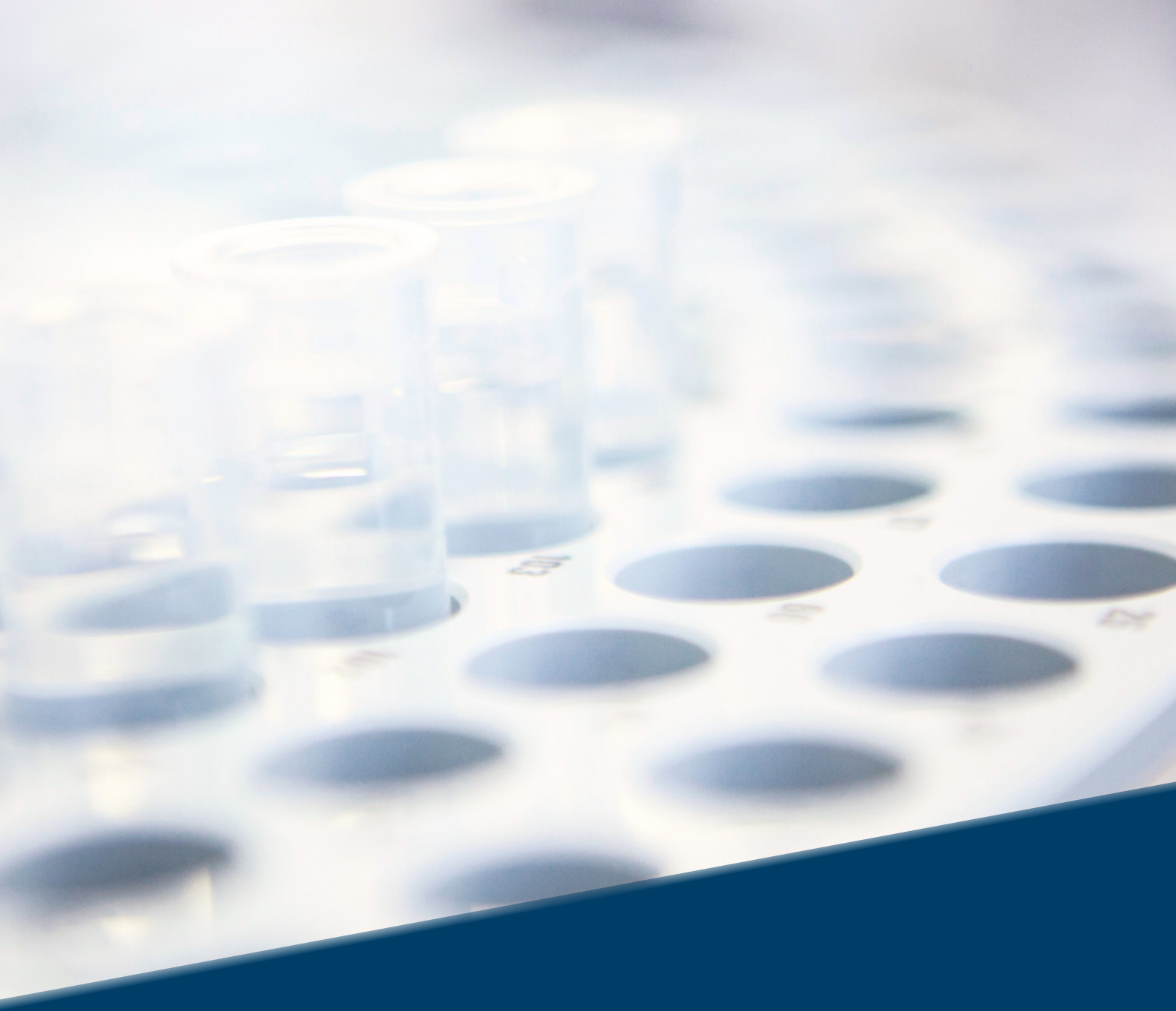


Management Report

Management Report

Letter from our CEO

Dear Shareholders,

The first half of 2026 marked the beginning of a new chapter for our company.

We became Lakefront Biotherapeutics, a name that reflects both the strategic direction we have set and the company we are building. It aligns our identity with our focus: advancing programs that have the potential to deliver meaningful outcomes for patients improved quality of life, while creating sustainable long-term value for shareholders. While our name has changed, our conviction has not.

The defining milestone of the first half of 2026 was the completion of the acquisition of Ouro Medicines with Gilead Sciences. This transaction represents a significant step forward in the execution of our strategy.

It brings gamgertamig into our portfolio, a clinical-stage T-cell engager with the potential to be first-in-class and best-in-class in serious antibody-mediated autoimmune diseases. We believe this program has the potential to address significant unmet medical needs and, if successfully developed and approved, to represent a meaningful long-term value creation opportunity for our shareholders. We've also in-licensed a preclinical portfolio of three additional autoimmune and inflammatory programs originally from Ouro, which further expands our pipeline and future opportunity. While early, we're very excited about the potential for these assets.

