

# BONE THERAPEUTICS SA

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(the **Company**)

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## TERMS AND CONDITIONS OF THE CONVERTIBLE BONDS

### Summary

It is currently under consideration that the Company would issue a certain number of convertible bonds (the "CBs") to a number of potential investors who would subscribe to these CBs.

Such issuance would be decided by the board of directors within the framework of the authorised capital. The preferential subscription right of the Company's existing shareholders would be cancelled.

In accordance with the main terms and conditions set out below, the CBs would entitle their holders to convert the bonds at their convenience within a period of twelve months as of the subscription date, at a discounted price. The Company can also request the mandatory conversion of the CBs after twelve months.

The Company may also, at its sole discretion, choose to redeem the CBs with a price supplement instead of converting the CBs into shares.

### Main terms and conditions

<b>MAIN TERMS AND CONDITIONS OF THE CB</b>	
<b>Securities</b>	Maximum 2,800 convertible bonds (CBs), unsecured and free interests.  Each subscriber shall irrevocably commit to subscribe to a multiple of twenty (20) CBs. The subscription and the effective payment of these CBs shall occur progressively over a twenty-four (24) month period.
<b>Issue Price</b>	EUR 2,500 per CB, to be fully paid in cash upon subscription.  On the basis of the irrevocable commitment to subscribe, the Company may, at its sole discretion, force the investor to subscribe for and pay up each month one-twentieth of its commitment unless the total trading volume over the last twenty (20) trading days of the Bone Therapeutics share on the market is less than EUR 800,000 (the volume traded per day multiplied by the value of the closing share price over the last 20 days) – the minimum amount per unit to which each subscriber commits amounts to EUR 50,000.

<p><b>Form</b></p>	<p>The CBs are in registered form.</p> <p>The CBs will not be listed and cannot be transferred without the Company's prior consent.</p>
<p><b>Maturity Date</b></p>	<p>Twelve (12) months after the Issue Date of the CBs.</p>
<p><b>Issue Date</b></p>	<p>The CBs will be issued on [●] (the <b>Initial Issue Date</b>), subject to the conditions precedent of their subscription and payment in full.</p> <p>The effective and non-conditional issuance of the CBs shall occur by one-twentieth at the Initial Issue Date and thereafter at each Delivery Date for one-twentieth per month, subject to their subscription and effective payment.</p>
<p><b>Subscription</b></p>	<p><i>Irrevocable commitment to subscribe</i></p> <p>The subscriber to the CBs shall sign a separate subscription agreement with the Company containing their firm commitment to subscribe to a multiple of twenty (20) CBs that shall be effectively subscribed and paid for during the subscription period.</p> <p><i>Subscription and delivery on a monthly basis</i></p> <p>The subscriber shall subscribe to one twentieth of the committed CBs per month during the nineteen (19) months following the Initial Issue Date and the subscription and payment of its first CB. On the basis of the irrevocable commitment to subscribe of the investor, the Company may also, at its sole discretion, force the investor to subscribe and pay each month one-twentieth of their commitment unless the total trading volume over the last twenty (20) trading days of the Bone Therapeutics share on the market is less than EUR 800,000 (the volume traded per day multiplied by the value of the closing share price over the last 20 days), in which case the commitment for that month will be postponed to the next Submission Date for which the total trading volume over the last twenty (20) trading days is greater than EUR 800,000.</p> <p><i>Subscription and payment at the Company's request</i></p> <p>The Company may force the CB holder to subscribe and pay for at least [one] CB[s] every [thirty (30) days] unless the total trading volume over the last twenty (20) trading days of the Bone Therapeutics share on the market is less than EUR 800,000 (the volume traded per day multiplied by the value of the closing share price over the last 20 days), in which case the commitment for that month will be postponed to the next Submission Date for which the total trading volume over the last twenty (20) trading days is greater than EUR 800,000.</p> <p>If one twentieth of the committed CBs is not subscribed and paid by the investor during a thirty (30) days period, the subscription is postponed to the following month, and so forth. In such case, the Company could require the</p>

