This Securities Note (the "Securities Note") has been prepared by Bone Therapeutics SA (the "Company" or "Bone Therapeutics") following the creation of more than 20% of new shares due to bond conversions since the private placement of convertible bonds in March 2018. This Securities Note has been approved by the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*, the "**FSMA**") on 27 December 2018, and subsequently notified to the French Financial Markets Authority (*Autorité des Marchés Financiers*, the "**AMF**"), and should be read in conjunction with the following documents:

- the Company's registration document as approved by the FMSA on 27 December 2018 (the "**Registration Document**"); and
- the Company's summary note following the creation of more than 20% of new shares due to bond conversions since the private placement of convertible bonds in March 2018, as approved by the FSMA on 27 December 2018 and as subsequently notified to the AMF (the "**Summary Note**").

The Registration Document and the Summary Note, together with this Securities Note, constitute a prospectus within the meaning of article 28, §1 of the Prospectus Act. This Securities Note contains the minimum disclosure requirements for a share securities note in accordance with Annex III of the Prospectus Regulation.

Investing in the Offered Shares involves a high degree of risk. An investor is exposed to the risk to lose all or part of his/her investment. Bone Therapeutics is a biotech company which undertakes clinical trials that have not led to the commercialisation of any products yet and which has never been profitable. Previous positive phase II results are no guarantee for success in subsequent studies, for regulatory approval and for market acceptance. It is emphasized that, at the date of this Securities Note, the Issuer is of the opinion that it does not have sufficient working capital to cover its working capital needs for the next 12 months. Investors are advised to carefully consider the information contained in the whole prospectus and, in particular, the risks described in the Part "Risk factors". Investors must be able to bear the economic risk of an investment in shares and should be able to sustain a partial or total loss of their investment.

Contents

1 Risk Factors related to the shares

1.1 The market price of the shares may fluctuate widely in response to various factors

A number of factors may significantly affect the market price of the shares including changes in the operating results of the Company and its competitors, divergence in financial results from stock market expectations, changes in earnings estimates by analysts, changes in estimates in relation to the duration or success of the Company's clinical trials, changes in the general conditions in the pharmaceutical industry and general economic, financial market and business conditions in the countries in which the Company operates.

In addition, stock markets have from time to time experienced extreme price and volume volatility which, in addition to general economic, financial and political conditions, could affect the market price for the shares regardless of the operating results or financial condition of the Company.

Also, the liquidity of the shares trading on the regulated markets of Euronext Brussels and Euronext Paris is limited and this may cause the Company's share price to be volatile.

Large, unorganised sales by holders of convertible bonds upon conversion of the bonds or by other shareholders may adversely affect the Company's share price.

1.2 Future issuances of shares or warrants may affect the market price of the shares and could dilute the interests of existing shareholders

The Company may decide to raise capital in the future through public or private offering of equity securities, convertible debt or rights to acquire these securities. The Company may decide to exclude or limit the preferential subscription rights pertaining attached to the then outstanding securities in accordance with applicable law. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the holders of its securities and could have a negative impact on the share price, earnings per share and net asset value per share.

Also, the dilution resulting from issue and exercise of new or existing warrants could adversely affect the price of shares.

In March 2018, the Company issued via a private placement 389 convertible bonds with a nominal value of 2,500 EUR each. Each subscribed CB is accompanied by 19 bond warrants (the "**Bond Warrants**"), and each Bond Warrant entitles its holder to subscribe to one CB, resulting in a total of 7.780 convertible bonds following the exercise of all bond warrants. At the date of this Document, 95 convertible bonds with a total nominal value of EUR 237,500 and 2,280 bond warrants are outstanding. Based on a conversion price which is 92% of the VWAP of Bone Therapeutics' shares on 12 December, the total number of diluted shares amounts to 9,525,671.

The convertible bonds will be automatically converted at maturity, and shares resulting from the bond conversions do not have a lock-up clause.

The Company is of the opinion that it has sufficient working capital to cover the working capital needs for a period until end of Q3 2019. The Company will need to obtain another financing to continue after this date.

1.3 Holders of the shares outside Belgium and France may not be able to exercise pre-emption rights

In the event of an increase in the share capital of the Company in cash, holders of shares and other voting securities are generally entitled to preferential subscription rights (unless these rights are excluded or limited by either a resolution of the shareholders' meeting or a resolution by the meeting of Board of Directors). Certain holders of shares outside Belgium or France may not be able to exercise pre-emption rights unless local securities laws have been complied with. In particular, US holders of the shares may not be able to exercise preferential subscription rights unless a registration statement under the Securities Act is declared effective with respect to the shares issuable upon exercise of such rights or an exemption form the registration requirements is available. The Company does not intend to obtain a registration statement in the USA or to fulfil any requirement in other jurisdictions (other than in Belgium and France) in order to allow shareholders in such jurisdictions to exercise their preferential subscription rights (to the extent not excluded or limited).

