

Terms and Conditions of the Subscription Rights

Key steps

Bone Therapeutics will decide to issue and automatically allot for free Subscription Rights to the Existing Shareholders on Completion, which may be exercised upon the Triggering Event as further defined below.

The amount of Subscription Rights will be equal to the amount of Existing Shares. Each Existing Shareholder will therefore receive a Subscription Right per Existing Share owned.

The Subscription Rights will be governed by articles 7:67 to 7:72 of the Belgian Companies Code and the present Terms and Conditions.

Definitions

- 2.1 In the Terms and Conditions, the following terms and expressions shall have the meanings ascribed to them below:

"Belgian Companies Code" means the Belgian Code of companies and associations (as amended from time to time);

"Bone Therapeutics" means Bone Therapeutics SA, a limited liability company ("*naamloze vennootschap*" / "*société anonyme*") incorporated under Belgian law, having its registered office at Rue Granbonpré 11, Building H, 1435 Mont-Saint-Guibert, Belgium, registered with the Register of Legal Entities (Walloon Brabant) under number 0882.015.654;

"Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are generally open for business in Belgium or France;

"Completion" means the completion of the reverse merger as set by the Contribution Agreement;

"Contribution Agreement" means the contribution agreement entered between all existing shareholders of Medsenic SAS, a company incorporated and existing under the laws of France, having its registered office at Avenue de Colmar 204, 67100 Strasbourg, France and registered with the Commercial Registry of Strasbourg under number 527 761 530, and Bone Therapeutics, as amended from time to time, with respect to the planned reverse merger;

"Exercise Notice" has the meaning set out in Clause 3.4;

"Exercise Period" has the meaning set out in Clause 3.4;

"Exercise Price" has the meaning set out in Clause 3.4;

"Existing Shareholders" means the existing shareholders of Bone Therapeutics at the time of Completion – excluding for the avoidance of doubts the existing shareholders of Medsenic SAS;

"Existing Shares" means the total number of ordinary shares without par value issued and outstanding in the capital of Bone Therapeutics, constituting the entire issued capital of Bone Therapeutics before Completion. As of the date of establishment of these Terms and Conditions, the outstanding share capital of Bone Therapeutics is represented by 24,463,421 ordinary shares;

"Expiry Date" means the date on which the Subscription Rights will expire, which is the first (1st) anniversary of the Triggering Event;

"Extraordinary General Meeting" means the extraordinary general meeting of the shareholders of Bone Therapeutics resolving upon, amongst others, the Issue, to be held at Completion;

"Issuance" means the issue of the Subscription Rights;

"New Shares" has the meaning set out in Clause 3.2;

"Shares" means (i) the Existing Shares, as well as (ii) any new shares to be issued by Bone Therapeutics from time to time (including upon exercise of the Subscription Rights);

"Subscription" means the subscription of the Subscription Rights;

"Subscription Price" means 0 EUR per Subscription Right;

"Subscription Rights" means the subscription rights ("*inschrijvingsrechten*")/"*droits de souscription*") that Bone Therapeutics will issue and automatically allot to the Existing Shareholders on Completion. Each Subscription Right will entitle its holder to subscribe to one ordinary share of Bone Therapeutics. Each Existing Shareholder shall be allotted one Subscription Right. Each Subscription Right shall be exercisable at a price of 0.45 EUR. The Subscription Rights shall be exercisable upon realisation of the Triggering Event;

"Subscription Right Holder" means any holder of Subscription Rights;

"Subsidiary" means a company over which there is a power of control as provided for in article 1:15, 2° of the Belgian Companies Code;

"Takeover Bid" means a takeover bid by any person, or group of persons acting in concert, for all of the outstanding Shares and other securities giving access to voting rights of Bone Therapeutics;

"Terms and Conditions" means the present terms and conditions of the Subscription Rights;

"Triggering Event" means successful ALLOB interim Phase IIB results (statistically positive results (primary endpoint is met, which, in the context of an interim analysis, would be if the RUST score is higher than 1.46), upon the decision of the ad-hoc independent committee, validating the SAP conclusions drawn by an independent CRO).