	<p>subscription and payment by the investor of more than one twentieth of the committed CBs but the Company could not require from the Investor that it subscribes and pays for one twentieth of the committed CB[s] prior to the monthly due date of the irrevocable commitment to subscribe i.e. "for the future".</p> <p><i>Subscription and payment at the Investor's request</i></p> <p>On the basis of its firm commitment to subscribe, each holder of Convertible Bonds may, upon request, accelerate the subscription and effective release of all or part of its commitment at any time during the subscription period by sending the Company an accelerated subscription notice (the "Early Subscription Notice"). The issue of the Convertible Bond will take place on the second Wednesday of the month following the sending of the Early Subscription Notice, subject to the subscription and effective release thereof by the investor.</p> <p>However, no notice period will apply for Convertible Bonds that are subscribed and effectively paid up immediately: if the subscriber to the Convertible Bond notifies the Company of his intention to pay up the Convertible Bond before the Initial Issue Date, the new Convertible Bonds will be issued (and, as the case may be, converted immediately) on the Initial Issue Date.</p> <p><i>Termination of the program at the request of the Company</i></p> <p>The Company may, at any time, stop the program without penalty (the Program Termination). In the event that the Company decides to Stop the Programme, subscription commitments extending beyond the decision to Stop the Programme will be cancelled. The Convertible Bonds subscribed and paid up in accordance with the irrevocable commitment of each investor on a pro rata basis or following an Accelerated Subscription Notice prior to the Programme Termination Date shall be subscribed and paid up on the first Delivery Date following the Programme Termination Date]. Only Convertible Bonds issued effectively and unconditionally on the Programme Termination Date [or on the Submission Date following the Programme Termination Date] will be converted, redeemed or repaid in accordance with the terms and conditions.</p> <p><i>Inscription in the CB register</i></p> <p>Upon subscription to the CBs and payment of the Exercise Price, the board of directors of the Company or its representatives will report the issuance of the CBs in the register of the CBs holders of the Company.</p>
<p><b>Conversion</b></p>	<p>Subject to the possibility for redemption by the Company (as set out under section "Redemption" below), the CBs can be converted into ordinary shares of the Company at the request of the CBs holder at any time at the prevailing Conversion Price upon delivery of a conversion notice (the <b>Conversion Notice</b>).</p> <p>Subject to the possibility for redemption by the Company (as set out under section "Redemption" below), the CBs will convert automatically into ordinary</p>

	<p>shares of the Company on the Maturity Date at the Conversion Price.</p> <p>The number of ordinary shares to be issued upon Conversion shall be determined by dividing the principal amount of the CB (i.e. the Issue Price) to be converted by the prevailing Conversion Price.</p> <p>Conversion right may only be exercised in respect of the whole of the principal amount of a CB. On conversion of the CB, no fractional shares will be issued. If the investors are entitled to a fractional share, the number of new shares to be issued to the CB holder on conversion will be rounded down to the next unit calculated on an aggregate basis for all CBs per CB holder converted at that time.</p>
<b>Delivery Date</b>	<p>Each 2nd Wednesday of the month (the <b>Delivery Date</b>), the Company's board of directors or its representatives shall enact (i) the subscription and the payment of the CBs subscribed to and paid for in accordance with the irrevocable commitment of each investor (where applicable on a pro rata basis in the event of termination of the Programme) or further to an Early Subscription Notice in the past thirty (30) calendar days preceding the Delivery Date, or in the event of a Program Termination, the Program Termination date (ii) the conversion of the CBs issued in the past thirty (30) calendar days preceding the Delivery Date at the request of the investors into new ordinary shares, (iii) the resulting capital increase, (iv) the issue of new ordinary shares of the Company and (v) the corresponding amendment to the Company's articles of association in a notarial deed.</p> <p>Prior to the Delivery Date, the Company's board of directors shall gather a list of (i) subscriptions and payment which have taken place and (ii) Conversion Notices received in the past thirty (30) calendar days preceding the Delivery Date, or in the event of a Program Termination, the Program Termination date, including the references to the subscriptions and payments which have taken place, the reference dates and respective Conversion Prices to be converted, and provide it to the auditor and the notary public.</p> <p>The issuance of the shares as a result of the Conversion shall only take place provided that a Conversion Notice has been received by the Company's board of directors from the investors no later than two (2) business days before the Delivery Date. Notwithstanding the above, no notice period will apply for CBs which are converted immediately: if the subscriber of the CB notifies the Company prior to the Initial Issue Date of its intention to convert the CB, the new ordinary shares will be issued at the Initial Issue Date.</p>
<b>Conversion Price</b>	<p>The conversion price of the CBs will be equal to 94% of the VWAP ("volume-weighted average") of the Trading Day preceding the Conversion Notice (for conversions at the investor's request) or preceding the Maturity Date (for automatic conversion) with application of a six (6) percent discount.</p> <p><b>Trading Day</b> means any day on which the regulated markets of Euronext Brussels and Euronext Paris are opened.</p>
<b>Shares issued upon Conversion</b>	<p>The shares issued as a result of the conversion of the CBs will be newly issued ordinary shares of the Company, having the same rights as the existing shares,</p>

