



HALF-YEAR

REPORT

2026

Biotalys NV

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1. RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

On 19 August 2026, the Board of Directors of Biotalys NV certified in the name and on behalf of Biotalys NV, that to the best of their knowledge,

- the condensed consolidated interim financial statements for the six months period ending 30 June 2026, established in accordance with International Accounting Standard 34 – *Interim Financial Reporting* (“IAS 34”) as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of Biotalys NV and of the entities included in the consolidation as a whole;
- the financial report presents a fair overview of the development and the performance of the business and the position of Biotalys NV and of the entities included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed with respect to the remaining months of the accounting year and the main transactions with related parties and the impact thereof on the condensed consolidated interim financial statements.

This report is prepared in accordance with article 13 of the Belgian Royal Decree of November 14, 2007. Biotalys publishes its Half Year Report in English and Dutch. In the event of differences of interpretation between the English and the Dutch versions of the Report, the original Dutch version will prevail.

For and on behalf of the Board of Directors of Biotalys NV

Simon E. Moroney

A.I.F. BV,
permanently represented by
Patrik Haesen

Carlo Boutton

Chairman of the Board of Directors

Director, Chair of the Audit Committee CEO

2 BUSINESS REVIEW HY 1 2026

2.1 HY 1 2026 OPERATIONAL HIGHLIGHTS

In the first half of 2026, Biotalys implemented a strategic refocus designed to concentrate resources on its highest-priority programs and reduce annual cash burn. The company prioritised the development and regulatory advancement of its lead biocontrol assets with the aim of commercially launching these in key markets.

Product Pipeline (including post-period information)

EVOCA and EVOCA NG

- Following the regulatory approval for **EVOCA** by the **U.S.** Environmental Protection Agency (EPA) at the end of 2025, the product also obtained [state registration in Florida](#) in April 2026, a major milestone as the first state approval of an AGROBODY biocontrol in the United States. End of June, the Department of Pesticide Regulation (DPR) in [California](#), the largest U.S. agricultural state, initiated the public commenting phase following its positive human health assessment, a key step toward potential state registration. Meanwhile the public commenting phase has closed and the next administrative steps are in process.

In Europe, significant progress was made in the regulatory process. The European Food Safety Authority (EFSA) initiated the two-month public consultation phase for EVOCA in April, resulting in various questions and comments on the dossier by several member states and EFSA. After closure of the consultation phase end of June, Biotalys addressed the submitted remarks. Both EFSA and the Dutch Board for the Authorisation of Plant Protection Products (CTGB) are currently reviewing the answers provided.

- By building on the regulatory foundation established by EVOCA, Biotalys expects substantially less time required to secure regulatory approvals in both the U.S. and E.U. for **EVOCA NG**, the next generation version of the product with the same active ingredient. EVOCA NG is expected to be Biotalys' first commercial biofungicide for growers to control *Botrytis* (grey mold) and powdery mildew in key fruits and vegetables, with a planned launch in the U.S. in 2029, and in Europe in 2030, targeting a combined market of more than USD 1.1 billion¹.

Biotalys is currently completing the development of the production process for EVOCA NG. The company initiated the so-called 5-batch production of EVOCA NG at pilot scale beginning of August to demonstrate stability of its production process across 5 production batches, which is a regulatory requirement.

BioFun-6

- Biotalys also obtained encouraging results from an extensive series of new field trials evaluating the second **BioFun-6** lead candidate, its next biofungicide program targeting *Botrytis* (grey mold) and powdery mildew in high-value fruit and vegetable crops. The second lead candidate was tested during the late 2025 and early 2026 growing seasons in more than 40 field trials in grapes, strawberries, tomatoes and cucumbers. The trials were conducted by leading CROs in both the Northern hemisphere (Spain, Italy, Greece and the United States) and Southern hemisphere (Chile, South Africa and Australia).
- The results demonstrated that the BioFun-6 lead candidate consistently provided strong disease control. While efficacy varied depending on crop and application rate, the candidate mostly outperformed currently available biological solutions. When substituting a synthetic product in a spray rotation program, the BioFun-6 candidate delivered comparable disease suppression.

¹ Sources: Kynetec 2020 and Biotalys' estimates.

