

Bone Therapeutics signs definitive subscription agreement for a maximum of EUR 5M convertible bonds facility with ABO

Mont-Saint-Guibert, Belgium, 31 May 2022, 7am CEST – BONE THERAPEUTICS (Euronext Brussels and Paris: BOTHE), the cell therapy company addressing unmet medical needs in orthopedics, today announces that it has signed the definitive subscription agreement for a maximum EUR 5 million convertible bonds (CBs) facility arranged by ABO Securities, through its affiliated entity Global Tech Opportunities 15. The proceeds of the financing will contribute to continuing to advance the clinical development of Bone Therapeutics' lead asset, its allogeneic bone cell therapy, ALLOB.

ABO Securities has committed to subscribe to up to EUR 5 million in CBs. The CBs will be issued and subscribed in ten tranches. A first tranche of 10 CBs with an aggregate principal amount of EUR 0.5 million will be subscribed by ABO before notary by the end of this week or early next week. The issue and subscription of the remaining nine tranches with a principal amount of EUR 500,000 each can be requested at Bone Therapeutics' sole discretion over an eighteen-month period beginning on the signing date of the subscription agreement, subject to customary conditions to be met. More precisely, Bone Therapeutics shall be entitled to require the investor to subscribe to a new tranche without the investor's prior written consent, following a period whose duration shall be of (i) five (5) trading days following the closing date of the first tranche and following the closing date of the second tranche and of (ii) thirty (30) trading days following the closing date of each tranche from the third tranche onwards, subject to customary conditions to be met.

The CBs, denominated EUR 50,000 each, will be in the form of unsecured, subordinated, registered bonds. The CBs will not bear any coupon and have a maturity date of five years after issuance. The CBs are convertible into ordinary shares of Bone Therapeutics. The conversion price will be equal to 95% of the lowest 1-day VWAP of the ordinary shares of Bone Therapeutics observed during a period of ten consecutive trading days expiring on the trading day immediately preceding the date of CB holder's request of conversion.

The negotiations for ALLOB, with one of the current Bone Therapeutics Chinese partners, for the global rights agreement are still ongoing. In parallel, the board of directors of Bone Therapeutics continues to examine opportunities to combine certain activities within Bone Therapeutics, taking into account the interests of its shareholders and other stakeholders. The exclusive reverse merger discussions with Medsenic are progressing well. Further announcements will be made in due course, if and when circumstances allow or require.

About ABO Securities

Alpha Blue Ocean (ABO) Securities is a young and dynamic family office whose vocation is to revolutionize the financial industry by offering alternative solutions in constant innovation. ABO Securities implements a direct, rational and efficient approach, offering financing solutions in line with the specific constraints of its clients.

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.

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