Positive vote of the majority of creditors in favor of the global restructuring plan of BioSenic covering the years 2024-2032, at the Enterprise Court of Nivelles

After a recent circular consultation of the creditors, based on XX 83/23 of the Economic Law Code (ELC), the Enterprise Court of Nivelles registers today the positive votes of the majority of creditors on the Restructuration Plan presented by BioSenic and its restructuration practitioner, Maître Yves Brulard.

Mont-Saint-Guibert, Belgium, 27 May 2024, 5:00pm CET – BioSenic (Euronext Brussels and Paris: BIOS), the clinical-stage company specializing in serious autoimmune and inflammatory diseases and cell therapy announces today that it has obtained a positive vote of its creditors on its restructuration Plan within the request referred to in Article XX 83/26 ELC within the Enterprise Court of Nivelles. The Plan provides for differentiated treatment of creditors by class. Creditors have been asked to express their vote on the said Plan in front of the Court, with the following main points:

- The plan does not affect the recent financing provided through the convertible bond facilities.
- Some obligators are being offered to replace their outstanding loans granted to BioSenic for a total principal amount of EUR 7.5 million with new convertible bonds to be issued by BioSenic. The convertible bonds would be unsecured and would have a maturity date of 31 December 2030, which could be further extended to 21 December 2032 by BioSenic for up to 24 months depending on its cash balance. An interest rate of 5% per year, payable annually, with an additional non-compounding interest of 3% per year, is added to the principal amount upon conversion or repayment of a convertible bond. Under the judgement, 200,000 outstanding warrants will be cancelled; the plan removes the conditions precedent previously agreed.
- The plan provides that an outstanding EUR 8 million principal loan will be replaced by new convertible bonds to be issued by BioSenic. The convertible bonds are unsecured and have a maturity date of 31 December 2030, which could be further extended by BioSenic for up to 24 months depending on its cash balance. An interest rate of 5% per year, payable annually, with an additional non-compounding interest of 3% per year will be added to the principal amount upon conversion or repayment of a convertible bond; 800,000 outstanding warrants are also cancelled.
- Regarding the ordinary creditors, the plan provides for a payment by BioSenic of 5% of each accepted claim on the last day of the 5th year of the plan.
- Regarding the strategic creditors, the plan provides for 90% over 5 years depending on cash inflows and no later than the last day of the 5th year of the plan.
- For the accessory employees, the plan provides for 99% immediately.
- The plan provides, for the very useful creditors, for 50% within 2 years.
- Regarding the InterCo debts, the plan provides for 5% immediately.
- Finally, with regard to the shareholders/ Board members, the plan provides for the allocation of warrants, immediately available for sale.

The plan includes participation clause at the restructuring value, payable on the last day of the fifth year following approval of the plan, based on the average share price over the preceding 90 days. This participation amount - to be deducted from the Company's own financing capacity for projects in the 5th year, with trials on new indications to be initiated or even maintained - will be due on the last day of the 5th year following the approval of the plan (27 May 2024) and will be assessed on the basis of the average share price over the preceding 90 days: the average share price will have to reach the level observed for the BioSenic share in 2017 while a Phase 3 trial was ongoing (JTA004). At that time, the share price stood at EUR 10. If this level is reached, the participation of every creditor will be increased by 10% of the debt written off. The

increase/participation could reach 20 % of the debt written off if the price reaches EUR 18, 30% if the price reaches EUR 25 and 50% if the price reaches EUR 50, which is deemed highly unlikely for a biotech with no turnover, as indicated in a 2022 MIT study (Singh et al 2022, PloS-ONE, open access article, "*The reaction of sponsor stock prices to clinical trial outcomes: An event study analysis*").

The plan is based on the maintained non-binding offer of funding from a fund to finance a Phase 3 clinical trial on chronic Graft versus Host disease (as announced by BioSenic press release, on 8 December 2023). The court judgment is currently under deliberation. Once the decision is made public, the plan can be implemented immediately and will significantly reduce current debt and provide a good opportunity for BioSenic to continue operations, resolve remaining issues and resolutely focus all active forces on the path to success in the clinical challenges facing the company.

François Rieger, PhD, President of the Board and CEO of the BioSenic Group, said: *"The continued reorganisation of BioSenic's assets is now being accompanied by a creditors' vote that will allow significant adjustments to the company's liabilities. Once the court's decision is final, this should enable our biotech to regain essential momentum by focusing its efforts on its most promising projects, in particular a phase 3 clinical trial for the treatment of chronic Graft-versus-Host disease. These projects, most of which are at a crucial and late stage of clinical development, should quickly generate value for all those who have invested financially in the adventure that is now taking shape. Our aim is to deliver breakthrough results for patients suffering from chronic diseases of the immune system for which there is currently no medical need, and to develop our therapeutic tools for the benefit of patients with high medical expectations."*

About BioSenic

BioSenic is a leading biotech company specializing in the development of clinical assets issued from its Medsenic's arsenic trioxide (ATO) platform. Key target indications for the autoimmune platform include graft-versus-host-disease (GvHD), systemic lupus erythematosus (SLE), and now systemic sclerosis (SSc).
Following the merger in October 2022, BioSenic combined the strategic positionings and strengths of Medsenic and Bone Therapeutics. The merger specifically enables Medsenic/Biosenic to develop an entirely new arsenal of various anti-inflammatory and anti-autoimmune formulations using the immunomodulatory properties of ATO/oral ATO (OATO).

BioSenic is based in the Louvain-la-Neuve Science Park in Mont-Saint-Guibert, Belgium. Further information is available at http://www.biosenic.com.

About the main Medsenic/BioSenic technology platform

*The **ATO platform** provides derived active products with immunomodulatory properties and fundamental effects on the activated cells of the immune system. One direct application is its use in onco-immunology to treat GvHD (Graft-versus-Host Disease) in its chronic, established stage. cGvHD is one of the most common and clinically significant complications affecting long-term survival of allogeneic hematopoietic stem cell transplantation (allo-HSCT).*

*Medsenic has been successful in a phase 2 trial with its intravenous formulation, **Arscimed®**, which has orphan drug designation status by FDA and EMA. The company is heading towards an international phase 3 confirmatory study, with its new, IP-protected, OATO formulation. Another selected target is moderate-to-severe forms of systemic lupus erythematosus (SLE), using the same oral formulation. ATO has shown good safety and significant clinical efficacy on several affected organs (skin, mucosae, and the gastrointestinal tract). Systemic sclerosis is now full part of the clinical pipeline of Medsenic/BioSenic. This serious chronic disease badly affects skin, lungs, or vascularization, and has no current effective treatment. Preclinical studies on pertinent animal models are positive, giving good grounds to launch a phase 2 clinical protocol, using new immunomodulatory formulations of APIs recognized to be active on the immune system.*

The company is currently focusing its present R&D and clinical activities on a selective, accelerated development of its autoimmune platform.

Note: The allogeneic cell therapy platform-originating from the previous listed company Bone Therapeutics company, may be of renewed interest by using isolated and purified differentiated bone marrow Mesenchymal Stromal Cells (MSCs) as a starting material for further isolation of passive or active biological subcellular elements. Indeed, these cells may provide new subcellular vesicles potentially able to deliver a unique and proprietary approach to organ repair. BioSenic is now involved in determining new patentable approaches in this complex area of cell therapy.

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