In addition to the CRO-managed field trials, Biotalys also received the latest results from independent fungicide evaluations conducted by the University of Florida.² In these trials on *Botrytis* control in strawberries, a spray rotation program that included the BioFun-6 lead candidate and a standard synthetic fungicide achieved the strongest overall performance, delivering the highest marketable yield among the relevant programs evaluated.

Other R&D-programs

- In April, Biotalys [achieved a research milestone for BioIns-2](#), its bioinsecticide program in collaboration with Syngenta Crop Protection. **BioFun-7**, the R&D program in partnership with the Gates Foundation targeting leafspot disease in cowpeas, is ongoing and runs until end of this year.
- As part of its strategic refocus, Biotalys has opened its research programs **BioFun-4** (*Oomycetes* in potatoes and F&V) and **BioFun-8** (*Alternaria* in F&V and specialty crops) for R&D collaboration with third parties. In this context, a third party is currently testing an AGROBODY bioactive against oomycetes in Belgium and the Netherlands.

Operations and Leadership (including post-period information)

- In January, the company announced a [partnership with 21st.BIO](#), leveraging its proprietary fermentation platform to ensure manufacturing efficiencies and achieve commercially competitive costs.
- In March, the Board of Directors reduced from eight members to six and the Executive Committee to two. A.I.F. BV, permanently represented by Patrik Haesen, was appointed Chair of the Audit Committee and at the end of June, the company also announced the [retirement of Board Member Patrick Van Beneden](#) after a long and successful career in life sciences and investing.
- In March 2026, Chief Scientific Officer Carlo Boutton assumed the role of Chief Executive Officer on an interim basis as part of the company's strategic refocus. Following a period of successful leadership and execution, including the implementation of the strategic refocus, organisational streamlining and advancement of Biotalys' lead programs, the Board of Directors appointed Carlo Boutton as permanent Chief Executive Officer in August 2026.
- In May, the company [closed a private placement](#) for €12.05 million subscribed by current shareholders, including Ackermans & van Haaren NV, Agri Investment Fund BV, ASR Vermogensbeheer NV, Federale Participatie- en Investeringsmaatschappij NV, GIMV NV, PMV NV, Sofinnova Industrial Biotech I, and the Flemish Institute for Biotechnology VIB.
- Biotalys continues to build its intellectual property in key jurisdictions. In this respect, both the wordmarks EVOCA and AGROBODY have now been registered as trademarks in Europe and the U.S., protecting the use of these assets for the company. In addition, the company obtained a patent for EVOCA in Japan.
- Early in 2026, Biotalys earned Top 100 status in Forward Fooding's FoodTech 500 list, positioned at #89. FoodTech 500 ranks global innovators at the intersection of food, technology and sustainability.

2.2 SELECTED FINANCIAL INFORMATION

In € thousands	June 30, 2026	June 30, 2025
Other operating income	1,645	1,379
Research and development expenses	(6,153)	(6,520)
General and administrative expenses	(2,689)	(2,988)

² Results not yet published.

Restructuring costs	(1,942)	
Operating loss	(9,139)	(8,129)
Loss of the period	(9,143)	(8,135)
Normalised net loss (after restructuring costs)	(7,201)	(8,135)
Net cash used in operations	(7,611)	(6,092)
Net cash inflow/(outflow) of the period	3,895	(6,927)
Cash and cash equivalents	11,933	15,711

- **Other operating income** for the first half of 2026 amounted to €1.6 million, and mainly relates to amounts recognised for R&D tax incentives received and grants awarded to support ongoing R&D activities.
- **Research and development expenses** amounted to €6.2 million for the first half year, a decrease of €0.4 million compared to the same period of 2025. This decrease primarily relates to lower opex as a result of re-organisation and cost saving, partially offset by additional investment in advancing pipeline projects.
- **General and administrative expenses** amounted to €2.7 million for the first half of 2026, a decrease of €0.3 million compared to the same period of 2025. This decrease primarily relates to lower opex as a result of re-organisation and cost saving.
- **Restructuring costs** amounted €1.9 million and relate to Termination Benefits. We refer to section 7.11 Other current and non-current liabilities.
- **Normalised net loss**, representing the period's loss adjusted for restructuring costs, amounted to €7.2 million, an improvement of €0.9 million compared with the first half of 2025.
- **Net cash used in operating activities** amounted to €7.6 million for the six months ended 30 June 2026, €1.5 million higher than six months ended 30 June 2025. This increase primarily relates to restructuring payments of first half year and pay-out to leavers of year-end premium and remainder of holiday pay.

