



Half-year results 2018

30 August 2018



*New frontiers in orthopaedics
and bone diseases*

ON THE CALL TODAY ARE:



***Thomas Lienard,
CEO***



***Jean-Luc Vandebroek,
CFO***



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AGENDA

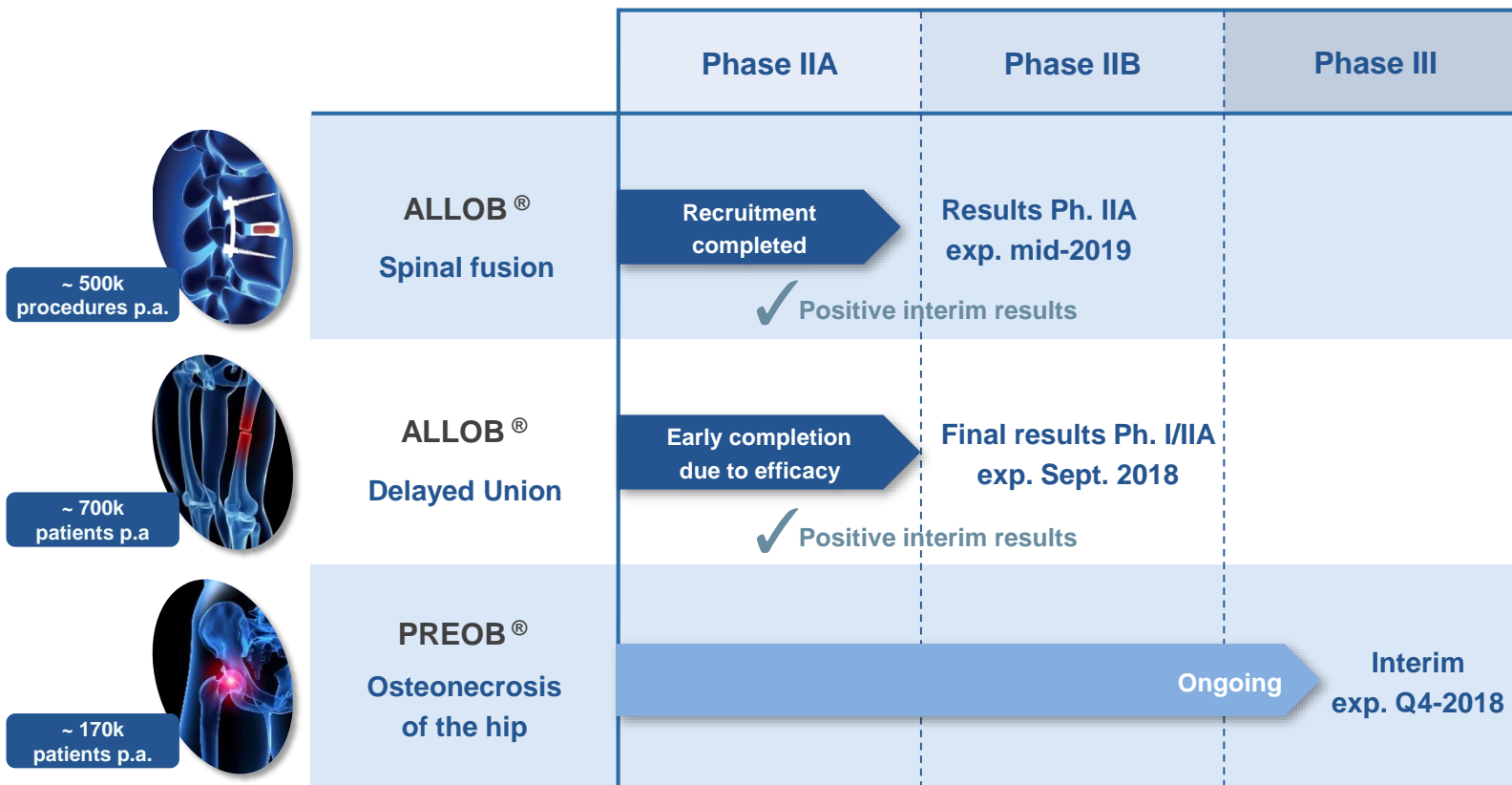
- Welcome and introduction
- Operational and corporate highlights
- Financial highlights
- Outlook for H2 2018
- Q&A



