FORWARD-LOOKING STATEMENTS

This document and the accompanying oral presentation contain information on Bone Therapeutics SA’ markets and competitive position, and more specifically, on the size of its markets. This information has been drawn from various sources or from Bone Therapeutics SA own estimates. Investors should not base their investment decision on this information. This document and the accompanying oral presentation also contain certain forward-looking statements. These statements are not guarantees of the Company's future performance. These forward-looking statements relate to the Company's future prospects, developments and marketing strategy and are based on analysis of estimates not yet determinable. Forward-looking statements are subject to a variety of risks and uncertainties as they relate to future events and are dependent on circumstances that may or may not materialize in the future.

Bone Therapeutics SA draws your attention to the fact that forward-looking statements cannot under any circumstance be construed as a guarantee of the Company's future performance and that the Company’s actual financial position, results and cash flow, as well as the trends in the sector in which the Company operates may differ materially from those proposed or reflected in the forward-looking statements contained in this document and the accompanying oral presentation. Furthermore, even if Bone Therapeutics SA financial position, results, cash-flows and developments in the sector in which the Company operates were to conform to the forward-looking statements contained in this document and the accompanying oral presentation, such results or developments cannot be construed as a reliable indication of the Company's future results or developments. Certain figures and numbers appearing in this document and the accompanying oral presentation have been rounded. Consequently, the total amounts and percentages appearing in the tables are therefore not necessarily equal to the sum of the individually rounded figures, amounts or percentages.
EXPERIENCED MANAGEMENT TEAM

Thomas Lienard
MBA
CBO
15 years experience in sales & marketing

Wim Goemaere
MAE
CFO
26 years experience in finance

Enrico Bastianelli
MD, MBA
CEO & founder
22 years experience in pharma & biotech

Valérie Gangji
MD, PhD
CMO & founder
22 years experience in rheumatology & medical research

Guy Heynen
MD
CCRO
35 years experience in medical & regulatory

Previously:
Lundbeck
Eli Lilly & Co
McKinsey & Co

Previously:
ProSkelia/ProStrakan
McKinsey & Co
Procter & Gamble

Previously:
Devgen
VIB
British Petroleum

Previously:
Head of the
Rheumatology Dept. of Erasme University Hospital

Previously:
Clinical & Medical research at Pfizer
Rheumatologist
KEY INVESTMENT HIGHLIGHTS

1. UNIQUE TECHNOLOGY FOR NEW MINIMALLY INVASIVE TREATMENT PARADIGM

2. BROAD AND DIVERSIFIED PIPELINE (2 PRODUCTS & 4 GROUPS OF INDICATIONS)

3. LARGE MARKETS WITH HIGH UNMET MEDICAL NEEDS (12M PATIENTS(1) & $11bn REVENUES(2))

4. AHEAD OF COMPETITION IN ITS MARKETS (ONLY COMPANY IN PHASE III)

A leader in bone cell therapy for orthopaedics & bone diseases

(1) Europe & US (Company estimates); (2) 30% of a total market for osteoporosis, spinal fusion, fracture repair, hip disorders and orthobiologics
BONE THERAPEUTICS: A GAME CHANGER IN ORTHOPAEDICS

Unrivalled combination of bone cell therapy and minimally-invasive approach in orthopaedics and bone diseases

Skeleton: a naturally regenerative system

Limitation of standard orthopaedic approaches

Production of bone-forming cells

Minimally invasive administration
UNMATCHED EXPERTISE IN MANUFACTURING OSTEOBLASTS

**Advantages of “differentiated” osteoblastic cells**
- More potent (faster and better bone-forming capacity)
- Safer (no unwanted cell types or no unwanted activity)

**Advantages of allogeneic cells**
- Off-the-shelf
- Scalable & cost-effective
MINIMALLY INVASIVE ADMINISTRATION

Single percutaneous implantation into fracture site: simple & fast procedure
one-day clinic - no open surgery
UNIQUE MODE OF ACTION FOR NEW TREATMENT PARADIGM