Henry Gosebruch, Chief Executive Officer

The significance of the Ouro transaction extends beyond the acquisition itself. It advances our strategy in three important ways:

- First, it strengthens our portfolio with a clinical-stage program that we believe has a compelling profile and an attractive path forward in serious autoimmune diseases.

- Second, it expands our organization with an accomplished development team, that brings deep experience in advancing innovative medicines. At Lakefront, we had already assembled a team with strong business development expertise and a shared mission to deploy capital in a disciplined and selective way. With the addition of Ouro's team and assets, we have further strengthened our ability to execute our strategy.

- Third, the transaction enhances our financial and strategic flexibility. As part of the transaction, we amended our legacy Option, License and Collaboration Agreement (OLCA) with Gilead, enabling us to designate an additional $500 million of our cash for R&D or strategic transactions outside of Gilead partnerships, including up to $150 million for potential returns of capital. Shortly after closing, we announced an initial €50 million share repurchase program, reflecting our continued commitment to disciplined capital allocation and shareholder value creation.

The transaction also underscores the strength of our strategic relationship with Gilead. We believe this relationship can be a competitive advantage for us, particularly if we continue to evaluate opportunities that could be synergistic with Gilead's portfolio and capabilities. Together, we have structured a collaboration that allows Lakefront to participate meaningfully in the development of gamgertamig and the preclinical assets, while enabling our shareholders to benefit from the potential value creation as these programs advance.

Looking ahead, our priorities are clear.

With the closure of the acquisition of Ouro Medicines with Gilead, we are combining the strengths of our teams to expand the already rapid development of our lead asset, gamgertamig, along with progressing the preclinical portfolio; completing the wind-down of our cell therapy activities in a responsible and disciplined manner; executing our initial share repurchase program; and continuing to evaluate additional business development opportunities with financial discipline and thorough strategic assessment.

Lakefront is a focused and well-capitalized biotechnology company. We combine clinical development capabilities, business development expertise and financial flexibility to pursue opportunities that we believe can deliver meaningful patient impact and attractive long-term returns. We forecast having at least €1.6 billion of capital remaining to fund additional strategic transactions and other capital allocation priorities after funding the portfolio to first gamgertamig approval.

We appreciate the continued support of our employees, patients, partners and shareholders as we build the next phase of our company.

Sincerely,

Henry Gosebruch
Chief Executive Officer
Lakefront Biotherapeutics

A conversation with Henry and Gino

We sat down with our CEO, Henry Gosebruch, and Board Chair, Gino Santini, to discuss the company's first six months of 2026, the strategic significance of the Ouro transaction, the evolution of Lakefront's pipeline and the priorities for the remainder of the year.

Henry, in April 2026, Gino Santini was elected to the Board of Directors and appointed Board Chair. Can you help us understand why his background was the right fit?

Gino is a seasoned pharmaceutical executive who spent 27 years in various roles at Eli Lilly, including as President of US Operations and as Senior Vice President of Corporate Strategy and Business Development. Following his retirement from Lilly, he's been a sought-after board member and has helped guide a number of biotechnology companies through transformations and value creation events.

I have known Gino for nearly two decades and am confident that his extensive operational, strategic, and business development expertise, shaped by decades of global leadership in our sector, will be invaluable as we execute our strategy to deliver meaningful patient impact and sustainable shareholder returns.

More broadly, I am really pleased with the talented group of directors who joined us to serve on our Board. As we transform, it's important that the Board brings the right mix of capabilities and background. Our Board brings the skills and experience that are needed to provide effective oversight and strategic guidance to the company.

Gino, what is the Board focused on going forward?

The Board's priority has been to define a clear and sustainable path forward for the company. We will focus on guiding management on building the capabilities needed to advance the new portfolio of exciting programs we acquired in connection with the Ouro transaction and to oversee the plan on maximizing the opportunities to create value with these programs.

Going forward, Lakefront has a very high bar to deploy cash for business development. We will continue to focus on clinically derisked opportunities in the areas where we believe we could bring unique insights that represent competitive advantage.

Henry, how would you summarize the first six months of 2026?

The first half of 2026 was about moving from strategic review to execution. Our objective wasn't incremental rebuilding, but a fundamental reshaping of the company around programs we believe are capable of delivering meaningful patient impact and sustainable shareholder returns.

We began the year with a clear focus: to reshape the company around opportunities where we believe we can have the greatest patient impact and create shareholder value.

That meant taking decisive actions. We initiated the wind-down of our cell therapy operations. We became Lakefront Biotherapeutics. With Gilead, we completed the acquisition of Ouro Medicines, which gives us an exciting portfolio to advance. We also strengthened our leadership and governance, and we launched an initial €50 million stock repurchase program.

Gino, how do you view the strategic relationship with Gilead Sciences?

I believe the Gilead relationship can be a strategic advantage for Lakefront.

