

BioSenic has been informed by its subsidiary of the filing of a declaration of cessation of payments by Medsenic with the Judicial Court of Strasbourg

Mont-Saint-Guibert, Belgium, 23 February 2025 at 6.30 pm - BIOSENIC (Euronext Brussels and Paris: BIOS) announces that it was informed on 20 February 2025 by the management of its subsidiary Medsenic that the latter had filed a declaration of suspension of payments on 18 February 2025. A hearing of the Strasbourg Court of Justice will be held on 3 March 2025 behind closed doors in the court chambers to rule on Medsenic's financial future.

Biosenic is assessing the financial and accounting impact of this declaration. It is expected that an impairment will have to be recognised on Biosenic's shareholding in Medsenic. In addition, Biosenic's receivable of EUR 1,220,000 from Medsenic is unlikely to be recovered.

The agreement reached by Biosenic with two bondholders to restructure more than EUR 9 million of debt, as announced in a press release (https://www.biosenic.com/sites/default/files/2025-02/BIOS_PR_20250218_EN.pdf), and which provided for the potential transfer of Medsenic shares, is however not called into question in that it was agreed upstream that in the event of Medsenic's insolvency any cash proceeds from the sale of Medsenic's assets accruing to Biosenic will be distributed to the creditors with whom agreement was reached. In any event, Biosenic has undertaken to sell its entire shareholding in Medsenic to its creditors by Q1 2026. However, in the event of Medsenic filing for bankruptcy, the shares held by Biosenic could become worthless.

Biosenic remains in advanced negotiations with its other major creditors in an attempt to reach agreements aimed at drastically reducing its indebtedness.

In the meantime, Biosenic continues to be financed through the 21 June 2024 convertible bond program provided by Global Tech Opportunities 15. Under an amendment dated 29 September 2024 to the 21 June 2024 Subscription Agreement, the convertible bonds are issued and subscribed for in up to nine tranches (instead of the seven tranches originally agreed). The commitment is broken down as follows: (i) two tranches of EUR 300,000 (already received), followed by (ii) one tranche of EUR 265,000 (i.e. EUR 200,000 net after costs, already received), (iii) five tranches of EUR 210,000 (of which one tranche already received) and (iv) a final tranche of EUR 185,000.

Currently, a liquidity condition applies from the fifth tranche onwards, namely that the daily 20-day average trade - adjusted to exclude 10% of the extreme values (i.e. the upper and lower tail data points) - must be greater than EUR 20,000 before the tranche is disbursed. In addition, GTO 15 may terminate the financing program in the event of the occurrence of an event of default, which includes common situations such as an uncured default under the 21 June 2024 subscription agreement, the delisting of the company's shares, a cross-default related to other financial debt of the company, as well as events having a material adverse effect on Biosenic (taking into account the consolidated net asset value or the share price of the company).

However, following the agreement reached with 2 bondholders, Biosenic and GTO 15 are currently engaged in advanced discussions aimed at (i) modifying the allocation of the remaining tranches, (ii) potentially securing additional financing and (iii) lifting or modifying the associated conditions (including the liquidity condition) for their disbursement, in order to allow Biosenic's activities to continue.

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.

For further information, please contact:

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