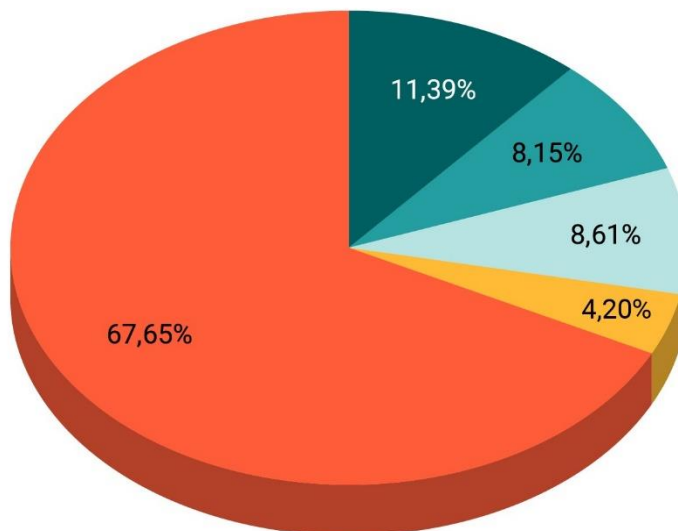
The financial consequences of the issuance of the New Shares for the existing shareholders immediately prior to such issuance are summarised below.

### 6.1 Shareholding structure

The graph below provides an overview of the shareholders that have notified BioSenic of their ownership of securities of BioSenic. This overview is based on the most recent transparency declaration submitted to BioSenic. The graph does not take into account warrant / subscription right ownership. All transparency notifications are available under the 'Investors' section of the Company's website: <https://www.biosenic.com/investors>.

#### Shareholding structure as of 12/01/2024

- François Rieger (Notification 12/01/2023)
- Véronique Pomi (Notification 13/10/2023)
- Capital Grand Est (Notification 16/10/2023)
- FA DIESE (Notification 13/10/2023)
- Other investors



### 6.2 Evolution of the share capital of BioSenic since the IPO

Please revert to Section 9.2 of the Registration Document for a description of the evolution of the share capital of BioSenic since its IPO in 2015.

### 6.3 The Company's capital structure

As per 31 December 2023, the share capital of BioSenic amounts to EUR 35,100,668.71, represented by 163,181,474 shares, without nominal value, each representing 1/163,181,474<sup>th</sup> of the share capital. Also, as per 31 December 2023:

- There are 1,197,554 granted and outstanding warrants, i.e. warrants that have been granted and that have not yet become null and void for any reason (the "**Outstanding Warrants**"). In accordance with the conditions of the subscription rights plans under which they were issued, upon exercise, the Outstanding Warrants entitle the warrant holders to one new share in BioSenic per exercised warrant, being a total of 1,197,554 new shares in BioSenic in case all 1,197,554 Outstanding Warrants are exercised. The total number of 1,197,554 Outstanding Warrants includes 200,000 Outstanding Warrants that have been issued to Patronale and 800,000 to the European Investment Bank ("**EIB**"). Subject to completion of the debt restructuring, which is subject to a new equity raising (see Section 3.1 of this Securities Note for more information), it is envisaged to cancel the 1,000,000 Outstanding Warrants issued to Patronale and EIB.
- There are 800 outstanding convertible bonds issued following the private placement on 6 May 2020. Using the predetermined conversion price of EUR 7.00, the 800 convertible bonds can be converted into 285,714 new shares in BioSenic in case all 800 convertible bonds are converted. The maturity date of these convertible bonds has been reached on 6 July 2023 and the conversion possibility has therefore expired. As a result, these 800 outstanding convertible bonds are not taken into account in the below dilution calculation. Subject to completion of the debt restructuring, which is subject to a new equity raising (see Section 3.1 of this Securities Note for more information), it is envisaged to replace the 800 convertible bonds by new convertible bonds issued to Patronale that will have be convertible into shares at a price equal to 95% of the 30-calendar day VWAP immediately preceding the date of the conversion notice.