1 treatment = 1 cure

IMPLANTATION
MINIMALLY INVASIVE
- One single dose (local or intravenous)
- Fast & ambulatory
- Safety benefits

INITIATION OF BONE FORMATION
- Local action at bone site
- Replacement of missing/defective bone cells
- Formation of new bone

AMPLIFICATION OF NATURAL PROCESS OF REGENERATION
- Secretion of bone factors
- Recruitment of patient’s cells
- Re-creation of a healthy bone environment
# BROAD AND DIVERSIFIED PIPELINE

<table>
<thead>
<tr>
<th>Condition</th>
<th>Preclinical</th>
<th>Phase I/IIA</th>
<th>Phase IIB/III</th>
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<tbody>
<tr>
<td>Osteonecrosis</td>
<td>PREOB®</td>
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<td>USA</td>
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<tr>
<td>Non-Union</td>
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<tr>
<td>Delayed-Union &amp; Multiple Fractures</td>
<td>ALLOB®</td>
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<tr>
<td>Spinal Fusion &amp; Revision</td>
<td>ALLOB®</td>
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<tr>
<td>Osteoporosis</td>
<td>PREOB®</td>
<td>ALLOB®</td>
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# LARGE MARKETS WITH HIGH UNMET MEDICAL NEEDS

<table>
<thead>
<tr>
<th>Osteoporosis</th>
<th>Degenerative spine diseases</th>
<th>Severe unhealed fractures</th>
<th>Degenerative hip disorders</th>
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</thead>
<tbody>
<tr>
<td>$8.4bn market</td>
<td>$8.5bn market</td>
<td>$6.5bn market</td>
<td>$0.6bn market</td>
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</tbody>
</table>

**Severe osteoporosis**
- ~10M patients

**Spinal fusion**
- ~0.5M* (0.12M) procedures
- *Only lumbar spine fusion procedures*

**Delayed-union**
- ~1M (0.3M) patients p.a.

**Osteonecrosis**
- ~0.2M patients p.a.
AHEAD OF COMPETITION IN ITS MARKETS

Severe osteoporosis: last line: patients not responding to existing treatments

Delayed-union: Wait & see – current surgery too invasive & risks of complications

Rescue spinal fusion: Wait & see - too invasive surgery & risks of complications

Osteonecrosis (Xcelia)
- Differentiated osteoblasts vs. Undifferentiated cells
- Human Proof-of-Concept completed vs. early clinical

Spinal fusion
- Allogeneic vs. Autologous (Xcelia; Novadip)
- Differentiated osteoblasts vs. Undifferentiated cells (Mesoblast; Xcelia; Novadip)
- Human Proof-of-Concept vs. pre/early clinical (Xcelia; Kuros; Novadip)
LEADERSHIP POSITION STRENGTHENED SINCE IPO…

SIGNIFICANT PROGRESS IN PIPELINE…
Positive safety & preliminary efficacy results in Phase II trials
Advancements in Phase III trials
Important progress in allogeneic program

…OPENS UP NEW HORIZONS
Towards larger markets of osteoporosis and spinal fusion
Reinforced focus on allogeneic approach (off-the-shelf product)
OUR STRATEGIC PRIORITIES

Osteoporosis
Capitalise on allogeneic approach

Spinal fusion
Accelerate and expand clinical program

Osteonecrosis & Impaired fracture healing
Initiate US clinical development
Osteoporosis
Capitalise on allogeneic approach
SEVERE OSTEOPOROSIS – UNMET MEDICAL NEED

Osteoporosis: excessive loss of bone mass, bone fragility, increased risk of fractures