2.2 In the Terms and Conditions:

- (a) References to any document are references to that document as amended, consolidated, supplemented or replaced from time to time;
- (b) References to a Clause are to a clause in the Terms and Conditions;
- (c) The headings are inserted for convenience only and shall not affect the interpretation of the Terms and Conditions;
- (d) References to a **"person"** or **"persons"** include any individual, any form of company, wherever incorporated or located, any unincorporated association, firm, partnership, joint venture, consortium, association, institution, organisation or trust (in each case whether or not they have separate legal personality);

- (e) A person includes a reference to that person's legal representatives, trustees in bankruptcy and successors;
- (f) References to "**EUR**" are to euros.

2.3 Unless otherwise defined herein, capitalised terms have the meaning ascribed to them in the Contribution Agreement.

Issue and form of Subscription Rights

3.1 Number of Subscription Rights and Subscription Price	<p>A number of Subscription Rights, equal to the number of Existing Shares before Completion, will be issued upon Completion to the Existing Shareholders.</p> <p>The conversion ratio will be:</p> <p>one (1) Subscription Right = one (1) ordinary share</p> <p>Subscription Price: for free.</p>
3.2 Exercise Ratio	<p>Each Subscription Right will entitle the Subscription Right Holder, subject to the conditions set out herein, to subscribe in cash for one (1) ordinary share, to be issued for the Exercise Price (the "New Shares").</p> <p>The exercise of Subscription Rights may only result in the subscription of a whole number of New Shares.</p> <p>Where a Subscription Right Holder exercises his Subscription Rights and the corresponding number of New Shares is not a whole number, such Subscription Right Holder may either request to subscribe:</p> <ul style="list-style-type: none"> • the whole number of New Shares immediately below this number, in which case Bone Therapeutics will pay to such Subscription Right Holder a cash amount equal to the Subscription Price of a New Share multiplied by the fraction of New Shares concerned (fractional shares); or • the total number of New Shares immediately above that number, in which case such Subscription Right Holder shall pay to Bone Therapeutics a cash amount equal to the Subscription Price of a New Share multiplied by the additional fraction of New Shares so requested.
3.3 Rights attached to the New Shares	<p>The New Shares will be issued with the same rights as all Existing Shares from the first day of Bone Therapeutics' financial year in which they are subscribed for.</p>
3.4 Exercise Period and Exercise Price	<p>A. Exercise Period</p> <p>(a) The Subscription Rights can be exercised from the occurrence of the Triggering Event until the Expiry Date (the "Exercise Period").</p>

	<p>(b) If not duly exercised during the Exercise Period, the right to exercise the Subscription Rights shall automatically lapse and the Subscription Rights shall be deemed automatically null and void and shall irrevocably cease to be exercisable.</p> <p>(c) In order to exercise its Subscription Rights:</p> <p>(i) the dematerialised Subscription Right Holder must serve a notice of exercise substantially in the form set out in Schedule 1 (the "Exercise Notice") to a financial institution member of Euroclear Belgium identified by Bone Therapeutics prior to the Exercise Period (the "Agent");</p> <p>(ii) the registered Subscription Right Holder shall deliver an Exercise Notice by registered post or express courier to the registered office of Bone Therapeutics or by e-mail in accordance with Clause "Notifications" below.</p> <p>(d) The Exercise Notice must be sent during the Exercise Period and the total Exercise Price of all relevant Subscription Rights so exercised must be paid by the relevant Subscription Right Holder to the bank account identified by Bone Therapeutics.</p> <p>(e) During the Exercise Period, Bone Therapeutics shall only organise the effective issue of the relevant number of New Shares to the Subscription Right Holder every two (2) months.</p> <p style="text-align: center;">B. Exercise Price</p> <p>(f) The exercise price means the consideration to be paid by the Subscription Right Holders for exercising the corresponding Subscription Rights and subscribing for the New Shares which shall be equal (the "Exercise Price") to 0.45 EUR.</p>
3.5 Transferability of Subscription Rights	Subject to Clause 3.6, the Subscription Rights are transferable.
3.6 Exercise and transfer restrictions	The Subscription Rights cannot be exercised by and cannot be transferred by and to persons resident or physically present in the United States of America, Canada, Australia, Japan, South Africa and in any other jurisdictions where the grant, transfer or exercise of the Subscription Rights might constitute a violation of the local securities laws or regulations of such jurisdiction.
3.7 Form of the Subscription Rights	Each Subscription Right shall be in dematerialised form. The New Shares will be issued in dematerialised or registered form at the option of the shareholder.
3.8 Right to follow-up	In the event of a Takeover Bid for Bone Therapeutics, the Subscription Rights Holders shall be entitled to exercise their