This advantage is exemplified in the structure of the Ouro Medicines transaction, which allows each company to contribute where it is best positioned. Lakefront is responsible for ongoing and future Phase 1/2 clinical studies of gamgertamig. Gilead will lead registrational and later-stage studies and is responsible for commercialization outside of Keymed's territories. The two parties split the deal costs 50/50, enabling Lakefront to deploy only a portion of our available cash and leaving the majority of our capital available for other transactions, reflecting our clear focus on prudent capital allocation.

For Lakefront, that means we can play a meaningful role in advancing the program while retaining the potential to participate in long-term value through tiered royalties. In addition, the transaction includes a preclinical portfolio of three autoimmune programs, where Gilead holds an option to participate following clinical proof-of-concept through a 50/50 profit share, further extending the long-term value opportunity.

Henry, how should investors think about the immunology pipeline after the Ouro transaction?

The Ouro transaction is a significant milestone because it gives us a promising clinical-stage asset, expands our development opportunities in immunology, and strengthens our ability to create long-term value.

Accelerating the development of gamgertamig is front and center for us. The program has already received both Fast Track and Orphan Drug Designation from the U.S. FDA for autoimmune hemolytic anemia (AIHA) and immune thrombocytopenia (ITP), and we believe it has the potential to enter registrational studies in 2027.

Importantly, we're continuing to build momentum across the clinical program. We currently have two Phase 1b studies actively enrolling patients across a range of autoimmune diseases. One study is evaluating gamgertamig in autoimmune cytopenias, including ITP and AIHA, while a second study is focused on seropositive autoimmune diseases such as idiopathic inflammatory myositis, Sjögren's disease, pemphigus vulgaris, and pemphigus foliaceus. These studies are underway across multiple countries, including the United States, Australia, New Zealand, Czech Republic, and Japan.

Looking ahead, we expect to continue expanding the clinical development program, including the initiation of proof-of-concept basket studies in additional autoimmune diseases in 2027.

In addition, the transaction brought several earlier-stage autoimmune and inflammatory disease programs that provide future opportunities and further reinforce our long-term focus on targeted immune modulation.

Henry, what recent leadership and governance changes supported this next phase?

As we previously mentioned, Gino became Chair of the Board following shareholder approval at the company's Annual General Meeting. We also added Dr. Paulo Fontoura to our Board earlier this year, although recently, Paulo tendered his resignation from the Board following his announced appointment as Global Head of R&D at Sanofi. We look forward to identifying a suitable replacement for Paulo soon.

I am extremely pleased with the management talent we have been able to attract. Operationally, the appointment of Dr. Eric Hedrick as Chief Medical Officer is especially important. Eric brings a twenty-five year track record successfully developing effective and commercially successful therapies to this important role.

We also strengthened the organization with Tania Philipp appointed as Chief People Officer. Tania's established background supporting the vision, mission and objectives of life sciences companies is essential as we continue to execute on our transformation, welcome new colleagues and build the Lakefront culture.

We also are delighted that we have added an impressive team of individuals from Ouro to Lakefront, including Ruth Lan, Vice President Research and Translation, who will also serve on our senior leadership team.

Gino, how is Lakefront thinking about capital allocation?

Lakefront's cash position is a strategic asset, and capital allocation is one of the Board's most important responsibilities. The Company ended 2025 with cash and financial investments of approximately €3 billion. Following the Ouro transaction and after funding the portfolio to first approval for gamgertamig, we forecast to have at least €1.6 billion in cash remaining to fund other strategic opportunities. Lakefront benefits from the financial discipline and strong balance sheet built over many years. Our task now is to deploy that capital in a way that supports long-term value creation.

The Ouro transaction is a good example. It was a significant investment, but one we believe is consistent with the Company's strategy and our objectives of adding proof-of-concept stage programs. At the same time, the transaction created additional flexibility through the amendment to the legacy Gilead collaboration.

Another example is the €50 million share repurchase program recently announced by Lakefront. The authorization for the Board to acquire Lakefront's own shares was approved by the shareholders at the Extraordinary General Meeting in April 2026. The objective of the program is to deliver shareholder value. Following the closing of the Ouro transaction and related impact to cash, the Company expects its year end 2026 cash and financial investments balance to be in the range of €1.975 billion to €2.050 billion. This guidance includes the announced €50M share buyback program, which was not considered in the previous guidance range.

Henry, what are the top priorities for the second half of 2026?

We have four priorities for the remainder of the year.

First, we have completed the acquisition of Ouro Medicines with Gilead and integrated the Ouro employees and operational assets. Second, we intend to accelerate the advancement of gamgertamig and the preclinical pipeline, with a focus on high-quality clinical execution. Our objective is to initiate pivotal studies for gamgertamig in 2027 and to assess the most promising indication expansion opportunities. Third, we will continue the wind-down of our cell therapy activities in a responsible and disciplined manner. And finally, we will continue to evaluate new business development opportunities using a disciplined and selective approach.