2.3 OUTLOOK

- Biotals will continue to **prioritise** the development and regulatory advancement of its lead biofungicide assets EVOCA NG and BioFun-6 and focus commercial preparation efforts on markets with the highest near-term potential.
- Building on the state registration of **EVOCA** in Florida earlier this year, the company expects registration of the product in California in the second half of this year. In the European Union, following the closing of the public consultation phase, Biotals projects a final regulatory decision in the course of 2027.
- Biotals maintains its current timelines to launch the commercial product **EVOCA NG** in the U.S. in 2029 and in Europe in 2030. In this respect, the company expects the outcome of the 5-batch production of EVOCA NG by early November, allowing it to initiate the required regulatory studies in time.
- In partnership with 21st.BIO, Biotals will further finetune its **production process and manufacturing plans** for commercially competitiveness. The company is also in discussions with manufacturing and distribution partners globally to secure its commercialisation strategy.
- The company is progressing its **BioFun-6** program by performing additional field trials to assess efficacy of its second lead candidate at lower dose rates. Biotals expects results of these new trials by end of this year.
- Biotals and Syngenta Crop Protection are currently evaluating their collaboration in view of the outcome of the first research phase in **Biolns-2**. The company expects to provide an update on the partnership during the second half of 2026.

- As the **BioFun-7** program runs until end of this year, Biotalys and the Gates Foundation will jointly assess the opportunities to extend this collaboration beyond 2026. In addition, Biotalys will continue to explore research collaborations for its **BioFun-4** and **BioFun-8** programs.
- Biotalys intends to maintain a **cost-conscious approach** to fully exploit the potential of its unique technology platform to develop precision biocontrols. The company's cost reduction measures are being implemented throughout 2026 and are expected to result in a lower cash burn rate as of 2027 onwards.
- With cash and cash equivalents of €11.9 million at the end of H1 2026, the company projects its current financial runway to reach until the end of Q1 2027.

3 PRINCIPAL RISKS RELATED TO THE BUSINESS ACTIVITIES

The principal risks and uncertainties related to the Biotalys' business activities are outlined in Biotalys' annual report for the accounting year 2025 on p. 173 and p.177-188 which is available on Biotalys' website ([Annual Reports](#)). In brief, the principal risks and uncertainties faced by Biotalys relate to strategic and commercial risks, operational risks, regulatory risks and financial risks. These include risks and uncertainties related to research & development of products, production and potential commercialisation of product candidates, dependence on third parties, the organisation of Biotalys and its dependence on key employees, legal and regulatory risks, risks related to intellectual property and risks related to its financial position. The principal risks have not changed from the ones outlined in the annual report for the accounting year 2025.

4 MAIN RELATED PARTY TRANSACTIONS

On May 20, 2026, the Company closed private placement of 7,875,811 new shares at an issue price of EUR 1.53 per share. Investors participating in the private placement are current shareholders, including Ackermans & van Haaren NV, Agri Investment Fund BV, ASR Vermogensbeheer NV, Federale Participatie- en Investeringsmaatschappij NV, GIMV NV, PMV NV, Sofinnova Industrial Biotech I, and the Flemish Institute for Biotechnology VIB. Agri Investment Fund is a related party of the Company. The procedures contained in article 7:96 and 7:97 of the Belgian Code of Companies and Associations have been followed in this respect. More information about the private placement can be found in the special report of the board of directors of the Company pursuant to Article 7:198 in conjunction with Articles 7:179, 7:191 and 7:193 of the Belgian Code of Companies and Associations and the related report of the auditor, both reports are available on the website of the Company (www.biotalys.com).

5 INDEPENDENT AUDITORS' REPORT

Report on the review of the condensed consolidated interim financial information of Biotalys NV for the six-month period ended 30 June 2026

In the context of our appointment as the company's statutory auditor, we report to you on the condensed consolidated interim financial information. This condensed consolidated interim financial information comprises the condensed consolidated statement of financial position as at 30 June 2026, the condensed consolidated statement of profit or loss and other comprehensive Income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the period of six months then ended, as well as the notes to the condensed consolidated financial statements.

