

Bone Therapeutics announces completion of the acquisition of its cell therapy manufacturing subsidiary SCTS by Catalent

Gosselies, Belgium, 16 November 2020, 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 Catalent Pharma Solutions, Inc. ("Catalent"), has completed the acquisition of Bone Therapeutics' manufacturing subsidiary, Skeletal Cell Therapy Support SA (SCTS), announced on 29 October 2020. Following completion of the transaction, SCTS' manufacturing infrastructure and production operating teams have now become part of Catalent's Cell & Gene Therapy division.

Under the terms of the transaction, Catalent acquires Bone Therapeutics' cell therapy manufacturing subsidiary, SCTS, for gross proceeds of €12 million. The equity purchase price, net of SCTS's debt (€3 million), cash adjustments, and taking into account the restructuring of some Bone Therapeutics' existing liabilities (€3 million), generates net proceeds of approximately €6 million.

Concurrently, Bone Therapeutics and Catalent entered into associated supply agreements. Under these agreements, the acquired manufacturing entity will continue to service the production of ALLOB, Bone Therapeutics' allogeneic cell therapy product, for Bone Therapeutics and its partners. This will grant Bone Therapeutics access to Catalent's global network of clinical and commercial manufacturing facilities, and will ensure ongoing optimization, sustainability and a global reach for the production of ALLOB, as the product heads through clinical development and anticipated commercialization. The transaction excludes any IP rights, thus Bone Therapeutics will retain the know-how and ability to tech transfer ALLOB production.

These supply agreements with Catalent will streamline and economize ALLOB's production and is estimated to result in a €2 million annual reduction of fixed costs. The partnership will enable Bone Therapeutics to focus its strategy on the development of products from its differentiated MSC (Mesenchymal Stromal Cell) platform of cell and gene therapeutic targets for orthopedics and other indications. Based on current developments and recently signed agreements, Bone Therapeutics has decided to terminate the remaining convertible bond programs issued in March 2018 and April 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 other diseases. The Company has a diversified portfolio of cell and biologic therapies at different stages ranging from pre-clinical programs in immunomodulation to mid-to-late stage clinical development for orthopedic conditions, targeting markets with large unmet medical needs and limited innovation.

Bone Therapeutics is developing an off-the-shelf next-generation improved viscosupplement, JTA-004, which is currently in Phase III development for the treatment of pain in knee osteoarthritis. Consisting of a unique combination of plasma proteins, hyaluronic acid - a natural component of knee synovial fluid, and a fast-acting analgesic, JTA-004 intends to provide added lubrication and protection to the cartilage of the arthritic joint and to alleviate osteoarthritic pain and inflammation. Positive Phase IIb efficacy results in patients with knee osteoarthritis showed a statistically significant improvement in pain relief compared to a leading viscosupplement.

Bone Therapeutics' core technology is based on its cutting-edge allogeneic cell 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 is ready to start 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 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.

About Catalent

Catalent is the leading global provider of advanced delivery technologies, development, and manufacturing solutions for drugs, biologics, cell and gene therapies, and consumer health products. With over 85 years serving the industry, Catalent has proven expertise in bringing more customer products to market faster, enhancing product performance and ensuring reliable global clinical and commercial product supply. Catalent employs approximately 14,000 people, including around 2,400 scientists and technicians, at more than 45 facilities, and in fiscal year 2020 generated over \$3 billion in annual revenue. Catalent is headquartered in Somerset, New Jersey. For more information, visit www.catalent.com

For further information, please contact:

Bone Therapeutics SA

Miguel Forte, MD, PhD, Chief Executive Officer
Jean-Luc Vandebroek, Chief Financial Officer
Tel: +32 (0)71 12 10 00
investorrelations@bonetherapeutics.com

For Belgian Media and Investor Enquiries:

Bepublic

Catherine Haquenne
Tel: +32 (0)497 75 63 56
catherine@bepublic.be

International Media Enquiries:

Image Box Communications

Neil Hunter / Michelle Boxall
Tel: +44 (0)20 8943 4685
neil.hunter@ibcomms.agency / michelle@ibcomms.agency

For French Media and Investor Enquiries:

NewCap Investor Relations & Financial Communications

Pierre Laurent, Louis-Victor Delouvrier and Arthur Rouillé
Tel: +33 (0)1 44 71 94 94
bone@newcap.eu

For US Media and Investor Enquiries:

LHA Investor Relations

Yvonne Briggs
Tel: +1 310 691 7100
ybriggs@lhai.com

Certain statements, beliefs and opinions in this press release are forward-looking, which reflect the Company or, as appropriate, the Company directors' current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. A multitude of factors including, but not limited to, changes in demand, competition and technology, can cause actual events, performance or results to differ significantly from any anticipated development. Forward looking statements contained in this press release regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. As a result, the Company expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements in this press release as a result of any change in expectations or any change in events, conditions, assumptions or circumstances on which these forward-looking statements are based. Neither the Company nor its advisers or representatives nor any of its subsidiary undertakings or any such person's officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this press release or the actual occurrence of the forecasted developments. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release.