How should shareholders think about Lakefront's outlook?

Gino: Shareholders should view 2026 as a year of transition and execution. The company has changed its name, sharpened its strategy, added a new clinical development foundation through the Ouro transaction, strengthened its leadership and governance, and taken steps to return capital to shareholders.

There is still important work ahead, but we believe Lakefront is well-positioned. It is focused, well-capitalized and built around a strategy that combines savvy clinical development, business development, and disciplined capital allocation.

Henry: I agree. I'm proud of our achievements to date and optimistic about the future. We believe gamgertamig could represent a very important new type of treatment approach for immune reset therapy for patients across a large number of conditions. It has shown compelling clinical data thus far and it may have both a first-in-class advantage and best-in-class potential. I'm excited for the opportunity to accelerate its clinical development and make a difference for patients.

Lakefront symbolizes the attractive opportunity in front of us and the new beginning we have created.

Main Events in the First Six Months of 2026

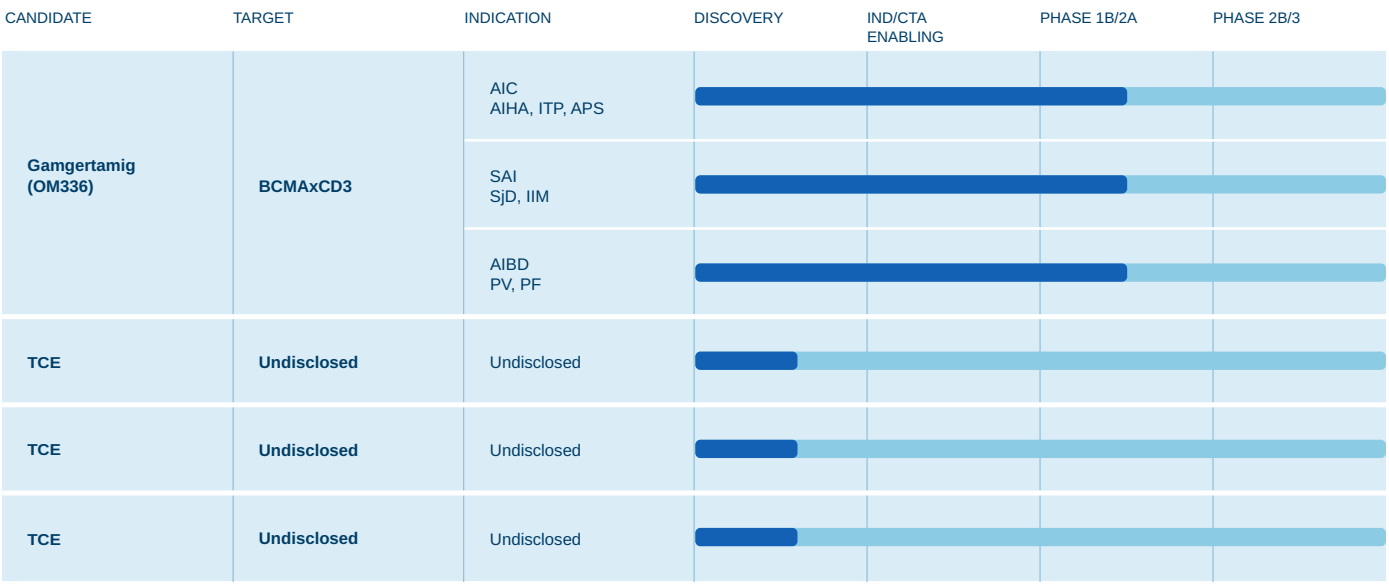
Portfolio

The charts below provide an overview of our R&D pipeline in immunology comprising our product candidates that are in development as of the date of this report's publication.

Immunology

DM, dermatomyositis; SLE, systemic lupus erythematosus

We are advancing a pipeline of T-cell engagers, anchored by gamgertamig, a potential first and best-in-class BCMAxCD3 T-cell engager for autoimmune indications. Gamgertamig is being developed in collaboration with Gilead. We also in-licensed a preclinical portfolio of three additional autoimmune and inflammatory focused programs originally from Ouro with an opt-in for Gilead for a 50/50 profit split post clinical proof-of-concept for $75 million per program.



AIBD, autoimmune bullous diseases; AIC, autoimmune cytopenia; AIHA, autoimmune hemolytic anemia; APS, antiphospholipid syndrome; IIM, idiopathic inflammatory myopathy; ITP, immune thrombocytopenia; SAI, seropositive autoimmune diseases; SjD, Sjogren's disease; PF: pemphigus foliaceus; PV, pemphigus vulgaris

First Quarter 2026

See our **Q1 2026 press release**.

