

BIOCARTIS GROUP NV
Limited liability company

Generaal de Wittelaan 11B
2800 Mechelen
Belgium

Registered with the Register of Legal Persons
VAT BE 0505.640.808 (RLP Antwerp, division Mechelen)

**SPECIAL REPORT OF THE BOARD OF DIRECTORS
IN ACCORDANCE WITH ARTICLES 7:228 AND 7:229 OF THE BELGIAN COMPANIES
AND ASSOCIATIONS CODE**

1. INTRODUCTION

This special report has been prepared by the board of directors of Biocartis Group NV (the "**Company**"), in as far as needed in accordance with articles 7:228 and 7:229 of the Belgian Companies and Associations Code.

2. ARTICLE 7:228 AND 7:229 OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE

In the context of the finalization of the Company's financial statements as at 31 December 2023, and following the preparation of the voluntary dissolution and liquidation as contemplated by the board of directors, in connection with which a statement of assets and liabilities has been prepared (as attached hereto in draft form for information purposes), it appears that a loss has resulted in the Company's net assets falling below zero.

In accordance with Article 7:228 of the Belgian Companies and Associations Code, a general shareholders' meeting of the Company must be convened if, as a result of losses incurred, the Company's statutory net assets as defined in the Belgian Companies and Associations Code (i.e. in summary, the total amount of all assets as shown in the balance sheet, less provisions, debts and, except in exceptional circumstances to be disclosed and justified in the notes to the (non-consolidated) statutory financial statements, the amounts not yet amortized of the incorporation and expansion costs, as well as the not yet amortized costs for research and development) are less than 50% of the share capital of the Company in order to deliberate and decide on the dissolution of the Company or on other measures announced in the agenda of this general shareholders' meeting. The same applies when the net assets have fallen below 25% of the Company's share capital.

Article 7:229 of the Belgian Companies and Associations Code provides that when the net assets have fallen below the amount of EUR 61,500, any interested party or the public prosecutor may request the dissolution of the Company before court. Where appropriate, the court may grant the Company a binding term to remediate its situation.

3. BACKGROUND TO THE CURRENT SITUATION

On 26 September 2023, the Company announced that it had been informed of an agreement by certain secured creditors on a comprehensive recapitalization and restructuring transaction through a security enforcement as a result of which the relevant secured creditors would take ownership of substantially all of the Company's assets that were pledged to such secured creditors (consisting of the shares in the subsidiaries through which the Company formerly operated its entire European and US operations (namely, Biocartis NV and Biocartis US Inc) along with substantially all cash in the pledged accounts of, as well as pledged receivables owing to, the Company at that time).

On 31 October 2023, the Company announced that it had been informed that the aforementioned security enforcement effectively occurred, as a result of which all of aforementioned assets of the Company were transferred to a newly incorporated unlisted company (fully owned by the relevant former secured creditors and not by the Company, nor the Company's shareholders or unsecured creditors).

The Company also announced that following the aforementioned events, the Company was intended to be wound down in an orderly fashion and subsequently delisted from the regulated market of Euronext Brussels. It was also specified that shareholders and unsecured creditors would receive no distribution from the aforementioned events and that they are expected to receive nothing at the time of the Company's winding down.

For further information about the aforementioned recapitalization and restructuring transactions, reference is made to the press releases issued by the Company on 26 September 2023 and 31 October 2023, available under the "Press releases" section on the Company's new website (<https://www.biocartisgroupnv.be/en/press-releases>) and the relevant sections in the annual report of the Company.

The decrease in the Company's net assets below half of its share capital is in particular a consequence of the aforementioned enforcement of security provided by the Company (as a result of which the Company is no longer engaged in commercial activities) and additional provisions recorded in the context of the proposed voluntary dissolution and liquidation.

4. PROPOSED MEASURES

As the Company no longer has any activities as a result of the aforementioned security enforcement, the board of directors cannot propose any concrete remedial measures and is seeking to voluntarily dissolve and liquidate the Company. As soon as the Company has identified a suitable candidate liquidator willing to perform this task, a proposal for voluntary liquidation and dissolution will be submitted to the Company's general shareholders' meeting. In view of the foregoing, the board of directors proposes to the general shareholders' meeting not to continue the Company's activities and to authorize the board of directors to take the necessary steps for the dissolution and liquidation of the Company. In the meantime, the members of the board of directors reserve the right to take any protective or other appropriate measures with respect to the Company, its governance and/or its potential liquidation and dissolution, including (but not limited to), the appointment of an interim administrator, a judicial dissolution, and if and insofar the conditions thereof would at any time be fulfilled, a bankruptcy.