1.4 The market price of the shares could be negatively impacted by sales of substantial numbers of shares in the public markets

No guarantee can be given that there are no large, unorganised sales by pre-IPO shareholders, who are no longer bound by lock-up arrangements which all ended on 6 August 2016 and by other shareholders which could cause to decrease the Company's share price. Any such large, unorganised sale of shares could have an adverse effect on the Company's share price

1.5 The Company does not intend to pay dividends for the foreseeable future

The Company does not anticipate paying dividends for the foreseeable future. Payment of future dividends to shareholders will be subject to a decision by the shareholders' meeting or the Board of Directors of the Company and subject to legal restrictions pursuant to Belgian corporate law. Furthermore, financial restrictions and other limitations may be included in current or future credit and subsidy agreements.

1.6 Certain significant shareholders of the Company may have different interests from the Company and may be able to control the Company, including the outcome of shareholder votes

For an overview of the Company's current significant shareholders reference is made to Section 6 "Dilution").

Currently, the Company is not aware that any of its current shareholders have entered or will enter into a shareholders' agreement with respect to the exercise of their voting rights in the Company. Nevertheless, they could, alone or together, have the ability to elect or dismiss directors, and, depending on how broadly the Company's other shares are held, take certain other shareholders' decisions that require, or require more than, 50%, 75% or 80% of the votes of the shareholders that are present or represented at shareholders' meetings where such items are submitted to voting by the shareholders. Alternatively, to the extent that these shareholders have insufficient votes to impose certain shareholders' decisions, they could still have the ability to block proposed shareholders' resolutions that require, or require more than, 50%, 75% or 80% of the votes of the shareholders that are present or represented at shareholders' meetings were such decisions are submitted to voting by the shareholders. Any such voting by the shareholders may not be in accordance with the interests of the Company or the other shareholders of the Company.

2 General Information

2.1 Introduction

2.1.1 *The Prospectus*

This Securities Note is to be read together with the Registration Document and the Summary Note, which together constitute a prospectus (the "**Prospectus**"), prepared by the Company in accordance with article 28, §1 of the Prospectus Act. This Securities Note contains the minimum disclosure requirements for a share securities note in accordance with Annex III of the Prospectus Regulation.

This Prospectus has been prepared for the purpose of the admission to trading of the New Shares on Euronext Brussels, a regulated market of Euronext Brussels SA / NV, ("**Euronext Brussels**") and Euronext Paris, a regulated market of Euronext Paris SA, ("**Euronext Paris**") pursuant to and in accordance with article 20 and following of the Prospectus Act, following the creation of more than 20% of new shares due to bond conversions since the private placement of convertible bonds in March 2018.

On 7 March 2018, the Company has placed unsecured convertible bonds (the "**CBs**") with a total commitment of EUR 19.45 million by means of an accelerated bookbuilding procedure with institutional and professional investors by way of a private placement, exempt from prospectus requirements, in such jurisdictions where such offering is permitted in compliance with any applicable rules and regulations, including outside the United States pursuant to Regulation S of the U.S. Securities Act, or in transactions which are exempt from, or not subject to, the registrations requirements of the U.S. Securities Act, managed by Bryan Garnier & Co as Sole Bookrunner. Each subscribed CB is accompanied by 19 bond warrants (the "**Bond Warrants**"), and each Bond Warrant entitles its holder to subscribe to one CB.

At the date of this Securities Note, 5,405 CBs have been converted into a total of 1,460,892 shares of the Company. Of these shares, 1,448,706 shares are already admitted to trading 95 CBs are and 2,280 Bond Warrants are still outstanding. As a result, the Company may have to issue upon conversion thereof, maximum 1,047,825 New Shares, based on a conversion price which is 92% of the VWAP of Bone Therapeutics' shares on 12 December 2018.

2.1.2 *No offering of the New Shares*

No offering of the New Shares will be made and no one has taken any action that would, or is intended to, permit 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 that has implemented the Prospectus Directive (each a "**Relevant Member State**").

For purposes of this provision, (a) the expression an "offer of securities to the public" in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Shares to be offered, so as to enable an investor to decide to purchase or subscribe for the New Shares, as the expression may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that member state and (b) the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State.

The New Shares have 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, and they may not be offered, sold, pledged or otherwise transferred in the United States 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.

2.1.3 *Language of the Prospectus*

The Company has prepared and approved the Prospectus in English and has been translated into French. The Company is responsible for verifying the consistency between the language versions of the Prospectus. The English version of this Prospectus is legally binding.