Second Quarter 2026 and Post-Period Update

Corporate

- Our name change to Lakefront Biotherapeutics was effective as of May 8, 2026, and the ticker on Euronext and NASDAQ (ADRs) was changed to LKFT.
- We appointed Eric Hedrick, MD, as Chief Medical Officer. This expanded leadership role supports our strategic transformation following its acquisition of Ouro Medicines' operational assets announced on June 4, 2026. Eric will report to Henry Gosebruch, CEO, and joined our Management Committee.
- We announced the initiation of a €50 million share repurchase program on June 9, 2026. Repurchases under the program may be made no later than December 31, 2026. The program was entered into with Morgan Stanley & Co International PLC. The purchased shares are held as treasury shares. As of June 30, 241,904 shares were repurchased at an average price of €25.1261.
- Paulo Fontoura resigned from the Board of Directors following Sanofi's announcement of his appointment as Global Head of R&D at Sanofi on June 22, 2026.

Immunology Portfolio

- We completed, together with Gilead Sciences (Gilead), the acquisition of Ouro Medicines (Ouro). We will collaborate on the development of gamgertamig, a potential first-in-class and best-in-class T-cell engager in autoimmune diseases.
- Gamgertamig has been granted both Fast Track and Orphan Drug Designation by the U.S. FDA for the treatment of autoimmune hemolytic anemia (AIHA) and immune thrombocytopenia (ITP) and is expected to enter registrational studies in 2027.
- Ongoing Lakefront-sponsored clinical trials of gamgertamig in autoimmune diseases are actively enrolling, and expansion of the clinical trials program is anticipated in 2027.
  - Phase 1b study with gamgertamig in patients with autoimmune cytopenias (including ITP and AIHA) (NCT07083960), active in Australia and the United States.
  - Phase 1b study with gamgertamig in seropsoitive autoimmune diseases (including idiopathic inflammatory myositis, Sjögren's disease, pemphigus vulgaris (PV), and pemphigus foliaceus (PF)) (NCT07229144) active in Australia, New Zealand, Czech Republic, and Japan.
  - Expect to initiate proof-of-concept basket studies assessing gamgertamig in additional autoimmune diseases in 2027.
- In addition, Keymed is conducting a number of company-sponsored studies in Greater China with gamgertamig in both malignant and autoimmune indications.
- At the International Society on Thrombosis and Haemostasias (ISTH) 2026 Congress in Paris, we presented a poster on the effects of gamgertamig in a patient with active antiphospholipid antibody syndrome and concurrent autoimmune thrombocytopenia (click **here** to access the poster).

- Additionally, we in-licensed a preclinical portfolio of three autoimmune and inflammatory programs originally from Ouro with an opt-in for Gilead for a 50/50 profit split post clinical proof-of-concept for $75 million per program.
- GLPG3667 has completed the GALARISSO and GALACELA studies[1]:
  - The Phase 2 GALARISSO study in dermatomyositis (DM) has completed the 24-week open-label extension with sustained efficacy and safety consistent with previously reported results.
  - The Phase 2 GALACELA study in systemic lupus erythematosus (SLE) has completed with continued favorable safety at 48 weeks; the trial did not meet the 32-week primary endpoint and comparable 48-week secondary endpoint.
  - As part of our ongoing efforts to maximize the value of the GLPG3667 program for both patients and the Company, we are evaluating all strategic options.

1 **Galapagos Announces Topline Results from Two Phase 3-Enabling Studies with Selective TYK2 Inhibitor GLPG3667 in Dermatomyositis and Systemic Lupus Erythematosus – Lakefront Biotherapeutics**

Oncology CAR-T Cell Therapy Update

- We announced in January 2026 the start of the wind-down of our cell therapy activities. The wind-down remains on schedule and is expected to be substantially completed by the end of the third quarter of 2026.
- To support long-term patient follow-up, the HESPERIA study continues to monitor safety of all patients treated in the discontinued parent studies; associated spending is expected to remain minimal.

Financial Guidance

- Following the closing of the Ouro transaction and the related impact to cash, we expect our year end 2026 cash and financial investments balance to be in the range of €1.975 billion to €2.050 billion. This guidance includes the announced €50 million share buyback program, which was not considered in the previous guidance range.
- We forecast having at least €1.6 billion of our cash remaining for additional strategic transactions and other capital allocation priorities following funding the portfolio to first gamgertamig approval.
- All figures assume an EUR/USD exchange rate of 1.175, consistent with year-end 2025 and prior guidance. As of June 30, 2026, the EUR/USD exchange rate was 1.1394.
- These estimates are subject to change and depend on exchange rate fluctuations, and future business development activity.