- There are 40 outstanding convertible bonds, with a price of EUR 50,000, as well as 37 convertible bonds, with a price of EUR 5,000, subscribed for by GTO 15 pursuant to the subscription agreement dated 30 May 2022 (as amended). The conversion price of the convertible bonds can fluctuate as it is based on the lowest 1-day volume-weighted average price (the "**1-day VWAP**") at which the shares are tradable on the Euronext Brussels and Euronext Paris markets during a period of 10 consecutive trading days immediately preceding the date of the conversion notice for the relevant convertible bond(s) with the application of a discount of 5%. Based on the 1-day VWAP on 27 December 2023, the effective conversion of all 77 outstanding convertible bonds would result in 42,357,274 new shares in BioSenic.
- Under the shareholders agreement dated 24 October 2022 between BioSenic and shareholders of Medsenic, such shareholders agreed to contribute the remaining 48.19% of the shares of Medsenic (i.e., 36,171 shares) in two instalments at the occasion of the next equity raises of BioSenic and at a subscription price as used for such equity raise but not lower than EUR 0.45 (except in case of material adverse change in BioSenic's assets, liabilities or clinical trials). As BioSenic's share price on the date of this Securities Note is lower than EUR 0.45, it has been assumed for the purpose of the below calculations that the remaining 48.19% of Medsenic will be contributed at a price of EUR 0.45 per share of BioSenic resulting in the issuance of 87,109,184 (rounded) new shares. The number of shares could be higher if the parties (i.e. the Company and Medsenic shareholders) agree on a lower value in the light of events occurring since the agreement was signed.

The below table gives an indication of possible future dilution for existing shareholders depending on whether or not BioSenic's Outstanding Warrants and convertible bonds are, respectively exercised and converted and taking into account the contribution of the remaining 48.19% of the shares of Medsenic into BioSenic:

	Full exercise of the Outstanding Warrants (a) <sup>1</sup>	Full conversion of the convertible bonds (b) <sup>2</sup>	Full conversion of envisaged new Patronale and Monument convertible bonds (c) <sup>3</sup>	Full contribution of the remaining 48.19% shares of Medsenic (d)	Combined operations of (a), (b), (c) and (d) = (e)
Current total number of shares (31/12/2023)	163,181,474	163,181,474	163,181,474	163,181,474	163,181,474
Number of New Shares after respectively (a), (b), (c), (d) or (e)	1,197,554	42,357,274	145,391,102	87,109,184	276,055,114
Total number of shares after (a), (b), (c), (d) or (e)	164,379,028	205,538,748	308,572,576	250,290,658	439,236,588
Dilution	0.73%	20.60%	47.12%	34.80%	62.85%

Note 1: Number of Outstanding Warrants as of 31 December 2023.

Note 2: 42,357,274 shares could be issued in case all 77 convertible bonds outstanding of the convertible bond program signed on 30 May 2022 (as amended), were exercised and converted into shares based on the conversion price of EUR 0.051585 (95% of 1-day VWAP on 27 December 2023).

Note 3: Patronale and Monument agreed to replace their outstanding loans granted to BioSenic by an aggregate outstanding principal amount of EUR 7.5 million plus accrued interests, by new convertible bonds to be issued by BioSenic later in 2023. The conversion price will be equal to 95% of the 30-calendar day VWAP immediately preceding the date of the conversion notice. The Outstanding Warrants of Patronale will be cancelled. In light of the foregoing, 145,391,102 shares could be issued in case all of the EUR 7.5 million worth of convertible bonds are exercised and converted into shares based on the conversion price of EUR 0.051585 (95% of 1-day VWAP on 27 December 2023).

For further information about the potential dilution upon conversion of the Outstanding Warrants, the convertible bonds and the issuance of the New Shares, reference is made to the Board of Directors reports available on BioSenic's <http://www.biosenic.com/investors>.

The dilution relating to the share in BioSenic's profits also applies, *mutatis mutandis*, to the voting (each shareholder of BioSenic having one vote per share) and other rights attached to the shares of BioSenic, as well as to the share in the liquidation proceeds, if any, and the preferential subscription rights. For more information on the rights attached to the shares of BioSenic, please refer to Section 4.6 of this Securities Note.