[signature page follows]

Done on 23 July 2025,

On behalf of the board of directors,

By: _____
Director

ANNEX

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MAY 2025

In accordance with article 2:71 of the Belgian Companies and Associations Code and article 3:6, §2 of the Belgian Royal Decree of 29 April 2019 implementing the Belgian Companies and Associations Code (as amended from time to time), a statement of assets and liabilities of the Company as at 31 May 2025, which cannot be older than three months before the date of the approval of the voluntary dissolution and liquidation of the Company by the EGM, is attached hereto as Annex A.

As at 31 May 2025, the Company's assets, liabilities and other disclosures consisted of:

1. Assets

1.1. Fixed assets:

- 50% ownership interest in joint venture Wondfo-Cartis valued at EUR 0.

1.2. Current assets:

- Amounts receivable of EUR 49,300.54 mainly related to VAT refunds outstanding at 31 May 2025;
- Cash at bank and in hand of EUR 401,410.84.

2. Equity and Liabilities

2.1. Equity, that equals net assets, consist of:

- Issued capital of EUR 939,159.10;
- Share premium accounts of EUR 441,143,247.27;
- Accumulated losses of EUR 442,765,499.88.

2.2. Liabilities and provisions:

- Provisions for risks and charges of EUR 898,600 related to legal fees;
- Liabilities to suppliers of EUR 214,501.18;
- Other amounts payable of EUR 20,703.71.

3. Other elements

- By writ of summons of 12 October 2023, the Company was summoned by Orbimed Royalty & Credit Opportunities III, LP ("**Orbimed**") before the Dutch-speaking Brussels Commercial Court. Orbimed claims payment from the Company of a principal amount of EUR 8,983,700.64 (plus interests and costs) pursuant to the unsecured convertible bonds that had been issued by the Company which Orbimed claims have become payable in an accelerated manner following a press statement by the Company on 26 September 2023 regarding the possible execution of pledges accorded to certain secured debtors. The execution of these pledges took place on 31 October 2023. The Company and Orbimed are in dispute over the consequences of that execution for Orbimed's convertible bonds. Orbimed's convertible bonds have automatically been reduced to zero in accordance with the terms and conditions of those bonds. Orbimed disputes that position and argues that the conditions for the reduction to zero have not been met. On 29 October 2024 the Dutch-speaking Brussels Commercial Court has issued an interim decision in which it orders the Company to provide additional documents within two months following the official service (if any) of the interim decision by a bailiff. For all other aspects, the proceedings were suspended to be reinstated by the parties thereto. On the date of this report no official service of the interim decision by a

bailiff has taken place, but there has been alignment on an informal timeline for providing the relevant documentation.

- Discussions have been initiated with Wondfo Biotech (HK) Co., Ltd. with respect to the possible liquidation of WondfoCartis Ltd. WondfoCartis Ltd. is a Hong Kong joint venture company that was established together with Wondfo Biotech (HK) Co., Ltd. in 2018 and in which the Company holds a 50% stake. In Q1 2024, several lawsuits were started by ten distributors of the joint venture against Wondfo-Cartis Ltd., for alleged breaches by Wondfo-Cartis Ltd. of its distribution agreements with such distributors. The Company's position is that no such breaches of the distribution agreements were made by Wondfo-Cartis Ltd. The claims are currently being heard by judges in China. The Company has no contractual obligation to further fund the joint venture. Any cash that would remain after potential payments to be made in the framework of the abovementioned lawsuits and the liquidation of the joint venture would be 50:50 distributed between its shareholders. However, due to the abovementioned lawsuits and the expectation that any manufacturing equipment and Idylla inventory will not be able to be monetized, it is unlikely that the liquidation of the joint venture will lead to any distribution of cash to the shareholders of the joint venture. Accordingly, the Company does not expect to receive any distributions in the context of the possible liquidation of WondfoCartis Ltd.
- The Company received a notice of default from Biocartis NV on May 7, 2024 in which Biocartis NV requests the Company to transfer to Biocartis NV a VAT credit received by the Company on February 29, 2024 in the amount of EUR 359,241.92. The Company disputes Biocartis NV's position.

No other liabilities have been incurred during the period between 31 May 2025 and the date of this report, and the Company does currently not intend to incur any other liabilities during the period between this report and the EGM.