2.1.4 *Availability of the Prospectus*

The Prospectus consists of the Summary Note, this Securities Note and the Registration Document. The Summary Note and the Securities Note can only be distributed together, in combination with the Registration Document. To obtain a copy of the Prospectus in English or in French, free of charge, please contact:

To the attention of Investor Relations
Rue Auguste Piccard 37
B-6041 Gosselies
Belgium

The Prospectus is also available on the Company's website (www.bonetherapeutics.com). The consultation of the Prospectus may be subject to certain conditions, such as the acceptance of a disclaimer. Posting this Prospectus on the internet does not constitute an offer to sell or a solicitation of an offer to purchase shares in the Company in any jurisdiction and there will not be a sale of any of the shares in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to its registration or qualification under the laws of such jurisdiction or to or for the benefit of any person to whom it is unlawful to make such offer, solicitation or sale. The electronic version of the Prospectus may not be copied, made available or printed for distribution. Other information on the website of the Company or on any other website does not form part of this Prospectus.

2.2 Persons responsible for the contents of the Prospectus

In accordance with Article 61, §1 and 2 of the Prospectus Act, the Company, with registered office at rue Auguste Piccard 37, 6041 Gosselies, Belgium, represented by its Board of Directors, assumes responsibility for the completeness and accuracy of the content of the Prospectus. The Company declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to its knowledge, in accordance with the facts and contains no omission which would affect its import.

2.3 Approval of the Prospectus

The English version of the Registration Document, the Summary Note and this Securities Note were approved by the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*, the "**FSMA**") in accordance with Article 23 of the Act of June 16, 2006 following the creation of more than 20% of new shares on Euronext Brussels and Euronext Paris, and subsequently notified to the AMF, due to bond conversions since the private placement of convertible bonds in March 2018.

The approval by the FSMA does not imply any judgment on the merits or the quality of the transactions contemplated by the Prospectus nor of the securities or the status of the Company.

2.4 Available information

The Company must file its coordinated articles of association and all other deeds that are to be published in the Belgian Official Gazette with the clerk's office of the commercial court of Charleroi (Belgium), where they are available to the public. A copy of the most recently coordinated articles of association and of the Company's corporate governance charter is also available on the Company's website (www.bonetherapeutics.com).

In accordance with Belgian law, the Company must annually prepare audited statutory and consolidated financial statements. The statutory and consolidated financial statements and the reports of the Board of Directors and of the statutory auditor relating thereto are filed with the National Bank of Belgium, where they are available to the public. Furthermore, as a listed company, the Company publishes statutory financial statements and semi-annual interim financial statements (in the form as provided by the Belgian Royal Decree of 14 November 2007 relating to the obligations of issuers of financial instruments admitted to trading on a Belgian regulated market (as amended from time to time) (*Arrêté royal relatif aux obligations des émetteurs d'instruments financiers admis à la négociation sur un marché réglementé*). Copies will be available on the Company's website (www.bonetherapeutics.com).

The Company also has to disclose price sensitive information, information about its shareholders' structure and certain other information to the public. In accordance with the Belgian Royal Decree of 14 November 2007, such information and documentation will be made available through press releases, the Company's website, the communication channels of Euronext Brussels and Euronext Paris or a combination of these media.

All regulated information on the Company will be made available on STORI, the Belgian central storage mechanism, which is operated by the FSMA and can be accessed via stori.fsma.be or www.fsma.be.

3 Essential Information

3.1 Capitalisation and indebtedness

The following table sets forth the capitalisation and indebtedness of the Company as of 30 September 2018 (unaudited). This information presented as of 30 September 2018 should be read in conjunction with the Company's audited financial statements and the information included in the Registration Document.

(€'000) - Indebtedness	As at 30 September 2018	As at 31 December 2017
Total Current financial debt	**3.385**	**1.251**
Secured	324	371
bank loans	*250*	*250*
finance lease liabilities	*74*	*121*
Unsecured	3,061	881
*government loans "recoverable cash advances" **	*798*	*627*
loans from related parties	*241*	*253*
Convertible Bonds	*2,022*	*0*
Total Non-Current financial debt	**11,375**	**12,192**
Secured	2,220	2,457
bank loans	*2,188*	*2,375*
finance lease liabilities	*32*	*82*
Unsecured	9,155	9,736
*government loans "recoverable cash advances" **	*6,152*	*6,583*
loans from related parties	*1,334*	*1,511*
put on non-controlling interest	*1,669*	*1,641*

(€'000) - Capitalization	As at 30 September 2018	As at 31 December 2017
Shareholder's Equity - Capitalization	**4,060**	**2,383**
Share capital	11,939	14,663
Share premium	51,193	42,665
Share-based payments	608	569
Retained earnings	(48,239)	(42,728)
Other	(6)	(12)
Result of the period	(11,435)	(12,774)

Total capitalization and Indebtness	**18,820**	**15,827**

'* the recoverable Cash Advances (RCAs) only concern the repayable part (not linked to turnover, only the portion of the RCA depending on the decision to exploit the result) with management being of the opinion that it will not have to reimburse the turnover-dependent part to be generated within the exploitation period as defined in the agreements (contingent liability).