## 6.4 Financial consequences for the existing shareholders

The table below provides an overview of the financial consequences of the issue of New Shares for the existing shareholders. This table is based on the following assumptions: (i) all the Convertible Bonds will be subscribed for and effectively converted into New Shares and (ii) the conversion price of the Convertible Bonds will be equal to EUR 0.02 (assumption 1), EUR 0.04 (assumption 2) or EUR 0.06 (assumption 3). These assumptions have been made for simulation purposes only and may not materialise.

	<b>Prior to conversion (EUR)</b>	<b>After conversion at €0.02 – assumption 1 (EUR)</b>	<b>After conversion at €0.04 – assumption2 (EUR)</b>	<b>After conversion at €0.06 – assumption3 (EUR)</b>
<b>Capital</b>	35,100,668.71	36,300,668.71	36,300,668.71	36,300,668.71
<b>Amount of New Shares to issue</b>		60,000,000	30,000,000	20,000,000
<b>Total amount of shares</b>	163,181,474	223,181,474	193,181,474	183,181,474
<b>Dilution</b> (without taking into account the Outstanding Warrants, the existing convertible bonds and the shares to issue in consideration for the contribution in full of the remaining 48.19% shares of Medsenic SAS)		26.88%	15.53%	10.92%
<b>Total amount of shares</b> after exercise of the Outstanding Warrants, the existing convertible bonds and the shares to issue in consideration for the contribution in full of the remaining 48.19% shares of Medsenic SAS	439,236,588	499,236,588	469,236,588	459,236,588
<b>Dilution</b> (taking into account the Outstanding Warrants, the existing convertible bonds and the shares to issue in consideration for the contribution in full of the remaining 48.19% shares of Medsenic)		12.02%	6.39%	4.36%

## 7 Additional information

### 7.1 Statutory auditor

BioSenic's statutory auditor is BDO Bedrijfsrevisoren – Réviseurs d'entreprises BV/SRL, a company having the form of a private limited liability company organised and existing under the laws of Belgium, with registered office at Elsinore Building - Corporate Village, Da Vincilaan 9/E6, 1930 Zaventem, Belgium and registered with the Register of Legal Entities of Brussels (Dutch-speaking) under enterprise number 0431.088.289, represented by its permanent representative Mr Rodrigo Abels (member of the Belgian *Institut des Réviseurs d'Entreprises*), for a term of three years ending immediately following the adjournment of the annual general shareholders' meeting of BioSenic to be held in 2025, resolving upon the financial statements for the fiscal year ended on 31 December 2024.

The remuneration of the statutory auditor for the performance of its mandate amounts to EUR 52,500 per year (excluding VAT and expenses).

### 7.2 Information incorporated by reference

The information incorporated by reference herein forms an integral part of this Securities Note, save that any statement contained in a document which is incorporated by reference herein, shall be modified or superseded for the purpose of this Securities Note to the extent that a statement contained in this Securities Note modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Securities Note.

Copies of documents incorporated by reference (including the Annual Report 2022) may be obtained without charge from the registered offices of BioSenic and the website of BioSenic (<http://www.biosenic.com/investors>).

#### 7.2.1 Financial information incorporated by reference

This Securities Note shall also be read and construed in conjunction with the following documents:

- (i) the annual report and audited consolidated financial statements of BioSenic prepared in accordance with IFRS for the financial year ended 31 December 2020 (in English and French), together with the related audit report thereon (available on the [Company's website](#));
- (ii) the annual report and audited consolidated financial statements of BioSenic prepared in accordance with IFRS for the financial year ended 31 December 2021 (in English and French), together with the related audit report thereon (available on the [Company's website](#));
- (iii) the annual report and audited consolidated financial statements of BioSenic prepared in accordance with IFRS for the financial year ended 31 December 2022 (in English and French), together with the related audit report thereon (available on the [Company's website](#)); and
- (iv) the condensed consolidated unaudited interim financial statements of BioSenic prepared in accordance with IFRS for the financial period ended 30 June 2023 (in English and French)(available on the [Company's website](#)).

Copies of documents partly incorporated by reference in this Securities Note may be obtained (without charge) from the registered offices of BioSenic and the website of BioSenic (<http://www.biosenic.com/investors>). BioSenic confirms that it has obtained the approval from its auditors to incorporate in the Prospectus the audited consolidated financial statements and the auditors' reports thereon for the financial years ended 31 December 2020, 31 December 2021 and 31 December 2022.

