

Bone Therapeutics to start a new Euronext equity story with a change of name to BioSenic, following the acquisition of a majority participation of Medsenic valued at EUR 40 million

- **New company's pipeline enriched with serious inflammatory indications in addition to its original cell therapy asset**
- **New Chairman, Board Members and Management appointed 24,463,421 ALLOB subscription rights granted to all existing shareholders**

Mont-Saint-Guibert, Belgium, October 25, 2022 – BONE THERAPEUTICS(Euronext Brussels and Paris: BOTHE), the cell therapy company addressing unmet medical needs in orthopedics and other diseases, today announces the closing of its acquisition of a majority participation in Medsenic, a privately held, clinical stage biotech company incorporated in France and specialized in the development of optimized formulations of arsenic Trioxide (ATO) and their applications in serious inflammatory/autoimmune conditions and other potential new indications in related fields.

The closing follows the realization of all conditional precedents and the approval of the transaction during Bone Therapeutics' extraordinary shareholders meeting ('ESM') held on October 24, 2022.

The ESM has also approved the name change of Bone Therapeutics into BioSenic. The name change will be implemented in the next few days. The Company stock ticker symbol will change from "BOTHE" to "BIOS". The new corporate website will be www.biosenic.com.

"The shareholders' approval of the combination of Medsenic and Bone Therapeutics will create a diversified and innovative new company. BioSenic will be able to develop an expanded product portfolio across multiple therapeutic indications," **said François Rieger, newly appointed Chairman and CEO of BioSenic.** "We are excited to bring a new equity story to the market. Medsenic has been working for a decade on serious pathologies linked to systemic autoimmune diseases, such as cGvHD (chronic Graft versus Host Disease), systemic lupus, and systemic sclerosis. Our programs are well advanced in the clinic and will bring value to the newly combined portfolio. Our technologies will now include a dedicated best-in-class autoimmune disease platform in addition to an allogeneic cell therapy platform. The widened expertise and IP of the new company will enable us to target both tissue inflammation and repair, as well as meet the needs of patients without currently effective treatments. We are also planning to meet current shareholders as well as potential new investors in order to present the new equity story."

"There continues to be significant unmet medical needs across immunopathology and tissue repair. Combining Medsenic and Bone Therapeutics will provide significant opportunity for cross-pollination and allow therapies to reach patients more quickly. The combination of development portfolios also enables a significant derisk for investors and increases the potential for growth and value creation for all shareholders," **said Jean Stéphane, Member of the Board of Directors, BioSenic.** "The new board of directors and management of BioSenic, under the direction of Prof. François Rieger, are particularly well placed to lead the merged company to delivering therapies for unmet medical needs."

New BioSenic Board of Directors and Executive leadership team

The BioSenic' ESM also approved the appointment of a new board, consisting of a total of up to seven directors including Jean Stéphane and Jean-Luc Vandebroek that are transitioning to the Biosenic Board, while all other Bone Therapeutics Board directors have terminated their mandate. Pr. Francois Rieger, chairman and CEO of Medsenic, has been appointed as chairman and CEO of BioSenic SA. Other board members are Ms Véronique Pomi-Schneiter, deputy CEO of Biosenic, formerly in charge of Medsenic operations, Mr Jean-François Rax, representing Cap Innovest, Ms Revital Rattenbach, independent director and Mr Terry Sadler, independent director.

The Executive leadership team now consists of François Rieger (CEO), Véronique Pomi-Schneiter (deputy CEO), and Anne Leselbaum (CMO).

Terms of the combination

Further to the ESM, all Medsenic' shareholders have contributed fifty-one percent (51 percent) of the total outstanding share capital of Medsenic, valued at EUR 40,800,207, at a subscription price per share of EUR 0.45, which values Bone Therapeutics at EUR 10 million. In exchange for the in-kind contribution of 51 percent of Medsenic' shares, 90,668,594 shares were issued by BioSenic to Medsenic shareholders. The parties have relied on the valuation carried out by an independent expert in order to determine the exchange ratio of one for four.

The Medsenic shareholders have agreed to an initial lock-up of nine months as from the date of the ESM, provided that on February 28 2023, 2 percent of the new shares held by each of Véronique Pomi-Schneiter and François Rieger shall be released from the lock-up.

BioSenic will maintain its status as a Belgian listed company, while significantly broadening its diverse therapeutic portfolio.

The ESM also approved the issue of 24,463,421 subscription rights allowing holders to subscribe for a new share of the company if the ALLOB interim Phase IIB results, a clinical trial focusing on the regenerative properties of proprietary ALLOB cells in cases of difficult, in risk of delayed-union, tibial fractures, are positive at a subscription price per share of EUR 0.45 (the 'ALLOB Subscription Rights'). One ALLOB Subscription Right was issued and granted to each outstanding share of BioSenic prior to completion of the transaction.

