

## Bone Therapeutics Provides Business Update for the First Quarter 2015

*Successful EUR 37 million IPO on Euronext Brussels and Euronext Paris puts foundations in place for the Company to accelerate development of its unique bone cell therapy programmes*

**Gosselies, Belgium, 15 May 2015 - BONE THERAPEUTICS** (Euronext Brussels and Paris: BOTHE), a leader in bone cell therapy addressing high unmet medical needs in the field of bone fracture repair and bone fracture prevention, today announces the publication of its trading statement for the first quarter ending 31 March 2015.

**Enrico Bastianelli, CEO of Bone Therapeutics, commented:** *“The first quarter of 2015 has been transformational for Bone Therapeutics, both operationally and financially. The proceeds from our successful IPO in February places us in a position of strength to be able to accelerate the international clinical development of our unique bone cell therapy product pipeline. Moreover, the positive initial efficacy results reported in the Phase I/IIA trial with our allogeneic product ALLOB<sup>®</sup> in the treatment of delayed-unions are very encouraging.*

*“With the official opening of our new headquarters, heralding the start of a phased scale up of our production capabilities and the establishment of our US subsidiary, Bone Therapeutics is on track to deliver its growth strategy for 2015.”*

### Pipeline Highlights

- Efficacy demonstrated in first patient cohort (four patients) of Phase I/IIA of novel allogeneic cell therapy product ALLOB<sup>®</sup> for the treatment of delayed-union fractures of long bones. All patients met the primary endpoints of the study
- This trial was subsequently extended to include two new prestigious sites, King’s College Hospital in London and Norfolk and Norwich University Hospitals NHS Foundation Trust. A total of 14 European sites are now authorized for this trial
- Safe treatment of the first four patients in a Phase I/IIA proof of concept trial for the administration of ALLOB<sup>®</sup> in spinal fusion procedures

### Post-Period Operational Highlights

- Moved into new headquarters at the Gosselies Biopark in Belgium, securing commercial cell therapy production capacity and enabling continued growth of the business
- Established a new subsidiary in the US at the heart of the Boston biotechnology cluster, positioning the company to begin US clinical trials

### Financial Highlights

- EUR 37 million of new funds raised through a 2.5x oversubscribed IPO on Euronext Brussels and Euronext Paris, securing a strong financial underpinning to allow the company to execute its clinical and commercial strategy and bringing a mix of high quality new investors onto the share register

- Bone Therapeutics ended the first quarter of 2015 with a cash balance of EUR 40.8 million. Expenditure was impacted largely by one-off expenses related to the IPO and conversion of the convertible bonds issued during Q4 2014 which amounted to EUR 4.6 million. In line with our projections, operational cash expenditure amounted to EUR 2.7 million and cash used in investments in relation to the new facilities under further construction at Gosselies amounted to EUR 0.6 million. Expenditure is fully aligned with expected cash burn.

## **Outlook**

In line with the strategy outlined at the time of the Company's recent IPO and the Company's recent full year 2014 results, it is Bone Therapeutics' aim to further accelerate the development of PREOB<sup>®</sup>, currently in the last clinical phase for the treatment of osteonecrosis and non-union fractures. During 2015, the Company will provide recruitment updates for its osteonecrosis trial, now underway in five European countries.

During 2015, the Company expects results on safety and efficacy for the first eight patients in the Phase I/IIA PREOB<sup>®</sup> osteoporosis trial.

The Company will also continue its promising Phase I/II trials for ALLOB<sup>®</sup>. Safety and efficacy results for the first eight patients in the Phase I/IIA ALLOB<sup>®</sup> delayed-union trial and safety results for the first eight patients in the Phase I/IIA ALLOB<sup>®</sup> spinal fusion trial are expected during 2015. The Company expects to further exploit the potential of its allogeneic product ALLOB<sup>®</sup> in the untapped market of rescue spine fusion with the initiation of a Phase I/IIA clinical trial.

**-Ends-**

## **About Bone Therapeutics**

*Bone Therapeutics is a leading biotechnology company specializing in the development of cell therapy products intended for bone fracture repair and fracture prevention. The current standard-of-care in this field involves major surgeries and long recovery periods. To overcome these problems, Bone Therapeutics is developing a range of innovative regenerative products containing osteoblastic/bone-forming cells, administrable via a minimally invasive percutaneous technique; a unique proposition in the market.*

*PREOB<sup>®</sup>, Bone Therapeutics' autologous bone cell product, is currently in pivotal Phase IIB/III clinical studies for two indications: osteonecrosis and non-union fractures, and in Phase II for severe osteoporosis. ALLOB<sup>®</sup>, its allogeneic "off-the-shelf" bone cell product, is in Phase II for the treatment of delayed-union fractures and lumbar fusion for degenerative disease of the spine. The Company also runs preclinical research programs and develops novel product candidates.*

*Founded in 2006, Bone Therapeutics is headquartered in Gosselies (South of Brussels, Belgium). Bone Therapeutics' regenerative products are manufactured to the highest GMP standards and are protected by a rich IP estate covering 9 patent families. Further information is available at [www.bonetherapeutics.com](http://www.bonetherapeutics.com).*

**For more information, please contact:**

**Bone Therapeutics SA**

Tel: +32 (0)2 529 59 90

Enrico Bastianelli, Chief Executive Officer/ Wim  
Goemaere, Chief Financial Officer

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

**For Belgium and International Media  
Enquiries**

**Consilium Strategic Communications**

Tel: +44 (0) 20 3709 5701

Amber Bielecka, Jessica Hodgson, Lindsey  
Neville and Hendrik Thys

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

**For French Media and Investor Enquiries**

**NewCap Investor Relations & Financial  
Communications**

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

Pierre Laurent and Antoine Denry

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

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