$8bn worldwide drug market
Over **30M patients** worldwide

**Severe osteoporosis**

~30% patients not responding adequately to treatments
**10M patients**

**Large unmet need**
- Limited studies
- Blunted bone turnover due prior therapy
- Poor response to treatment

Treatments
- Bisphosphonates (generics,..)
- PTH (Eli Lilly)
- Denosumab (Amgen)
- **Ongoing studies**
- PTHrP (Radius Health)
- Cathepsin K inh. (Merck)
- Anti-sclerostin (UCB/Amgen)
Bone Therapeutics’ aim is to provide
A treatment with a different mechanism of action for a population of severe osteoporotic patients left with no treatment options

Phase IIA proof-of-concept
Single intravenous administration of PREOB®

Endpoints:
- the safety & distribution of PREOB® after iv infusion
- the effects on clinical symptoms (e.g., back pain)
- the effect on serum markers of bone turnover

12-month follow-up

In total, 9 patients enrolled & 7 treated (target 20 & 16)
Initial results of first 7 patients after 12-month follow-up

- Biodistribution: migration to bones most prone to osteoporotic fractures
- No treatment-related safety concerns reported
SEVERE OSTEOPOROSIS – PROOF-OF-CONCEPT TRIAL

**Effect on clinical symptoms**
- Progressive, strong and clinically relevant pain relief (>40%, max. 6 months post-infusion) vs. 20-30% with PTH* (daily SC administration)
- Improved general health status

**Effect on bone turnover markers**

**Dual trend**

(i) Early phase: decrease in markers of bone resorption while bone formation markers were unaffected/slight increase in

(ii) Later phase: sustained increase in bone formation markers (up to 12 months)

*As reported in literature*
**SEVERE OSTEOPOROSIS - STRATEGY**

**Proof-of-concept**
Initial results of severe osteoporosis proof-of-concept trial show that a single intravenous administration of PREOB® has beneficial effects on pain and bone turnover through a novel mechanism-of-action.

**Strategy – capitalize on allogeneic approach**
- Initiate ALLOB® severe osteoporosis trial
- Intravenous administration of ALLOB®
- Increasing doses (i.e., dose-escalation)
- Randomized and controlled (against placebo)
- Double-blind trial

**Next steps**
Preparation for submission & initiation of trial
Spinal fusion
Accelerate and expand clinical program
# LUMBAR SPINAL FUSION – UNMET MEDICAL NEED

<table>
<thead>
<tr>
<th>Spinal fusion: standard treatment for lumbar disc degeneration</th>
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</table>

**$8.5bn** worldwide market (growth 5-6% p.a.)

**1M surgeries** p.a. (half at lumbar level)

<table>
<thead>
<tr>
<th>Treatments</th>
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</thead>
<tbody>
<tr>
<td>Fixation</td>
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<tr>
<td>Bone graft</td>
</tr>
<tr>
<td>- Autograft</td>
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<tr>
<td>- Allograft: cadaver bone, ceramics</td>
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<tr>
<td>- Orthobiologics: Infuse, ProteiOS</td>
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</tbody>
</table>

**Ongoing studies (cell-based products)**

- NeoFuse (abandoned)
  - (Osteocel Plus, Bio4)

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**Lumbar fusion**

- *Up to 25% patients not satisfied*
- *0.5M procedures p.a.*

**Large unmet need**

- 5 to 35% of treatment failure
- Slow progression to fusion (long rehabilitation time)
Bone Therapeutics’ aim is to provide
- “Add-on” cell therapies to enhance standard treatments
- Respond to market’s demand for regenerative & minimally-invasive approaches

Phase IIA proof-of-concept & extension
- 16 (+16) patients with lumbar degenerative disc disease, requiring spinal fusion procedure
- Standard-of-care surgery supplemented by ALLOB® combined with bioceramics
- Safety, efficacy on symptoms (e.g., pain, function) & bone fusion over 12-month follow-up