No offering of the ALLOB Subscription Rights to the public was made or will be made in the meaning of the Prospectus Regulation 2017/1129 and no one has taken any action that would, or is intended to, permit such an offering in any country or jurisdiction where any such action for such purpose is required, including in Belgium, France or any other member state of the European Economic Area to which the Prospectus Regulation 2017/1129 applies. The ALLOB Subscription Rights have also not been, or will not be, registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States of America, and they may not be offered, sold, pledged or otherwise transferred in the United States of America except pursuant to a transaction that is exempt from, or not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws.

In the contribution agreement, the existing shareholders of Medsenic have agreed to contribute in kind the totality of the remaining Medsenic shares held by within the next 24 - 36 months from the completion of the combination, meaning that, in the medium to long run, all existing pipeline from both organizations will be directly or indirectly held by BioSenic.

Outlook for the remainder of 2022 and 2023

A Phase III study of cGvHD is currently anticipated to start in H1 2023 following the Phase II clinical study with arsenic trioxide in the first-line treatment of cGvHD (chronic GvH) positive results. A phase IIa clinical trial for Lupus had previously established proof of concept of safety for the patient and efficacy on the course of the autoimmune disease: a Phase IIb clinical trial for severe Lupus is in the planning stage. Also, positive preclinical work gives good grounds for a Phase II clinical trial on systemic sclerosis.

The Phase IIb trial of ALLOB, a randomized, double-blind, placebo-controlled study in patients with high-risk tibial fractures, is still ongoing and set to report important interim results in the H1 2023.

ENDS

About BioSenic

BioSenic has been formed to be a leading biotech company, focusing on the development of clinical assets issued from: (i), the allogeneic cell therapy platform ALLOB and (ii) through its majority participation in Medsenic, from the Arsenic TriOxide (ATO platform. Key programs include Graft versus Host Disease (GvHD), Systemic Lupus erythematosus (SLE) and Systemic Sclerosis (SSc).

BioSenic's technology is based on:

1) The original cutting-edge allogeneic cell and gene therapy platform from Bone Therapeutics, with differentiated bone marrow sourced Mesenchymal Stromal Cells (MSCs) which can be stored at the point of use in hospitals. Its current investigational medicinal product, ALLOB, represents a unique, proprietary

approach to organ repair and specifically to bone regeneration, by turning undifferentiated stromal cells from healthy donors into bone-forming cells on the site of injury. These cells are produced via a proprietary BioSenic' 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, and should be of value in new indications when cells will be further adapted or transformed with additional targeting properties.

2) The Arsenic TriOxide (ATO) platform from Medsenic. The immunomodulatory properties of ATO are best described by a double basic effect on cells of the immune system. The first effect is the increase of the cell oxidative stress in activated B, T or other cells of the innate/adaptative immune system to the point they will enter a cell death program (apoptosis) and be soon eliminated. The second effect is potent immunomodulatory properties on several pro-inflammatory cytokines involved in inflammatory or autoimmune cell pathways. One direct application is its use in immuno-oncology to treat GvHD (Graft-versus-Host Disease) in its chronic, established stage. GvHD is one of the most common and clinically significant complications affecting long-term survival of allogeneic hematopoietic stem cell transplantation (allo-SCT). GvHD is primarily mediated by the transplanted immune system that can lead to severe multiorgan damage. Medsenic has been successful in a Phase II trial with its intravenous formulation which was granted an orphan drug designation status by FDA and EMA and is heading towards an international Phase III confirmatory study, with a new, IP protected, oral formulation.

Moderate to Severe forms of Systemic Lupus erythematosus (SL)^o is another selected target, using the same oral formulation. ATO has shown in a phase IIa study good safety and significant clinical efficacy on several affected organs (skin, mucosae and the gastro-intestinal tract).

Systemic Sclerosis is, in addition, part of the clinical pipeline of BioSenic, as preclinical studies on pertinent animal models are positive, giving good grounds to launch a Phase II clinical protocol for this serious disease that badly affects skin, lungs or vascularization, and with no actual current effective treatment. The recent acquisition by BioSenic of a majority participation in Medsenic brings together the strategic positionings and strengths of the two companies. As the result of this merger, Biosenic is adding to its innovative cell therapy platform and strong IP tissue repair protection an entirely new arsenal of various anti-inflammatory and anti-autoimmune formulations, all using the properties mastered by Medsenic of ATO/OATO with its original compelling immunomodulatory properties.

BioSenic is based in the Louvain-la-Neuve Science Park in Mont-Saint-Guibert, Belgium. Further information is available at <http://www.biosenic.com>.

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