Report on the condensed consolidated interim financial information

We have reviewed the consolidated interim financial information of Biotalys NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed consolidated balance sheet shows total assets of 22 596 (000) EUR and the condensed consolidated profit and loss and other comprehensive income shows a consolidated loss (group share) for the period then ended of 9 143 (000) EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Biotalys NV has not been prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Emphasis of matter paragraph - material uncertainties relating to going concern

We draw attention to note 7.4 of the condensed consolidated interim financial information, which states that the advancement of the Group's candidate products and other pipeline projects entails various risks and uncertainties, including but not limited to the uncertainty of the development and regulatory review process and the timing of achieving profitability. The Company has incurred operating losses since its inception and operating losses and negative cash flows from operations are expected to continue for the foreseeable future. As a result, the Company will require additional capital to fund its operations and execute its business plan. The above conditions indicate the existence of material uncertainties, which may also cast significant doubt about the Company's ability to continue as a going concern. The Board of Directors believes that the measures that can safeguard the continuity of the Group are related to

continuing the Group's operations combined with obtaining additional financing through equity, grants, partnerships, or other sources of financing. There is no assurance that new financings or other transactions will be available to the Company on commercially acceptable terms, or at all. Our conclusion is not modified in respect of this matter.

Signed at Zaventem.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Pieter-Jan Van Durme

6 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6.1 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (in thousands of euros)	Note	30 June 2026	31 December 2025
<i>Non-current assets</i>		7,089	8,332
Intangible assets		489	525
Property, plant and equipment	7.6	2,697	3,183
Right-of-use assets	7.6	1,855	2,158
Deferred tax assets		31	31
Other non-current assets		2,017	2,435
<i>Current assets</i>		15,508	11,397
Receivables		918	703
Other financial assets		2,110	2,110
Other current assets	7.7	547	545
Cash and cash equivalents	7.8	11,933	8,038
TOTAL ASSETS		22,596	19,729

EQUITY AND LIABILITIES (in thousands of euros)	Note	30 June 2026	31 December 2025
<i>Equity attributable to owners of the parent</i>		14,967	12,103
Share capital	7.9	6,720	5,555
Share premium	7.9	40,316	29,431
Accumulated losses	7.9	(37,252)	(28,109)
Other reserves		5,183	5,226
Total equity		14,967	12,103
<i>Non-current liabilities</i>		2,342	2,884
Borrowings	7.10	2,162	2,709
Employee benefits obligations and Provisions		85	175
Other non-current liabilities	7.11	95	0
<i>Current liabilities</i>		5,287	4,742
Borrowings	7.10	1,076	1,072
Trade and other liabilities		1,678	2,539
Restructuring liabilities		1,323	
Other current liabilities	7.11	1,210	1,131
Total liabilities		7,629	7,626
TOTAL EQUITY AND LIABILITIES		22,596	19,729

The accompanying notes are an integral part of these condensed consolidated financial statements.

6.2 CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE 6 MONTHS ENDED 30 JUNE

in € thousands	Note	2026	2025
Other operating income	7.13	1,645	1,379
Research and development expenses	7.14	(6,153)	(6,520)
General and administrative expenses	7.14	(2,689)	(2,988)
Restructuring expenses		(1,942)	0
Operating loss		(9,139)	(8,129)
Financial income		69	281
Financial expenses		(54)	(215)
Loss before taxes		(9,124)	(8,063)
Income taxes		(20)	(73)
LOSS FOR THE PERIOD		(9,143)	(8,135)
Other comprehensive income (OCI)			
<i>Items of OCI that will be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		3	(14)
TOTAL COMPREHENSIVE LOSS OF THE PERIOD		(9,140)	(8,149)
Basic and diluted loss per share (in €)	7.15	(0.23)	(0.22)
Loss for the period attributable to the owners of the Company		(9,143)	(8,135)
Total comprehensive loss for the period attributable to the owners of the Company		(9,140)	(8,149)

The accompanying notes are an integral part of these condensed consolidated financial statements.

