

Bone Therapeutics enters into exclusive reverse merger discussions with Medsenic

Mont-Saint-Guibert, Belgium, 12 May 2022, 7am CEST – BONE THERAPEUTICS (Euronext Brussels and Paris: BOTHE), the cell therapy company addressing unmet medical needs in orthopedics and other diseases, today announces it has entered into a non-binding term sheet and exclusive discussions for a period of three months with the shareholders of Medsenic, a privately held, clinical stage biopharmaceutical company incorporated in France and specialized in the development of optimized formulations of arsenic salts and their application in inflammatory conditions and other potential new indications.

The objective of the discussions is to explore the benefits of a potential reverse merger or a similar transaction whereby all shareholders of Medsenic would individually contribute fifty-one percent (51%) of the total outstanding share capital of Medsenic into the capital of Bone Therapeutics in exchange for a certain number of shares issued by Bone Therapeutics (the "**Business Combination**"). The objective of the parties is that, as a result of the Business Combination, Bone Therapeutics would remain a Belgian listed company and own fifty-one percent (51%) of the share capital of Medsenic.

Based on the current information available and subject to due diligence, the parties expect that immediately after closing of the Business Combination, approximately 80% of the total outstanding share capital of Bone Therapeutics shall be held by the shareholders of Medsenic. Parties however agreed that subscription rights of Bone Therapeutics shall be offered to all its existing shareholders but not to the Medsenic shareholders. The terms and conditions of such subscription rights still need to be agreed by the Parties. The final valuation of both companies and exchange ratio shall be further discussed between Medsenic and Bone Therapeutics and confirmed by its auditor, on the basis of mutually accepted external valuations.

If this Business Combination were to materialize, which is not certain at the moment, the combined company would create a fully integrated biopharmaceutical company with a diverse therapeutic portfolio targeting a broad array of inflammatory and orthopedic indications. The Business Combination would offer economic and financial benefits and synergies especially in clinical development as both companies shall together have several mid to advanced stage clinical trials ongoing in lupus, chronic graft-versus-host disease, tibial fractures and other indications. In addition to the Bone Therapeutics ongoing controlled phase IIb study in difficult fractures, Medsenic just completed a successful phase II study and plans to soon submit for a phase III pivotal study in Graft versus Host Disease.

Bone Therapeutics and Medsenic aim to reach an agreement in the course of Q2/Q3 2022, subject to regulatory control clearance, the outcome of due diligence, shareholders' approval and other customary conditions precedent. Further announcements on the final structure and terms of the Business Combination will be made in due course, if and when the final documentation regarding the potential Business Combination is approved or if circumstances so allow or require.

This public announcement does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in Bone Therapeutics.

About Medsenic SAS

Medsenic innovates and exploits the new possibilities offered by the therapeutic use of arsenic trioxide in several autoimmune diseases and is currently in clinical trials in Europe. The company was founded in 2010 by François Rieger, former Director of Research at the CNRS (French National Centre for Scientific Research) and author of more than 170 international scientific publications, and Véronique Pomi-Schneider, former founder and manager of a consulting company specializing in human resources, communication and development strategy. Under the aegis of a high-level scientific board, chaired by the 2011 Nobel Prize in Medicine Jules Hoffman, a specialist in innate immunology, and supported by numerous private investors, Medsenic accelerated its development in 2016 with the arrival of professional investors. Further information is available at www.medsenic.com.

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. Currently Bone Therapeutics is concentrating specifically on the development of its most advanced clinical asset, the allogeneic cell therapy platform, ALLOB.

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. Its 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 Louvain-la-Neuve Science Park in Mont-Saint-Guibert, Belgium. Further information is available at www.bonetherapeutics.com.

For further information, please contact:

Bone Therapeutics SA

Miguel Forte, MD, PhD, Chief Executive Officer
Tel: +32 (0)493 09 73 66
investorrelations@bonetherapeutics.com

For Belgian Media and Investor Enquiries:

Bepublic

Bert Bouserie
Tel: +32 (0)488 40 44 77
bert.bouserie@bepublicgroup.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

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