OVERVIEW OPERATIONAL & CORPORATE HIGHLIGHTS



ADVANCED AND DIVERSIFIED PIPELINE



Asahi**KASEI**

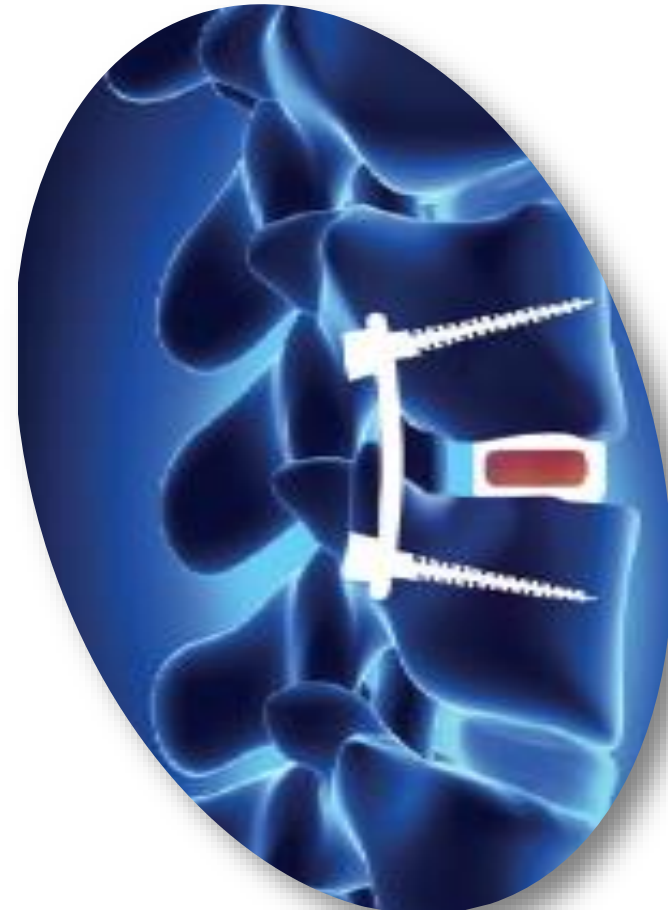
SPINAL FUSION – ALLOB® PHASE IIA CLINICAL STUDY

STATUS

- Open-label Phase IIA study ongoing
- **Recruitment** of the full set of **32 patients completed** in February 2018
- **Positive interim results** for the **first 15 patients** announced in September 2017, reporting evidence of successful fusion and substantial clinical improvements

NEXT STEPS

- **Efficacy and safety results** from **32 patients** expected **mid-2019** after a 12-month follow-up



RESHAPING THE LEADERSHIP TEAM

February
2018



Jean St  phenne
Chairman of the Board



**BNP PARIBAS
FORTIS**

- > 40y biotech and pharma experience. During his 40-year tenure at GSK Vaccines, he grew the company of 50 people into a fully integrated worldwide leader in vaccine development, with 12,000 employees
- Currently serves on board of various life sciences companies including TiGenix, Vaxxilon, OncoDNA, CureVac and Bepharbel. Previous board positions include Besix Group, BNP Paribas Fortis, GBL and IBA.

April
2018



Claudia D'Augusta, PhD
Non-Executive Director



- >20y of international experience in corporate finance, capital markets and M&A
- Currently CFO at TiGenix. Held various other senior financial positions across a number of international public and private companies.

June
2018



Jean-Luc Vandebroek, CFO
Executive Director



- >20y of international finance experience at major public and privately-owned corporations
- Formerly CFO at Moteo Two Wheels/Bihr (Alcoba) and Fluxys, and Corporate Director Finance Europe & US and VP Finance BeLux at Ahold Delhaize