Financial Highlights

Consolidated Key Figures

(thousands of €, if not stated otherwise)	**Six months ended June 30, 2026**	Six months ended June 30, 2025	Year ended December 31, 2025
Income statement			
Supply revenues	14,049	18,486	29,924
Collaboration revenues	4,542	121,779	1,082,324
Total net revenues	18,591	140,265	1,112,248
Cost of sales	(13,944)	(18,435)	(29,736)
R&D expenses	(56,486)	(278,027)	(459,421)
S&M, G&A expenses	(58,010)	(74,470)	(153,433)
Impairment of the cell therapy activities	–	–	(228,112)
Other operating income	2,635	14,932	53,493
Operating profit/loss (–)	(107,214)	(215,735)	295,039
Net financial results	123,184	(45,056)	5,832
Taxes	(140)	1,788	18,621
Net profit/loss (–) from continuing operations	15,830	(259,003)	319,492
Net profit/loss (–) from discontinued operations, net of tax	771	(148)	1,392
Net profit/loss (–)	16,601	(259,151)	320,884
Income statement from discontinued operations			
R&D expenses	220	(12,516)	(11,708)
S&M, G&A expenses	(47)	(620)	(1,026)
Other operating income	129	11,599	11,933
Operating profit/loss (–)	302	(1,537)	(801)
Net financial results	1,026	1,921	2,676
Taxes	(557)	(532)	(483)
Net profit/loss (–) from discontinued operations, net of tax	771	(148)	1,392

(thousands of €, if not stated otherwise)	**Six months ended June 30, 2026**	Six months ended June 30, 2025	Year ended December 31, 2025
Balance sheet			
Cash and cash equivalents	135,952	71,669	87,868
Financial investments	2,103,597	3,019,835	2,910,180
R&D incentives receivables	125,713	147,672	157,870
Assets	3,351,188	3,818,224	3,406,518
Shareholders' equity	3,263,630	2,643,819	3,235,868
Deferred income	33	954,066	32
Other liabilities	87,525	220,339	170,618
Cash flow			
Operational cash burn	(63,617)	(91,529)	(189,141)
Cash flow used in operating activities	(116,841)	(147,388)	(257,456)
Cash flow generated from investing activities	162,914	159,452	288,814
Cash flow used in financing activities	(4,448)	(1,611)	(3,273)
Increase in cash and cash equivalents	41,625	10,453	28,085
Effect of currency exchange rate fluctuation on cash and cash equivalents	6,459	(3,023)	(4,456)
Cash and cash equivalents at the end of the period	135,952	71,669	87,868
Financial investments at the end of the period	2,103,597	3,019,835	2,910,180
Total financial investments and cash and cash equivalents at the end of the period	2,239,549	3,091,504	2,998,048
Financial ratios			
Number of shares issued at the end of the period	65,897,071	65,897,071	65,897,071
Basic and diluted earnings/loss (–) per share	0.25	(3.93)	4.87
Share price at the end of the period (in €)	26.22	23.76	28.00
Total group employees at the end of the period (number)	196	558	452

First-Half 2026 Financial Results

- Total operating loss from continuing operations for the six months ended June 30, 2026, was €107.2 million, compared to an operating loss of €215.7 million for the six months ended June 30, 2025. This operating loss in 2025 was negatively impacted by the executed strategic reorganization for a total of €131.6 million. This was reflected in severance costs of €47.5 million, costs for early termination of collaborations of €45.7 million, impairment on fixed assets related to small molecules activities of €12.0 million, professional services costs of €16.6 million, €8.0 million accelerated non-cash cost recognition for subscription right plans related to good leavers and €1.8 million other expenses.

- Total net revenues for the six months ended June 30, 2026, amounted to €18.6 million, compared to €140.3 million for the six months ended June 30, 2025. The revenue recognition related to the exclusive access rights granted to Gilead for our drug discovery platform amounted to €115.1 million for the first six months of 2025. The deferred income balance allocated to our drug discovery platform was fully released in revenue at the end of 2025. We reported €14.0 million of Jyseleca® supplies revenues to Alfasigma for the first six months of 2026 (compared to €18.5 million for the same period last year). We have recognized royalty income from Gilead for Jyseleca® for €4.5 million in the first six months of 2026 (compared to €5.6 million in the same period last year).

- Cost of sales for the six months ended June 30, 2026, amounted to €13.9 million, compared to €18.4 million in the same period last year, and related to the supply of Jyseleca® to Alfasigma under the transition agreement.

- R&D expenses in the first six months of 2026 amounted to €56.5 million, compared to €278.0 million for the first six months of 2025. This decrease was primarily explained by a decrease in subcontracting cost from €141.0 million in the first half-year of 2025 to €25.2 million in the first half-year of 2026 due to decreased costs for cell therapy and small molecule programs in oncology, and costs for early termination of collaborations recorded in the first half of 2025. Personnel costs decreased from €82.3 million in the first half of 2025 to €24.9 million for the same period this year due to severance costs in the first six months in 2025. Depreciation and impairment expenses decreased from €32.2 million in the first six months of 2025 to €1.6 million in the first six months of 2026 due to impairments on fixed assets related to small molecules activities recorded in the first half of 2025 and the lack of the amortizations on intangibles from the CellPoint acquisition in the first half of 2026 due to the impairment on the cell therapy activities booked end of 2025.

