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Bone Therapeutics raises additional EUR 4.0 million, with total of EUR 15.0 million committed, providing runway into Q2 2021

Includes EUR 4.75 million bridge loans announced 29 April now fully granted

Gosselies, Belgium, 7 May 2020, 7am CEST – BONE THERAPEUTICS (Euronext Brussels and Paris: BOTHE), the bone cell therapy company addressing high unmet medical needs in orthopaedics and bone diseases, today announces that it has received EUR 4.0 million as a result of issuing, to existing investors, subordinated bonds with the option to convert. This enables Bone Therapeutics' bond investors to be repaid in the company's shares, with a conversion price of EUR 7.0 per share. This additional EUR 4.0 million financing has been achieved a week after the EUR 11.0 million financing round.

In addition, Bone Therapeutics confirms the granting of EUR 4.75 million bridge loans provided by commercial banks, detailed in the [EUR 11.0 million financing release from April 29, 2020](#). This follows Sowalfin receiving regulatory approval of the credit assurance that cover the bridge loans. The total amount of committed gross proceeds for both funding operations now amount to EUR 15.0 million. This will further extend Bone Therapeutics' runway into Q2 2021.

"Bone Therapeutics has achieved this additional financing in the current financial climate as a result of the confidence of our investors both in Bone Therapeutics as a company, as well as the unique potential of our innovative product portfolio. This total recent financing will enable us to execute our clinical development strategy and to advance our promising product candidates towards commercialization and closer to patients," said **Miguel Forte, MD, PhD, Chief Executive Officer of Bone Therapeutics**. *"The combination of today's financing, as well as that secured last week by Bone Therapeutics, now totals over EUR 15 million. This allows us to continue operations on this basis alone into the second quarter of 2021. This blend additionally combines a range of financing that is more suited to Bone Therapeutics than the dilution of a traditional share issuance."*

The unsecured convertible bonds will be issued in registered form, redeemable at 100% of their principal amount with a maturity of 38 months and a coupon of 8% per annum. The coupon will be payable annually. The conversion price of EUR 7.0 per share mitigates the dilution of existing shareholders in the event that the bonds would be redeemed in ordinary shares of Bone Therapeutics. The specific terms of the CBs can be found in the [Investor section](#) of Bone Therapeutics' website.

Regulated Information

7 May 2020

● **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 bone diseases. The Company has a broad, diversified portfolio of bone cell therapies and an innovative biological product in later-stage clinical development, which target markets with large unmet medical needs and limited innovation.

Bone Therapeutics is developing an off-the-shelf protein solution, JTA-004, which is entering Phase III development for the treatment of pain in knee osteoarthritis. Positive Phase IIb efficacy results in patients with knee osteoarthritis showed a statistically significant improvement in pain relief compared to a leading viscosupplement. The clinical trial application (CTA) for the pivotal Phase III program has been approved by the relevant authorities allowing the start of the study.

Bone Therapeutics' other core technology is based on its cutting-edge allogeneic cell therapy platform (ALLOB) which can be stored at the point of use in the hospital, and 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 proprietary, scalable cutting-edge manufacturing process. Following the CTA approval by the Belgian regulatory authority, the Company is ready to start the Phase IIb clinical trial with ALLOB in patients with difficult tibial fractures, using its optimized production process.

The ALLOB platform technology has multiple applications and will continue to be evaluated in other indications including spinal fusion, osteotomy and maxillofacial and dental applications.

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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