



## **BONE THERAPEUTICS TO RAISE CAPITAL THROUGH PRIVATE PLACEMENT OF NEW SHARES AND ISSUANCE OF NON-DILUTIVE SUBORDINATED BONDS**

**Gosselies, Belgium, 27 June 2019, 7am CEST** – Bone Therapeutics SA (**Euronext Brussels and Paris: BOTHE**; the "Company" or "Bone Therapeutics"), the leading biotech company focused on the development of innovative cell and biological therapies to address high unmet medical needs in orthopaedics and bone diseases, announces its intention to raise funds for an approximate amount of EUR 8.5 million. The operation will be covered by the launch of a private placement of new shares to institutional investors with the aim to raise gross proceeds of approximately EUR 5.0 million via an accelerated bookbuild offering (the "**Private Placement**"), with the potential to increase the size of the placement. Furthermore, the Company announces the placement of fully-subscribed non-dilutive subordinated bonds (the "**Bond Issuance**") for a total aggregate amount of EUR 3.5 million.

The Company has received confirmations from its existing shareholders S.R.I.W., SFPI and Sambrinvest that they intend to submit subscription orders for the Private Placement for about EUR 2.0 million, depending on the total amount of equity raised. The Board of Directors has decided to cancel the preferential subscription rights of the existing shareholders in the framework of the Private Placement with respect to the issuance of the new shares, within the limits of the authorised capital as approved by the extraordinary shareholders' meeting on 9 July 2018. The Private Placement is open to institutional investors and such other investors as permitted under applicable private placement exceptions. Any final allocation to S.R.I.W., SFPI, Sambrinvest and participating investors, as the case may be, will be made based on customary, objective and pre-identified criteria agreed with the Bookrunner. No guarantee has been given as to the final allocation to S.R.I.W., SFPI and Sambrinvest, or that any allocation will be made to them, or as to the size of any such allocation.

To further strengthen its cash position and to diversify its funding through non-dilutive financing, the Company also announces the issuance of non-dilutive subordinated bonds for a total amount of EUR 3.5 million, fully placed with institutional investors (insurance companies). The subordinated bonds will be issued in registered form, redeemable at 100% of their principal amount with a maturity of 48 months and a coupon of 8% per annum. The coupon will be payable annually.

Bone Therapeutics intends to use the net proceeds from the Private Placement and the Bond Issuance to:

- Initiate the Phase II/III programme in Europe and the United States with its proprietary allogeneic cell therapy product, ALLOB, in patients with delayed-union fractures;
- Start the Phase III programme in Europe and the United States with its enhanced viscosupplement, JTA-004, in patients with knee osteoarthritis;

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- Fund non-clinical developments of ALLOB and;
- Cover general business expenses and corporate activities.

The Private Placement of new shares with institutional investors will start today, 27 June 2019, immediately following this announcement. The Company will announce the results of the Private Placement as soon as possible after closing of the accelerated bookbuild offering in a subsequent press release.

The trading of the shares of the Company on Euronext Brussels and Euronext Paris will be suspended during the accelerated bookbuild offering until the closing of the bookbuilding period and publication of the results of the Private Placement. Trading in the shares is expected to resume following the publication of the results of the Private Placement.

Belfius Bank NV/SA, in cooperation with Kepler Cheuvreux SA and its affiliates, is acting as Sole Bookrunner (the "**Bookrunner**") in the Private Placement. In relation to the Private Placement, the Company has agreed with the Bookrunner a market customary 180-days standstill period on future share issuances, waivable by the Bookrunner and subject to customary exceptions.

## About Bone Therapeutics

Bone Therapeutics is a leading biotech company focused on the development of innovative products to address high unmet needs in orthopaedics and bone diseases. Based in Gosselies, Belgium, the Company has a broad, diversified portfolio of bone cell therapy and other products in later-stage clinical development across a number of disease areas, which target markets with large unmet medical needs and limited innovation.

Bone Therapeutics' core technology is based on its off-the-shelf allogeneic cell therapy platform (ALLOB) which uses a unique, proprietary approach to bone regeneration, which turns undifferentiated stem cells from healthy donors into bone-forming cells. These cells can be administered via a minimally invasive procedure, avoiding the need for invasive surgery, and are produced via a commercial-scale, proprietary, cutting-edge manufacturing process.

The Company's ALLOB product pipeline includes a wholly-owned cell therapy product candidate that successfully completed two Phase II programmes in patients with delayed-union fractures and patients undergoing a lumbar spinal fusion procedure. In addition, the Company is developing a proprietary enhanced viscosupplement, JTA-004, for which a clinical trial application is planned before the end of 2019 to enter Phase III development for the treatment of pain in knee osteoarthritis.

Bone Therapeutics' cell therapy products are manufactured to the highest GMP standards and are protected by a broad IP portfolio covering ten patent families as well as knowhow. Further information is available at [www.bonetherapeutics.com](http://www.bonetherapeutics.com).

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## For further information, please contact:

### Bone Therapeutics SA

Thomas Lienard, Chief Executive Officer

Jean-Luc Vandebroek, Chief Financial Officer

Tel: +32 (0) 71 12 10 00

[investorrelations@bonetherapeutics.com](mailto:investorrelations@bonetherapeutics.com)

### For International Media Enquiries:

Consilium Strategic Communications

Marieke Vermeersch

Tel: +44 (0) 20 3709 5701

[bonetherapeutics@consilium-comms.com](mailto:bonetherapeutics@consilium-comms.com)

### For French Media and Investor Enquiries:

**NewCap Investor Relations & Financial Communications**

Pierre Laurent, Louis-Victor Delouvrier and Arthur Rouillé

Tel: + 33 (0)1 44 71 94 94

[bone@newcap.eu](mailto:bone@newcap.eu)

## Important information regarding the Private Placement:

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*The new shares that are to be sold in the Private Placement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered, sold or transferred, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any state or other jurisdiction of the United States.*

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