- S&M expenses amounted to €5.8 million in the first six months of 2026, compared to €1.6 million in the first six months of 2025. The increase related to the reversal of a bad debt provision on Alfasigma receivables in the first half of 2025 and higher legal and professional fees in the first half 2026 due to transaction cost related to the Ouro deal, partly offset by a decrease in personnel expenses in the first half of 2026.

- G&A expenses amounted to €52.2 million in the first six months of 2026, compared to €72.9 million in the first six months of 2025. The decrease in legal and professional fees mainly related to professional services costs recognized in the first six months of 2025, while the decrease in personnel expenses of €10.2 million (from €37.1 million in the first six months of 2025 to €26.9 million in the same period this year) was due to higher severance costs recorded in the first half-year of 2025.

- Other operating income amounted to €2.6 million in the first six months of 2026, compared to €14.9 million for the same period last year, mainly driven by a reduction of R&D incentives income.

Net financial income in the first six months of 2026 amounted to €123.2 million (as compared to net financial loss of €45.0 million in the same period last year) and consisted mainly of €25.0 million interest income (as compared to €21.8 million interest income in the same period last year). Net financial income in the first six months of 2026 also included €38.8 million of unrealized currency exchange gain on our cash and cash equivalents and current financial investments at amortized cost in U.S. dollar (as compared to €37.9 million unrealized currency exchange loss on cash and cash equivalents and current financial investments in the first six months of 2025), as a result of the fluctuation of the U.S. dollar, and €52.4 million positive changes in fair value of current financial investments (€49.9 million negative changes in the same period last year).

We had €0.1 million of tax expense for the first six months of 2026 (as compared to €1.8 million tax income for the same period last year).

Net profit from continuing operations for the first six months of 2026 was €15.8 million, compared to a net loss from continuing operations of €259.0 million for the same period last year.

Net profit from discontinued operations related to Jyseleca® amounted to €0.8 million for the first six months of 2026, compared to a net loss amounting to €0.1 million for the first six months of 2025.

We reported a net profit for the six months ended June 30, 2026, of €16.6 million, as compared to a net loss of €259.1 million for the six months ended June 30, 2025.

Cash, Cash Equivalents and Financial Investments

Cash and cash equivalents and financial investments totaled €2,239.5 million as of June 30, 2026 (€2,998.0 million as of December 31, 2025).

On June 30, 2026, our cash and cash equivalents and current financial investments included $1,962.2 million held in U.S. dollars ($2,159.0 million on December 31, 2025) which could generate foreign exchange gains or losses in our financial results in accordance with the fluctuation of the EUR/U.S. dollar exchange rate as our functional currency is EUR (translated at a rate of 1.1394 €/$ at June 30, 2026).

A net decrease of €758.5 million in cash and cash equivalents and financial investments was recorded during the first six months of 2026, compared to a net decrease of €226.3 million during the first six months of 2025.

This net decrease was composed of (i) €63.6 million of operational cash burn, which includes cash in of €78.4 million related to the return on financial investments, (ii) €38.5 million of positive exchange rate differences, changes in fair value of current financial investments and variation in accrued interest income, (iii) €1.1 million acquisition of equity investments, (iv) €733.5 million of net cash out related to the acquisition of Ouro Medicines, (v) €2.9 million purchase of own shares, partly offset by (vi) €4.1 million of net cash in related to the sale of subsidiaries.

The operational cash burn (or operational cash flow if this liquidity measure is positive) is a financial measure that is not calculated in accordance with IFRS. Operational cash burn/cash flow is defined as the increase or decrease in our cash and cash equivalents (excluding the effect of exchange rate differences on cash and cash equivalents), minus:

1. the net proceeds, if any, from share capital and share premium increases included in the net cash flows generated from/used in (–) financing activities.

2. the net proceeds or cash used, if any, in acquisitions or disposals of businesses; the acquisition of equity investments held at fair value; the movement in restricted cash and movement in financial investments, if any, the loans and advances given to third parties, if any, included in the net cash flows generated from/used in (–) investing activities.

3. the cash used for other liabilities related to the acquisition or disposal of businesses, if any, included in the net cash flows generated from/used in (–) operating activities.

4. the cash used for the purchase of own shares.

This alternative liquidity measure is in our view an important metric for a biotech company in the development stage.