**Standard-of-Care**
Interbody cages & granules

**ALLOB®**
**Recruitment completed**
No safety issues on 16 patients
Positive preliminary results (as from month 6):
- Health status improvement & back/leg pain relief
- No vertebral motion on dynamic x-rays & evidence of fusion on CT scan

**Extension to assess bone fusion at earlier timepoints**

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Month 6</th>
<th>Month 12</th>
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</thead>
<tbody>
<tr>
<td><strong>Anterior</strong></td>
<td><img src="image1.png" alt="Image" /></td>
<td><img src="image2.png" alt="Image" /></td>
<td><img src="image3.png" alt="Image" /></td>
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<tr>
<td><strong>Posterior</strong></td>
<td><img src="image4.png" alt="Image" /></td>
<td><img src="image5.png" alt="Image" /></td>
<td><img src="image6.png" alt="Image" /></td>
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</tbody>
</table>

**Next steps**
Interim efficacy results of first 4 patients
Up to 25% failure after initial spinal fusion surgery with non-union and persistent pain
Standard-of-care revision surgery: additional difficulties & associated with complications

**Phase IIA, open, multicentre, proof-of-concept**

- 16 patients with a failed lumbar spinal fusion
  (15 months after the initial fusion procedure)
- Single minimally invasive (percutaneous) implantation into the failed fusion site
- Endpoints: safety & efficacy
  (functional disability and fusion)
- 12-month follow-up

**Next steps**
Interim efficacy results of first 4 patients
Osteonecrosis & impaired fracture healing
Initiate US clinical development
OSTEONECROSIS – UNMET MEDICAL NEED

Painful condition of the hip in which the joint progressively degenerates, leading to collapse

$0.6bn market (e.g., hip prosthesis)

0.17M new patients p.a.

Treatments

- Pre-fractural stage:
  - Core decompression

- Ongoing studies
  - Bone marrow concentrate
  - Platelet-rich plasma

Osteonecrosis

- Orphan disease, affecting young active people (30-50 y.)
  - 50% requires prosthesis before 40 y.

Large unmet need

- No efficacious conservative treatment
- Severely affected young population
### POSITIVE PHASE IIB & ONGOING PHASE III TRIALS

<table>
<thead>
<tr>
<th>Completed controlled Phase IIB trial</th>
<th>Ongoing Phase III trial</th>
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</thead>
<tbody>
<tr>
<td><strong>60 assessable hips</strong> treated with a single percutaneous administration of PREOB® or active reference (bone marrow graft)**</td>
<td>43 centres in five European countries</td>
</tr>
<tr>
<td>36-month follow-up after single administration</td>
<td><strong>Favorable</strong> Superiority vs. placebo</td>
</tr>
<tr>
<td><strong>PREOB® implantation successfully slowed down progression of the disease</strong>, delaying time to femoral head collapse, and with a strong and prolonged improvement in hip pain and function</td>
<td><strong>Manageable</strong> 130 patients in 1-to-1: PREOB® vs. placebo</td>
</tr>
<tr>
<td>No severe adverse reaction</td>
<td><strong>Tested</strong> Similar to Phase IIB primary endpoints</td>
</tr>
<tr>
<td><strong>Validated</strong> Compliant with the EMA &amp; FDA requirements</td>
<td><strong>Next steps</strong> Presentation of Phase IIB results at EULAR (London) &amp; launch US trial</td>
</tr>
</tbody>
</table>

**Bone Therapeutics – May 2016**
PREPARATION FIRST US TRIAL

<table>
<thead>
<tr>
<th>Phase III trial with PREOB® for the treatment of osteonecrosis</th>
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</table>

Strategy backed by US-based scientific advisory board

Build further on accomplished steps:
- Key PREOB® patent granted by USPTO
- Osteonecrosis ODD granted by FDA
- Pre-IND meeting held with FDA
- Quality & preclinical meeting US standards

Immediate next steps:
- Contracting CMOs and CRO
- Identifying KOLs & investigating centres
- Recruiting local management
- Obtaining FDA approval
## FRACTURE REPAIR – UNMET MEDICAL NEED