The tables below include references to the relevant pages of the audited consolidated financial statements of BioSenic for the financial years ended 31 December 2020, 31 December 2021 and 31 December 2022, as set out in the annual reports of BioSenic (in English and French), as well as of the unaudited condensed consolidated interim financial statements for the financial period ended 30 June 2023. Information contained in the documents incorporated by reference other than information listed in the tables below is either not relevant for the investor or covered elsewhere in the Prospectus.

**Audited consolidated financial statements of BioSenic prepared in accordance with IFRS for the financial year ended 31 December 2020, as set out in the annual report (in English and French).**

Consolidated statement of financial position	p. 80
Consolidated statement of comprehensive income	p. 81
Consolidated statement of cash flows	p. 82
Consolidated statement of changes in equity	p. 83
Notes to the consolidated financial statements	p. 84-123
Auditor's report	p. 73-79

**Audited consolidated financial statements of BioSenic prepared in accordance with IFRS for the financial year ended 31 December 2021, as set out in the annual report (in English and French).**

Consolidated statement of financial position	p. 79
Consolidated statement of comprehensive income	p. 80
Consolidated statement of cash flows	p. 81
Consolidated statement of changes in equity	p. 82
Notes to the consolidated financial statements	p. 83-122
Auditor's report	p. 72-78

**Audited consolidated financial statements of BioSenic prepared in accordance with IFRS for the financial year ended 31 December 2022, as set out in the annual report (in English and French).**

Business overview	p. 10-19
Financial review of the year ending 31 December 2022	p. 20-25
Board of Directors	p. 33-42
Executive Committee	p. 42-45
Remuneration report	p.50-59
Consolidated statement of financial position	p. 87
Consolidated statement of comprehensive income	p. 88
Consolidated statement of cash flows	p.89
Consolidated statement of changes in equity	p. 90
Notes to the consolidated financial statements	p. 97-135
Auditor's report	p. 80-86

**Condensed consolidated unaudited interim financial statements of BioSenic prepared in accordance with IFRS for the financial period ended 30 June 2023, as set out in the interim report (in English and French).**

Condensed consolidated statement of financial position	p. 6
Condensed consolidated statement of comprehensive income	p. 7
Condensed consolidated statement of changes in equity	p. 8
Condensed consolidated statement of cash flows	p. 9
Notes to the interim condensed consolidated financial statements	p. 9-20

Please also see Section 3.1 of the Registration Document for the information incorporated by reference in the Prospectus.

### **7.2.2 Overview of press releases**

The following press releases – issued by the Company since 7 February 2023, the date on which the Registration Document was approved by the FSMA – shall be incorporated in, and form part of, the Prospectus, save that any statement contained in a document which is incorporated by reference shall be modified or superseded for the purpose of the Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

The following press releases are incorporated by reference only (for the full press releases, please consult BioSenic's – [Company's website](#)):

