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Bone Therapeutics Successfully Raises EUR 3.3 Million in Private Placement

Gosselies, Belgium, 3 December 2021, 7am CET – BONE THERAPEUTICS (Euronext Brussels and Paris: BOTHE), the cell therapy company addressing unmet medical needs in orthopedics and other diseases, today announces that it raised EUR 3.3 million in gross proceeds through an equity private placement of 4,832,352 new shares at an issue price of EUR 0.68 per share with existing and new institutional investors.

The gross proceeds will be used to advance Bone Therapeutics' lead orthopedic asset, ALLOB, through mid-stage clinical development. The funds will also support the acceleration of the development of the new iMSC cell and gene therapy platform to address a broader array of underserved clinical indications outside orthopedics.

"This financing provides the support needed for Bone Therapeutics to accelerate the development of its novel, next generation iMSC platform. This platform will be used by Bone Therapeutics to develop cell and gene therapy products that have strong anti-inflammatory and immunomodulatory properties for the treatment of acute life-threatening unmet medical diseases. Bone Therapeutics has signed a number of agreements for the development of this platform, as well as appointed a world class scientific advisory board specifically for the development of this platform," **said Miguel Forte, MD, PhD, Chief Executive Officer of Bone Therapeutics.** *"The financing will also provide the support necessary for Bone Therapeutics to continue the mid-clinical progress of our lead asset ALLOB as we complete the final licensing agreement to transfer global rights to Link Health. This agreement will reduce Bone Therapeutics future costs and enable us to concentrate fully on the development of the iMSC platform."*

In addition, Bone Therapeutics expects to complete the final licensing agreement for the global rights of ALLOB with Link Health Pharma Co., Ltd by the end of 2021. This agreement would include R&D cost reimbursement from Link Health to Bone Therapeutics and commercial milestone payments of up to EUR 60 million in total and tiered royalties on net sales of up to 25% from Link Health to Bone Therapeutics. This licensing agreement would substantially reduce the development costs of Bone Therapeutics in the coming years.

Taking into account the proceeds of this private placement and the completion of the licensing agreement with Link Health, Bone Therapeutics anticipates having a runway into Q4 2022, enhancing further development of its lead asset, ALLOB, and its next generation iMSC platform. In line with its financing strategy, Bone Therapeutics continues to explore funding options to further strengthen its balance sheet and cash position.

The payment and delivery of the new shares are expected to take place on or about 7 December 2021. An application will be made to admit the new shares to trading on the regulated markets of Euronext Brussels and Euronext Paris at the same time. The new shares to be issued will have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of Bone Therapeutics at the moment of their issuance. A copy of the report prepared by the board of directors of Bone Therapeutics in accordance with the Belgian Companies and Associations Code further describing, among others, the capital increase, the consequences thereof and the justification of the issue price is made available in the Investors' section (Regulated Information – Share and Bond Issues) on Bone Therapeutics' website.

Champeil S.A. acted as placement agent in Europe. In relation to the Private Placement, Bone Therapeutics has agreed with the placement agent a 90-days standstill period on future share issuances, waivable by the placement agent 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 orthopedics and other diseases. The Company has a diversified portfolio of cell therapies at different stages ranging from pre-clinical programs in immunomodulation to mid stage clinical development for orthopedic conditions, targeting markets with large unmet medical needs and limited innovation.

Bone Therapeutics' core technology is based on its cutting-edge allogeneic cell and gene therapy platform with differentiated bone marrow sourced Mesenchymal Stromal Cells (MSCs) which can be stored at the point of use in the hospital. Currently in pre-clinical development, BT-20, the most recent product candidate from this technology, targets inflammatory conditions, while the leading investigational medicinal product, ALLOB, represents a unique, proprietary approach to bone regeneration, which turns undifferentiated stromal cells from healthy donors into bone-forming cells. These cells are produced via the Bone Therapeutics' scalable manufacturing process. Following the CTA approval by regulatory authorities in Europe, the Company has initiated patient recruitment for the Phase IIb clinical trial with ALLOB in patients with difficult tibial fractures, using its optimized production process. ALLOB continues to be evaluated for other orthopedic indications including spinal fusion, osteotomy, maxillofacial and dental.

Bone Therapeutics' cell therapy products are manufactured to the highest GMP (Good Manufacturing Practices) standards and are protected by a broad IP (Intellectual Property) portfolio covering ten patent families as well as knowhow. The Company is based in the BioPark in Gosselies, Belgium. Further information is available at www.bonetherapeutics.com.

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