6.3 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 6 MONTHS ENDED 30 JUNE

(in € thousands)	Attributable to equity holders of the Company					Total Equity
	Share capital	Share premium	Other reserves		Accumulated losses	
			Share-based payment reserve	Currency translation reserve		
Balance at 31 December 2024	5,539	29,211	4,618	37	(11,800)	27,605
Share-based payments	-	-	353	-	-	353
Exercise of ESOP Warrants	2	18	-	-	-	20
Total comprehensive loss	-	-	-	(14)	(8,154)	(8,168)
Balance at 30 June 2025	5,541	29,229	4,971	23	(19,954)	19,810

(in € thousands)	Attributable to equity holders of the Company					Total Equity
	Share capital	Share premium	Other reserves		Accumulated losses	
			Share-based payment reserve	Currency translation reserve		
Balance at 31 December 2025	5,555	29,431	5,303	4	(28,191)	12,103
Issuance of shares	1,165	10,885	-	-	-	12,050
Share-based payments	-	-	(46)	-	-	(46)
Total comprehensive loss	-	-	-	3	(9,143)	(9,140)
Balance at 30 June 2026	6,720	40,316	5,257	7	(37,334)	14,967

The accompanying notes are an integral part of these condensed consolidated financial statements.

6.4 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 6 MONTHS ENDED 30 JUNE

in € thousands	Note	2026	2025
CASH FLOW FROM OPERATING ACTIVITIES			
Operating result		(7,197)	(8,129)
Adjustments for:			
Depreciation, amortisation and impairments		841	865
Share-based payment expense		(46)	353
R&D tax credit		297	(261)
Other		150	8
Operating cash flows before movements in working capital		(5,955)	(7,164)
Changes in working capital:			
Receivables		(251)	156
Other current assets		(2)	164
Trade and other payables		(863)	121
Other current and non-current liabilities		79	631
Restructuring cost paid		(619)	0
Cash used in operations		(7,611)	(6,092)
Taxes paid		0	0
Net cash used in operating activities		(7,611)	(6,092)
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		52	(151)
Purchases of property, plant and equipment	7.6	(18)	(58)
Proceeds from disposal of property, plant and equipment		3	27
Investments in other financial assets			(10)
Net cash provided by investing activities		37	(192)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings	7.10	(224)	(246)
Repayment of lease liabilities	7.10	(312)	(380)
Interests paid		(46)	(56)
Proceeds from issue of equity instruments of the Company	7.9	12,050	39
Net cash provided by (used in) financing activities		11,469	(643)
NET INCREASE IN CASH AND CASH EQUIVALENTS		3,895	(6,924)
CASH AND CASH EQUIVALENTS at beginning of period		8,038	22,638
Effect of foreign exchange rates		0	0
CASH AND CASH EQUIVALENTS at end of period		11,933	15,711

The accompanying notes are an integral part of these condensed consolidated financial statements.

7 NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7.1 GENERAL INFORMATION

Biotalys NV (the “Company” or “Biotalys”) is a limited liability company governed by Belgian law. As of the date hereof these condensed consolidated interim financial statements were authorised for issuance, the address of its registered office is Buchtenstraat 11, 9051 Gent, Belgium.

Biotalys and its subsidiary (together referred as the “Group”) is a development-stage, Agricultural Technology (AgTech) platform-based company focused on the discovery and development of novel biological products (protein-based biocontrols). The biocontrol products in the Group’s pipeline are aimed to protect our food in a sustainable and safe manner and the Company believes these have the potential to address a broad range of food threats such as fungal diseases and insect pests with unique and novel modes of action. Biotalys filed with the Environmental Protection Agency (EPA) in the United States in December 2020, and with the European Food Safety Authority (EFSA) in March 2021, for the registration of EVOCA® its first protein based biofungicide.

The Company obtained registration for EVOCA® from the EPA in the United States in December 2025. Furthermore, registration for EVOCA® was obtained in Florida in April 2026, while in California, the public consultation phase was finalised end of July 2026. In the European Union, the approval of EVOCA® passed the public consultation phase after it was recommended for approval by the Dutch Board for the Authorisation of Plant Protection Products (CTGB). EVOCA® will not be commercialised by the Company but paves the way for the company’s first commercial biocontrol EVOCA NG (next generation). The Group does not yet have any commercialised products on the market.

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 19 August 2026 and has been subject to a limited review by an independent auditor.

7.2 BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

Basis of preparation

The Group’s condensed consolidated interim financial statements for the 6-month period ended 30 June 2026 have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* as endorsed by the European Union (“IAS 34”).

These condensed consolidated interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2025, which were prepared in accordance with IFRSs. The same accounting policies, presentation and methods of computation have been applied in these condensed financial statements as were applied in the preparation of the Group’s financial statements for the year ended 31 December 2025, except for the impact of the adoption of new Standards and Interpretations as described below.

These condensed consolidated interim financial statements are presented in euro, which is the Company’s functional currency. All amounts in this document are represented in thousands of euros (€ thousands), unless noted otherwise.