<table>
<thead>
<tr>
<th>Impaired fracture healing (delayed-union &amp; non-union fractures)</th>
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<thead>
<tr>
<th>$6.5$bn osteosynthesis market (growth 5-10% p.a.)</th>
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<tbody>
<tr>
<td>10M fractures p.a. of which <strong>3M severe fractures</strong></td>
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</tbody>
</table>

### Treatments

- **Delayed-union**: “Wait & See”
- **Non-union**: Auto/Allograft
- **Ongoing studies (cell products)**
  - Xcelia (unclear program status)

### Large unmet need

- Patient first left untreated for long periods, then unsatisfied with standard-of-care
- Severe complications of current surgeries

### Delayed-unions

1M delayed-union fractures p.a.  
_a 1/3rd evolving to non-unions_
DELAYED UNION - SUCCESS IN 7 (OUT OF 8) PATIENTS

Phase I/IIA delayed-union trial

No safety issues on 8 patients

Positive results at 6 months:
 - 7 out of 8 patients met primary endpoints
 - 77% radiological improvement
 - 68% improvement in pain

Extension to multiple delayed-union fractures

Next steps  Efficacy results of 12 patients
SHORT-TERM STRATEGIC FOCUS

Osteoporosis
Capitalise on allogeneic approach

Spinal fusion
Accelerate and expand clinical program

Osteonecrosis & Impaired fracture healing
Initiate US clinical development
## Upcoming Clinical News

<table>
<thead>
<tr>
<th>Indication</th>
<th>Milestones</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td></td>
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<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
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<tr>
<td><strong>Osteoporosis (IIA)</strong></td>
<td>Safety 8 patients</td>
<td>✓</td>
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<tr>
<td>PREOB®</td>
<td>Efficacy 8 patients</td>
<td></td>
<td></td>
<td>✓</td>
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<tr>
<td></td>
<td>Initiation ALLOB® trial</td>
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<tr>
<td><strong>Osteoporosis (IIA)</strong></td>
<td>Completion recruitment</td>
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<tr>
<td>ALLOB®</td>
<td>Efficacy 4 patients</td>
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<td>✓</td>
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<td>✓</td>
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<tr>
<td></td>
<td>Efficacy 16 patients</td>
<td></td>
<td>✓</td>
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<tr>
<td><strong>Spinal Fusion (IIA)</strong></td>
<td>Initiation of study</td>
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<tr>
<td>ALLOB®</td>
<td>Safety 4 patients</td>
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<td></td>
<td>Efficacy 4 patients</td>
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<td>✓</td>
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<td><strong>Revision Spinal Fusion (IIA)</strong></td>
<td>Study status for Interim/DSMB</td>
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<tr>
<td>ALLOB®</td>
<td>Launch of US clinical trial</td>
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<td></td>
<td>Efficacy 4 patients</td>
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<td>Efficacy 8 patients</td>
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<td></td>
<td>Safety 12 patients</td>
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<tr>
<td><strong>Delayed-Union (I/IIA)</strong></td>
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<td>Efficacy 16 patients – interim</td>
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<td><strong>Osteonecrosis (III)</strong></td>
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- ✓ indicates completed milestones.
- Q1, Q2, Q3, Q4 refer to the first, second, third, and fourth quarters, respectively.
CONCLUSION

A leader in cell therapy products for orthopaedics and bone diseases

Focus on osteoporosis, spinal fusion, impaired fracture healing and osteonecrosis

Unique technology
Active bone-forming cells promote bone regeneration

Ahead of competition in attractive end markets with high unmet need

Minimally invasive, percutaneous approach vs. standard of care

Autologous product (PREOB®) for orphan indications

Allogeneic product (ALLOB®) that targets large markets

6 clinical trials ongoing, including two Phase III, US trial in preparation
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