FINANCIAL HIGHLIGHTS

KEY FINANCIAL FIGURES

(€ million)	H1 2018	H1 2017
Operating income	1.88	1.92
Operating expenses	(7.96)	(8.09)
R&D expenses	(6.22)	(6.43)
G&A expenses	(1.74)	(1.66)
Operating result	(6.08)	(6.16)
Net financial result	(2.37)	(0.20)
Net result	(8.45)	(6.37)
Net cash flow	0.69	(7.70)
Operating activities	(7.11)	(6.91)
Investing activities	(0.18)	(0.35)
Financing activities	7.98	(0.45)
Net cash position (at end of period)	9.10	12.60

- Expected **cash burn** (excl. proceeds from financing) of **€15-16M** for 2018 confirmed
- Private placement of **convertible bonds** with a total commitment of **EUR 19.45 million**, giving runway into **Q3 2019**
- **Net financial result** includes transaction costs of €0.5M and fair value of bond/warrant discounts of €1.7M

STRENGTHENING CASH POSITION VIA SUCCESSFUL CONVERTIBLE BOND PLACEMENT



- Secured € 19,45M of committed funds via private placement of convertible bonds
- Convertible bonds with 19 bond warrants offering flexibility to different types of investors
- Total gross proceeds for the period of € 9.09 million made up of
 - Initial gross proceeds of € 6.58 million
 - Additional 1,002 bond warrants exercised in the second quarter resulting in a supplementary proceeds of € 2.51 million
- Additional proceeds of € 10.36 million over a maximum period of 16 months



OUTLOOK REMAINDER 2018

▪ Clinical results

- **Final results** ALLOB® Phase I/IIA **delayed-union** study, update on the **optimisation** of the allogeneic **manufacturing** process and **next steps** of **clinical development** expected in **September**
- **Conclusions** of the **interim analysis** after one-year follow-up period for the first 44 patients in the **Phase III PREOB®** study for **osteonecrosis of the hip** in Q4 2018

▪ Finance

- Good cash management remains a key priority
- Net **cash burn** (excl. proceeds from financing) of **EUR 15-16 million** for 2018 confirmed
- **Sufficient cash** to carry out the strategic objectives until the end of **Q3 2019**, confirming earlier guidance

DRIVERS FOR FUTURE VALUE CREATION



Creating efficacious and commercially scalable bone-cell therapy products to address large markets with high unmet medical needs

Off-the-shelf allogeneic platform

- Differentiated cells
- Ready to use potential
- Enables large commercial volumes
- Cost effective

Large, underserved patient populations

- Delayed union – 700,000+ cases p.a. - limited therapeutic options
- Spinal fusion - 500,000+ procedures in EU, US p.a. – up to 35% failure from standard of care treatments
- Osteonecrosis - orphan indication with low-efficacy and controversial treatments

Ongoing clinical validation

- Efficacy and safety of ALLOB® demonstrated
 - Delayed union (Phase IIA early completion)
 - Spinal fusion (strong interim efficacy and safety)
- Superior efficacy of PREOB® compared to standard of care in osteonecrosis
- 100+ patients dosed in clinical trials (50+ ALLOB®, 50+ PREOB®)

Commercial readiness

- Unique in-house know-how in cell therapy
- Ongoing process optimization & scale-up
- Manufacturing evolution to produce truly commercially viable product

People – Patents – Products – Patients

Questions



R&D AND KOL MEETING AND WEBCAST

R&D and KOL meeting and webcast on technological development in orthopaedics

Agenda

- Medical practice today, and the unmet medical need
- Introduction to cell therapy and the major potential benefits for patients
- ALLOB®, Bone Therapeutics' lead clinical programme
- Conclusion and Q&A session

For more information, please contact:

investorrelations@bonetherapeutics.com



SAVE THE DATE

Bone Therapeutics

R&D AND KOL MEETING

Pr Frédéric Dubrana
Chirurgien orthopédique, Chef de Service au CHRU de Brest
Professeur à l'Université de Bretagne Occidentale
Docteur en Philosophie de la Sorbonne

Thomas Lienard
CEO de Bone Therapeutics

Programme

- La pratique médicale en orthopédie et les besoins actuellement non couverts
- La thérapie cellulaire : une avancée potentiellement majeure pour les patients
- ALLOB®, le principal programme clinique de Bone Therapeutics
- Session de questions/réponses suivies d'un déjeuner

VEN. 14
SEPTEMBRE

12h30 - 14h30 - DEJEUNER

Thank you

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