	Subscription Rights immediately prior to the launch of the Takeover Bid.
3.9 Cancellation of Subscription Rights	All Subscription Rights that have not yet been exercised before the Expiry Date shall automatically be cancelled, unless the Board of Directors decides otherwise.

Amendments

Bone Therapeutics may not amend the Terms and Conditions in any way without the prior consent of the Subscription Right Holders to the proposed amendments. Notification of such amendments will be given to the Subscription Right Holders in accordance with Clause "Notifications" below.

Notifications

Notifications given under the Terms and Conditions shall be deemed to have been duly given if delivered by hand with acknowledgement of receipt, sent by registered mail with acknowledgement of receipt, by e-mail or by any means by which acknowledgement of receipt can be proved (such as express mail or courier).

The address and e-mail address of Bone Therapeutics for the purposes of these Terms and Conditions is:

To the attention of the CEO and the Head of Investor Relations
Rue Granbonpré 11, Building H
1435 Mont-Saint-Guibert
Belgium
E-mail: investorrelations@bonetherapeutics.com

With respect to the exercise of the Subscription Rights of a dematerialised Subscription Right Holder, notification must be made to a financial institution member of Euroclear Belgium identified by Bone Therapeutics prior to the Exercise Period.

All such notifications shall be deemed to have been served as follows:

- if delivered by hand, on the date of delivery to the addressee (as evidenced by the acknowledgement of receipt);
- if sent by registered mail with acknowledgement of receipt or by any other means capable of proving receipt, on the date of delivery to the addressee (as evidenced by the acknowledgement of receipt);
- if sent by e-mail, on the date of transmission, confirmed by return e-mail by an authorised officer of the Subscription Right Holder as having been received in legible form, in the case of an e-mail sent by Bone Therapeutics to the Subscription Right Holders.

The Subscription Right Holders have until 2 months after Completion to provide Bone Therapeutics with their address and email address for the purposes of these Terms and Conditions in accordance with the notification forms described in the present Clause. In case of non-reception by Bone Therapeutics of a Subscription Right Holder's address and email address, Bone Therapeutics can presume that the Subscription Right Holder in question waived its right to notification.

Schedule 1

Form of Exercise Notice

From: [_____] (the "**Subscription Right Holder**")

To:

- Bone Therapeutics SA, as the Company, in case of registered Subscription Right Holder; or
- a financial institution member of Euroclear Belgium identified by Bone Therapeutics prior to the Exercise Period, in case of dematerialised Subscription Right Holder.

Re: Exercise Notice of Subscription Rights

Dear Sir,
Dear Madam,

We refer to the terms and conditions of the Subscription Rights issued by the Company on [_____] (the "**Terms and Conditions**").

Unless otherwise defined in this letter, words and expressions defined in the Terms and Conditions have the same meaning when used in this letter.

We hereby exercise [_____] Subscription Rights in accordance with the terms and procedures set out in the Terms and Conditions, entitling us to receive the same amount of New Shares from the Company.

The aggregate Exercise Price for the exercise of these [_____] Subscription Rights amounts to [_____] (EUR [_____]) and has been paid in cash by wire transfer to the bank account identified by the Company. Proof of payment is attached to this Exercise Notice.

Subscription Right Holder

Represented by:

Name: [_____]

Title: [_____]

Date: [_____]