The consolidated financial statements are prepared on an accrual basis and on the assumption that the entity is in going concern and will continue in operation in the foreseeable future (see also note 7.4 below).

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group accounting policies. The areas involving a higher degree of judgment or complexity,

or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3 of the consolidated financial statements for the year ended 31 December 2025.

Due to rounding, numbers presented throughout these consolidated financial statements may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Relevant IFRS accounting pronouncements adopted as from 2026 onwards

The following relevant new amendments to existing standards have been published and are mandatory for the first time for the financial periods beginning on or after 1 January 2026:

- Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity
- Annual Improvements – Volume 11

The above-mentioned standard did not have an impact on the condensed consolidated interim financial statements.

Relevant IFRS accounting pronouncements that have been issued but not yet applied by the Group

The following IFRS standards, interpretations and amendments that have been issued but that are not yet applicable for the annual period beginning on 1 January 2026, and have not been applied to the condensed consolidated interim financial statements closed on 30 June 2026:

- IFRS 20 Regulatory Assets and Regulatory Liabilities (applicable for annual periods beginning on or after 1 January 2029, but not yet endorsed in the EU)
- Amendments to the Fair Value Option in IAS 28 Investments in Associates and Joint Ventures (applicable for annual periods beginning on or after 1 January 2027, but not yet endorsed in the EU)

The Group does not expect that the above mentioned IFRS pronouncements will have a significant impact on the consolidated financial statements.

7.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

7.4 GOING CONCERN

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and the satisfaction of liabilities during the normal course of business.

The advancement of Biotalys' candidate products and other pipeline projects entails various risks and

uncertainties, including but not limited to the uncertainty of the development and regulatory review process and the timing of achieving profitability. Investments are being made in research and development, while there are currently no commercial revenues. This is in line with the business plan and typical for an Ag-tech company which is in the research- and development phase, such as Biotalys. Biotalys has incurred operating losses since its inception and operating losses and negative cash flows from operations are expected to continue for the foreseeable future. As a result, Biotalys will require additional capital to fund its operations and execute its business plan.

As of 30 June 2026, the Company had €11.9 million in cash and cash equivalents and it had no committed source of additional funding from either debt or equity financings.

The Company has a financial runway till end of March 2027. The Board and Management are considering different dilutive and non-dilutive funding options to extend the current cash runway.

The above conditions indicate the existence of material uncertainties, which may also cast doubt about the Company's ability to continue as a going concern.

The Board of Directors believes that the measures that can safeguard the continuity of the Group are related to continuing the Group's operations combined with obtaining additional financing through equity, grants, partnerships or other sources of financing. There is no assurance that new financings or other transactions will be available to the Company on commercially acceptable terms, or at all. Management continues in the meantime to exercise control over the level of spending. There are few or no other significant long-term financial commitments besides labour agreements and lease obligations.

Management and the Board of Directors have implemented a plan to strategically refocus its activities to prioritise lead assets and reduce annual cash burn. This plan was announced in February 2026 and has been implemented.

This plan entails that Biotalys has right-sized its organisational structure and suspended its early-stage activities to reduce operating expenses, while safeguarding the long-term value of its technology platform. Biotalys intends to prioritise the development and regulatory advancement of its lead biofungicide assets and focus the preparation of commercialisation on markets with the highest near-term potential.

In that framework, the Company has also reduced its Executive Committee with the departure of Kevin Helash as CEO and Kamal El Mernissi as Chief Business Development Officer. As CEO ad interim Carlo Boutton was appointed.

After due consideration of the above, the Board of Directors is of the opinion that it has an appropriate basis to conclude on the business continuity over the 12-month period following the approval of this report, and hence it is appropriate to prepare the financial statements on a going concern basis. The material uncertainties relate to the ability to obtain sufficient funding and the conditions included to some of the financing options that are currently under negotiation.

7.5 FINANCIAL INSTRUMENTS

All financial assets and liabilities presented in the consolidated statement of financial position are classified according to IFRS 9 – Financial Instruments as financial instruments at amortised cost. The Group considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

7.6 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the period, the Group limited its acquisitions in property, plant and equipment to €18 thousand.

The depreciations of the period total €840 thousand.

Certain assets that have been financed by the Bank Loan described in note 7.10 have been pledged as collateral. No other items of property, plant and equipment have been pledged in the context of financial liabilities.