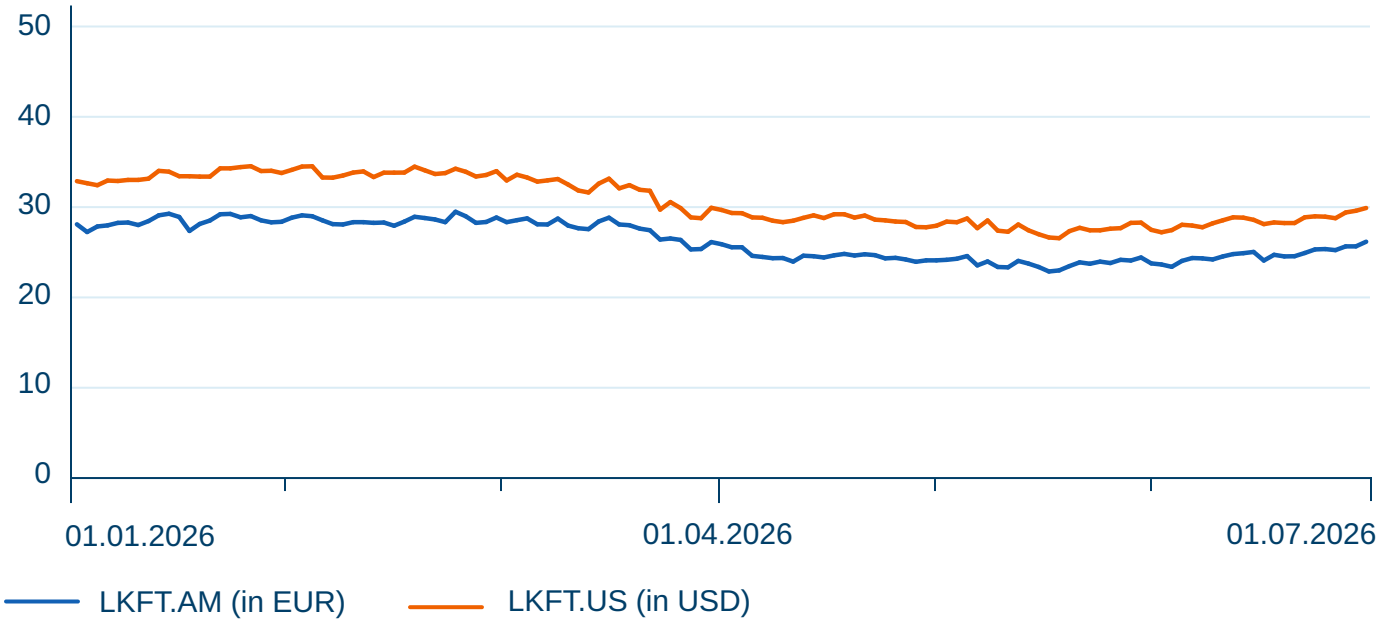
The following table provides a reconciliation of the operational cash burn:

(thousands of €)	Six months ended June 30 2026	2025
Increase in cash and cash equivalents (excluding effect of exchange differences)	41,625	10,453
Less:		
Convertible loan issued to third party	62	20,000
Net sale of financial investments	(838,614)	(114,041)
Acquisition of equity investments held at fair value through other comprehensive income	1,031	–
Cash in from the disposal of subsidiaries, net of cash disposed of	(4,112)	(9,733)
Cash used for other liabilities related to the acquisition of subsidiaries	–	1,792
Purchase of own shares	2,870	–
Cash out from acquisition of subsidiaries, net of cash acquired	733,521	–
Total operational cash burn	**(63,617)**	**(91,529)**

The Lakefront Biotherapeutics Share

Lakefront Biotherapeutics NV (ticker: LKFT) has been listed on Euronext Amsterdam and Brussels since May 6, 2005 and on the Nasdaq Global Select Market since May 14, 2015.

Performance of the Lakefront Biotherapeutics share on Euronext and Nasdaq



Related Party Transactions

We refer to the statements included under the heading "**Related party transactions**" in the "Notes to the unaudited condensed consolidated interim financial statements for the first six months of 2026" part of this report.

Risk Factors

We refer to the **description of risk factors in our 2025 annual report**, pp. 135 – 151, as supplemented by the description of risk factors in our annual report on Form 20-F filed with the U.S. Securities and Exchange Commission ("SEC"), pp. 4 – 74. In summary of the foregoing, the principal risks and uncertainties faced by us relate to and include, but are not limited to: product development and regulatory approval, commercialization, our financial position and need for additional capital, our reliance on third parties, our intellectual property, our business development strategy, our competitive position, our organization, structure and operation, and market risks relating to our shares and ADSs.

We also refer to the **description of the group's financial risk management given in the 2025 annual report**, pp. 219 – 222, which remains valid and unaltered.

Statement by the Board of Directors

The Board of Directors of Lakefront Biotherapeutics NV declares that, as far as it is aware, the financial statements in this half-year 2026 report are prepared according to the applicable standards for financial statements, and give a true and fair view of the equity, financial position and the results of Lakefront Biotherapeutics NV and its consolidated companies.

The Board of Directors of Lakefront Biotherapeutics NV further declares that this half-year 2026 report gives a true and fair view on the important developments and significant transactions with related parties in the first six months of the current financial year and their impact on the interim financial statements, as well as on the most important risks and uncertainties pertaining to the remainder of the current financial year.

Mechelen, August 5, 2026.

On behalf of the Board of Directors,

Gino Santini
Chair of the Board of Directors

Neil Johnston
Chair of the Audit Committee and member of the Board of Directors