- Press release of 16 March 2023: BioSenic delivers a new post-hoc analysis of its Phase III JTA-004 trial on knee osteo-arthritis with positive action on the most severely affected patient population.
- Press release of 30 March 2023: BioSenic publishes new data on the mechanism of action of arsenic trioxide.
- Press release of 31 March 2023: BioSenic provides Financial Update and Financial Calendar 2023.
- Press release of 18 April 2023: BioSenic receives key European patent from EPO, for further therapeutic development in cancer, infectious and immune diseases.
- Press release of 27 April 2023: BioSenic announces 2022 full year results.
- Press release of 4 May 2023: BioSenic announces the identification of key biomarkers for cGvHD and submits patent to EPO.
- Press release of 22 May 2023: Biosenic announces its business update for the first quarter, ended 31 March 2023.
- Press release of 24 May 2023: BioSenic announces the signing of a term sheet with Pluristyx, a leading provider of gene-edited iPSC and cell therapy solutions, with a view to further negotiate the terms and conditions of a potential license and collaboration agreement.
- Press release of 29 May 2023: BioSenic announces the amendment of the license agreement between its affiliate Medsenic SAS and Phebra Pty Ltd, the leading Australian developer, manufacturer and supplier of high quality and innovative pharmaceuticals.
- Press release of 19 June 2023: BioSenic announces the decision to suspend its interventional trial on ALLOB.
- Press release of 30 June 2023: BioSenic provides a financial update.
- Press release of 10 July 2023: BioSenic announces a further update on its financial arrangements with its main historical creditors, Patronale, Monument and the European Investment Bank.
- Press release of 24 August 2023: BioSenic announces the issuance of a key new patent entitled 'Use of metal ions to potentiate the therapeutic effects of arsenic' to its subsidiary company Medsenic by the China National Intellectual Property Administration (CNIPA).
- Press release of 7 September 2023: BioSenic publishes its business update for the first half, ended 30 June 2023, prepared in accordance with IFRS as adopted by the European Union, and the outlook for the remainder of the year.
- Press release of 14 September 2023: BioSenic announces that it has reached an agreement with Patronale, Monument and the European Investment Bank for the restructuring of its key financial debts.
- Press release of 19 September 2023: BioSenic announces the publication of data providing additional key indications of its lead API (Active Pharmaceutical Ingredient) arsenic trioxide (ATO) to treat systemic sclerosis (SSc) in a peer-reviewed international journal.
- Press release of 27 September 2023: BioSenic announced the completion of a post-hoc analysis of its phase 2 clinical trial of ATO, finding the best scheme for administration of an efficient treatment of cGvHD.
- Press release of 18 October 2023: BioSenic announced that it has reached a definitive agreement with GTO 15 with respect to the finalization of the existing convertible bonds program.
- Press release of 8 December 2023: BioSenic announced that it has signed a term sheet with Singapore based TrialCap Pte. Ltd. and/or other lenders for a proposed debt and equity financing. BioSenic is seeking the funds to continue its clinical development, backed by previous highly promising Phase 2 and pre-clinical results of arsenic trioxide (ATO).
- Press release of 8 January 2024: BioSenic announced that it has signed a new subscription agreement for a maximum EUR 1.2 million Convertible Bonds facility, arranged by ABO Securities through its affiliated entity GTO 15.
- Press release of 10 January 2024: BioSenic announced the promotion of Dr Carole Nicco to Chief Operating Officer (COO) in addition to her position as Chief Scientific Officer (CSO).
- Press release of 15 January 2024: BioSenic announced the signature of a binding term sheet with Phebra Pty Ltd. related to the adaptation of the License Agreement and the MDA signed in May 2021.

## 8 Definitions

<b>1-day VWAP</b>	means 1-day volume-weighted average price
<b>AMF</b>	means the French Financial Markets Authority ( <i>Autorité des Marchés Financiers</i> )
<b>Article 203 BITC Taxation Conditions</b>	has the meaning as set out in Section 5.1.2.2
<b>Articles of Association</b>	means the articles of association of BioSenic
<b>Belgian Code on Companies and Associations</b>	<i>Code des sociétés et des associations / Wetboek van vennootschappen en verenigingen</i> enacted by the Belgian Act of 23 March 2019 regarding the implementation of the Belgian code on companies and associations
<b>Belgian Investor</b>	has the meaning as set out in Section 5.1.4
<b>BioSenic</b>	means BioSenic SA, which needs to be read as Bone Therapeutics SA for any elements described in the Prospectus that occurred in, or date from, the period prior to the reverse merger with Medsenic and the subsequent name change as approved by the extraordinary shareholders' meeting on 24 October 2022.
<b>BioSenic Group</b>	means the consolidated group of BioSenic, and Medsenic SAS and Bone Therapeutics USA Inc.
<b>BITC</b>	means the Belgian Income Tax Code
<b>Board of Directors</b>	means the board of directors of BioSenic
<b>BioSenic or the Company</b>	means BioSenic SA, a limited liability company incorporated under the laws of Belgium, with registered office at Rue Granbonpré 11, Building H, 1435 Mont-Saint-Guibert, Belgium and registered with the legal entities register (Brabant wallon) under number 0882.015.654
<b>Conditions for the application of the Dividend Received Deduction Regime</b>	has the meaning as set out in Section 5.1.2.2
<b>Convertible Bonds</b>	means the maximum of 120 non-interest bearing, unsecured and subordinated convertible bonds with a total commitment of EUR 1.2 million to be issued by BioSenic to GTO 15 in accordance with the Subscription Agreement – for the avoidance of doubt, these do not include the 800 outstanding convertible bonds following the private placement of 6 May 2020 and the maximum of 137 non-interest bearing, unsecured and subordinated convertible bonds already issued by BioSenic to GTO 15
<b>CRO</b>	means a Contract Research Organisation
<b>CRS</b>	means the Common Reporting Standard
<b>DAC2</b>	means the Directive 2014/107/EU on administrative cooperation in direct taxation adopted on December 9, 2014
<b>Dividend Received Deduction</b>	has the meaning as set out in Section 5.1.2.2
<b>Euronext Brussels</b>	means the regulated market operated by Euronext Brussels SA/NV
<b>Euronext Paris</b>	means the regulated market operated by Euronext Paris SA