	<p>entitled to dividends as from the first date of the financial year during which they are issued. The new shares will be, at the choice of the shareholder, in dematerialised or registered form.</p> <p>The ordinary shares are listed on Euronext Brussels and Euronext Paris under the symbol BOTHE. The Company will use its best endeavours to ensure that the ordinary shares issued upon conversion of the CBs will be admitted to trading on Euronext Brussels and Euronext Paris.</p>
<b>Redemption</b>	<p>Redemption at the investor's request – The CBs will need to be redeemed by the Company at the CB holder's request in case of an Event of Default (as defined below) prior to the Maturity Date at the Issue Price.</p> <p>Redemption at the Company's request – on the delivery of the Conversion Notice or upon the Maturity Date, the Company shall have the right to redeem the CB instead of issuing new shares at a price of EUR 2,500 per CB.</p>
<b>Event of Default</b>	<p>It is an Event of Default if:</p> <ul style="list-style-type: none"> <li>• the Company is declared bankrupt by a jurisdiction or authorized court; or</li> <li>• a receiver (or other similar official under any applicable law) is appointed in respect to the Company; or</li> <li>• the Company is unable to pay its debts as they fall due, stops, suspends or announces its intention to stop or suspend payment of all or a material part of its debts or makes any agreement for the deferral, rescheduling or adjustment of all its debts, general assignment for the benefit of creditors; or</li> <li>• an order is made or an effective resolution passed for the winding-up or dissolution of the Company, other than a solvent liquidation;</li> </ul> <p>in which case the CBs, by means of written notice to the Company, can immediately be declared due and payable by the investor for their Issue Price until the due date, without further formalities.</p>
<b>CB holder's rights</b>	<p>The CB holder has the rights granted to the holders of convertible bonds (<i>converteerbare obligaties/obligations convertibles</i>), and does not have rights as a shareholder of the Company until the Conversion. Therefore, the CB holders have no vote at the shareholders' meeting of the Company.</p> <p>The Company expressly reserves the right to proceed with operations which may have an effect on its capital and the shares, such as capital increases through contributions in cash or in kind or the issue of other convertible bonds or warrants.</p>
<b>Notices</b>	<p>All notices to the Company must be sent by email to <a href="mailto:cb@bonetherapeutics.com">cb@bonetherapeutics.com</a>.</p>

	All notices to the holders of CBs must be sent by mail to the address of the CB holders indicated in the Company's register or by email to an email address to be provided by the CB holder
<b>Governing law and jurisdiction</b>	Belgian law. All disputes shall fall within the exclusive jurisdiction of the French-speaking courts of Brussels, Belgium.