7.7 OTHER CURRENT ASSETS

Of the total of €547 thousand on 30 June 2026 (€545 thousand at 31 December 2025), €38 thousand relates to deferred charges for field trials where the related services have not yet been performed.

7.8 CASH AND CASH EQUIVALENTS

The net cash position as presented in the consolidated statement of cash flows is as follows:

In € thousands	30 June 2026	31 December 2025
Cash at bank and in hand	3,933	138
Short-term bank deposits	8,000	7,900
Total cash and cash equivalents	11,933	8,038

The carrying amount of the cash and cash equivalents is a reasonable approximation of their fair value.

7.9 SHARE CAPITAL

During May 2026, the Company raised €12,050 thousands through the issuance of 7,875,811 new shares in a PIPE transaction at an issue price of EUR 1.53 per share. These new shares have the same rights and benefits as, and rank pari passu in all respects with, the existing and outstanding shares of Biotals at the moment of their issuance. The share capital was increased by €1,165 thousand and the share premium by €10,885 thousand through this private placement.

7.10 BORROWINGS

In € thousands	30 June 2026	31 December 2025
Bank borrowings	1,791	2,015
Lease liabilities	1,447	1,766
Total borrowings	3,238	3,781
of which as:		
Non-current borrowings	2,162	2,709
Current borrowings	1,076	1,072

We do not have any non-used credit lines at the time of report.

Lease liabilities

The weighted average incremental borrowing rate used for the measurement of the lease liabilities is 2.34% at closing June 2026 (2025: 2.18%). The underlying leased assets act as pledge in the context of the lease liabilities.

Bank loan

On 20 May 2020, the Group entered into a bank loan for leasehold improvements of its new facilities in Belgium with a maximum committed amount of €4,000 thousands (the "Bank Loan"). The committed funds were completely drawn by May 2021, after which the Bank Loan turned into an amortising loan over a period of 9 years with a fixed interest rate of 1.95% per annum.

The original restrictive covenant associated requiring the Group to maintain a cash position in excess of €10,000 thousands at the Bank, was released by the Bank in December 2025. The Bank Loan is secured by a pledge of the related financed assets and certain restrictions on cash (currently presented as other financial assets).

7.11 OTHER CURRENT AND NON-CURRENT LIABILITIES

A provision of €1,942 thousands has been recognised for expected restructuring costs. Of which €1,323 thousands are expected to be paid out after June 2026 until beginning of 2027.

In addition, the Other current liabilities and Other non-current liabilities consist of revenue still to be recognised in future periods on various grants and projects, and for which the project research costs have not yet been incurred.

7.12 RESEARCH COLLABORATION

There were no material new research collaborations signed in the 1st half of 2026.

7.13 OTHER OPERATING INCOME

For the six months ended In € thousands	2026	2025
Grants	678	658
R&D tax incentives	472	597
Other income	495	125
Total other operating income	1,645	1,379

Other operating income mainly consists of the R&D tax credits received and grants that were awarded to support R&D activities (VLAIO and Gates Foundation).

The R&D tax incentives correspond to certain rebates on payroll withholding taxes for scientific personnel and Belgian research and development tax credit with regard to incurred research and development expenses. The R&D tax credit will be paid to the Group in cash after a five-year period, if not offset against the taxable basis over the respective period.

Other income increased, partly thanks to milestone income from partnerships.

7.14 OPERATING EXPENSES BY NATURE

The table below illustrates certain items of expense recognised in the income statement using a classification based on their nature within the Group.

For the six months ended In € thousands	2026	2025
Employee benefit expense	4,043	5,341
Restructuring cost	1,942	
R&D materials and external services	1,956	1,565
Depreciation expense of property, plant and equipment	501	562
Depreciation expense of right-of-use assets	303	301
Amortisation expense of intangible assets	36	36
Facilities and IT related costs	518	551
Patents and IP	83	113
Other	1,402	1,039
Total operating expenses	10,784	9,508
of which as:		
Research and development expenses	6,153	6,520
General and administrative expenses	2,689	2,988
Restructuring cost	1,942	

The Other expenses relate to facility management, recruitment, legal and expert fees and other miscellaneous expenses. The increase is due to the extra expenses related to the capital increase.

The total employee benefit expense has been allocated along functional lines within the income statement and includes both employees and contractors.