<b>Executive Committee</b>	means the team consisting of the CEO, COO, CSO, Chief Investor Relation Officer and CMO
<b>French Tax Code</b>	has the meaning as set out in Section 5.2
<b>FSMA</b>	means the Financial Services and Markets Authority in Belgium ( <i>Autorité des services et marchés financiers</i> )
<b>FTT</b>	means a common financial transaction tax
<b>GAAP</b>	means the (Belgian) Generally Accepted Accounting Principles
<b>GTO 15 or the Investor</b>	means Global Tech Opportunities 15, a Cayman Islands company with its registered office situated at 71 Fort Street, George Town, Grand Cayman KY1-1111
<b>IFRS</b>	means the International Financial Reporting Standards
<b>Intellectual Property Rights</b>	means all patents, patent applications, trade secrets, copyrights (including renewal rights), trademarks, and other intellectual property rights recognized by the laws of any jurisdiction or country
<b>MCAA</b>	means the multilateral competent authority agreement signed on 29 October 2014 by 51 jurisdictions
<b>Medsenic</b>	Medsenic SAS, a company incorporated and existing under the laws of France, having its registered office at No 204 Avenue de Colmar, F-67100 Strasbourg (France), 527 761 530 R.C.S. Strasbourg
<b>MTF</b>	means a multilateral trading facility
<b>New Shares</b>	means up to 60.000.000 new shares of the Company that may be issued by the Company upon conversion of a maximum of 120 Convertible Bonds in accordance with the terms and conditions of a Subscription Agreement (assuming a theoretical minimum issue price of EUR 0.02), all such new shares to be traded on Euronext Brussels and Euronext Paris
<b>Nomination &amp; Remuneration Committee</b>	means the nomination and remuneration committee of BioSenic installed by the Board of Directors
<b>OFPs</b>	means the organisation for financing of pensions
<b>Prospectus</b>	has the meaning as set out in Section 2.1.1
<b>Prospectus Act</b>	means the Belgian Act of 11 July 2018 on the public offering of securities to trading on a regulated market ( <i>loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés</i> )
<b>Prospectus Delegated Regulation 2019/980</b>	means the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004
<b>Prospectus Regulation 2017/1129</b>	means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC

<b>Registration Document</b>	means BioSenic's registration document
<b>Securities Note</b>	means the current note prepared by BioSenic SA in relation to the admission to trading of the New Shares on Euronext Brussels and Euronext Paris
<b>Stock Exchange Tax Representative</b>	has the meaning as set out in Section 5.1.4
<b>Subscription Agreement</b>	means the subscription agreement for the Convertible Bonds as executed between BioSenic and GTO 15 on 8 January 2024
<b>Summary</b>	means BioSenic's summary in relation to the admission to trading of the New Shares on Euronext Brussels and Euronext Paris
<b>Takeover Decree</b>	means and the Belgian Royal Decree of 27 April 2007 on public takeover bids
<b>Takeover Directive</b>	means the Directive 2004/25/EC of the European Parliament and the Council dated 21 April 2004 on takeover bids
<b>Takeover Law</b>	means the Belgian Law of 1 April 2007 on public takeover bids