Headcount in full-time equivalents	2026	2025
Average number of total employees	55.0	65.7
Number of employees at half-year	37.5	64.7

7.15 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net earnings for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent (after adjusting for the effects of all dilutive potential ordinary shares) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The table below reflects the income and shares data used in the basic and diluted earnings per share computations:

For the six months ended in € thousands	2026	2025
Basic earnings		
Loss from continuing operations attributable to owners of the parent	(9,143)	(8,135)
Diluted earnings		
Dilution effect of share-based payments	-	-
Loss from continuing operations attributable to owners of the parent, after dilution effect	(9,143)	(8,135)
For the six months ended Number of shares	2026	2025
Weighted average number of ordinary shares outstanding during the period	39,284,001	37,469,164
Weighted average number of ordinary shares outstanding during the period for basic and diluted earnings per share	39,284,001	37,469,164
For the six months ended in €	2026	2025
Basic and diluted earnings per share	(0.23)	(0.22)

As the Group is reporting operating losses, the stock options have an anti-dilutive effect. As such, there is no difference between basic and diluted earnings per ordinary share. There are no other instruments that could potentially dilute earnings per share in the future.

7.16 COMMITMENTS AND CONTINGENCIES

Capital Expenditures

On 30 June 2026, the Group has no capital expenditure commitment (December 2025: € 8 thousand outstanding commitments for IT).

Contractual Agreements

The Group has no outstanding purchase commitments with Contract Manufacturing Organisations ("CMOs") (December 2025: no outstanding purchase commitment).

The Group has also entered into development agreements with various Contract Research Organisations (“CROs”) and field trial operators. These arrangements are service agreements which only require payment dependent on the completion of the service and delivery of the final reports. Total outstanding non-cancellable purchase commitments under these agreements, excluding amounts accrued for services already performed, amount to €1,165 thousands as per the end of June 2026 (December 2025: €609 thousand).

The majority of these service agreements are expected to be paid within one year. The amounts are not risk-adjusted or discounted, and the timing of the payments is based on the Group's current best estimate of delivery of the related services.

The Group has a license agreement with 21st.BIO in relation to strains to be used for the production of a number of AGROBODY™ bioactives including EVOCA™ NG. The license fees comprise technology license fees based on milestones and royalty fees.

7.17 EVENTS AFTER THE END OF THE REPORTING PERIOD

On July 1, 2026, the company announced further progress in the regulatory review process of its first biofungicide, EVOCA®, in California. The California Department of Pesticide Regulation (CDPR), Pesticide Registration Branch, has initiated the public consultation phase of the EVOCA® dossier, marking an important step forward in the evaluation process. This milestone follows the recommendation by CDPR's Human Health Assessment Branch, which concluded that the data and information submitted by Biotalys support the registration of EVOCA® in California. End of July, the public consultation phase in California was closed.

8 DISCLAIMER AND ADDITIONAL INFORMATION

About Biotalys

Biotalys is an Agricultural Technology (AgTech) company developing precision biocontrol solutions based on proteins for the protection of crops in both the pre- and post-harvest markets. The company provides novel solutions that bridge the efficacy and scale of chemistry with the environmental advantages of biological solutions. Based on its novel AGROBODY® technology platform, Biotalys is developing a strong and diverse pipeline of effective product candidates with a favourable safety profile that aim to address key crop pests and diseases across the whole value chain, from soil to plate. Biotalys was founded in 2013 as a spin-off from the VIB (Flanders Institute for Biotechnology) and is listed on Euronext Brussels. The company is based in the biotech cluster in Ghent, Belgium. More information can be found on www.biotalys.com.

Forward looking statements

This report contains statements which are "forward-looking statements" or could be considered as such. These forward-looking statements can be identified by the use of forward-looking terminology, including the words 'aim', 'believe', 'estimate', 'anticipate', 'expect', 'intend', 'may', 'will', 'plan', 'continue', 'ongoing', 'possible', 'predict', 'plans', 'target', 'seek', 'would' or 'should', and contain statements made by the company regarding the intended results of its strategy. By their nature, forward-looking statements involve risks and uncertainties and readers are warned that none of these forward-looking statements offers any guarantee of future performance. Biotalys' actual results may differ materially from those predicted by the forward-looking statements. Biotalys makes no undertaking whatsoever to publish updates or adjustments to these forward-looking statements, unless required to do so by law.

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