(€'000)	As at 30 September 2018	As at 31 December 2017
Liquidity (A)	**8,408**	**8,411**
receivables related to recoverable cash advance	4,006	5,001
receivables related to patents	265	225
Total Current financial receivables (B)	**4,271**	**5,226**
Current Bank Debt	250	250
Current portion of non-current debt	1,113	1,001
Other current financial debt	0	0
Current Financial Debt (C)*	**1,363**	**1,251**
Net Current Financial Indebtedness (C-A-B)	**(11,316)**	**(12,385)**
Non-current Bank Loan	2,188	2,375
Bond Issued	0	0
Other non-current financial debt	9,187	9,736
Non-Current Financial Indebtness (D)	**11,375**	**12,111**
Net Financial Indebtness (C-A-B+D)	**59**	**(275)**

' The Company did not include the convertible bonds (which is in current debt) because it is not expected that these will be automatically converted*

Recoverable Cash advances and fair-value:

The fair value of the repayable part (turnover-dependent and turnover independent) has been calculated as the weighted average of a best case, base case and worst case scenario for each project. The last estimations has been calculated at 30 June 2018 (we refer to the H1 report on pages 21-22 for the last available estimation of the sensitivity analysis).

At the interim analysis, based on a 12-month follow-up of patients, the DSMB recommended Phase III trial with PREOB® to be discontinued for futility. Based on those result, the PoS of PREOB® has been reduced to 0%. In this case, the negative impact by € 0.55 million (with a discounting factor of 17.10%) and by € 0.76 million (with a discounting factor of 12.50%).

Material evolution from 30 September 2018:

For a description of the balance sheet of 31 December 2017 and 30 June 2018, we refer to the Annual Report 2017 and the H1 report 2018 published ton the Company's website www.bonetherapeutics.com.

From 30 September 2018 till the date of this Document, the total number of new shares issued represent 392,305 shares. At the date of this Document, the share capital of the Company amounts to € 12,531,511.76, represented by 8,310,546 shares, without nominal value, each representing 1/8,310,546th of the share capital.

Following the exercise of the remaining part of the bond warrants, the Company is subject to receive € 5.70 million until Q3 2019.

3.2 Working capital statement

The Company is of the opinion that it has sufficient working capital to cover the working capital needs for a period until end of Q3 2019. At the date of this Securities Note, the Issuer is of the opinion that it does not have sufficient working capital to cover its working capital needs for the next 12 months following the date of publication of the Prospectus.

From the private placement of March 2018, the Company has been able to collect € 13.75 million in cash and expect to collect € 5.70 million until the end of Q3 2019.

Furthermore, the Company will need to plan another financing operation to continue its operations.

Nevertheless, if the Company is not able to raise additional funds to finance the full development plan, it can reduce the scope or timing of its development path in order to match financial resources with expected expenses. The Company could also decide to focus on partnerships in order to share some development costs for the next clinical trials.

3.3 Reason for the capital increase and use of proceeds

The net proceeds resulting for the Company from the private placement of the CBs in March 2018 is approximately amount to € 19.00 million. At 12 December 2018, the Company still need to receive an amount of € 5.70 million.

The Company intends to use the net proceeds over a time horizon up to end of Q3 2019 for the following purposes:

- Completion of the Phase IIA spine fusion trial (ALLOB) and preparation of the Phase IIB (5% of the net proceeds);
- Completion of the Phase I/IIA delayed-union trial (ALLOB) and start of the new the Phase IIB (40% of the net proceeds);
- Initiation of the preparation of the registration study JTA-004 (15% of the net proceeds);
- Optimization and scale-up for the new allogeneic product (20% of the net proceeds);
- To cover general business expenses up to Q3 2019 (20% of the net proceeds).

The net requirement in cash is expected to amount to approximately € 15.00 million in 2018. For the following year, the net requirement in cash in 2019 is expected to amount to € 15.00 million. Annual expenditure is further expected to increase in the following years.

For a time horizon of 12 months, the Company calculated the shortfall as follows:

in EUR 000	
ALLOB Delayed-Union - preparation of the Phase IIB clinical study	9,000
JTA-004 Phase II + preparation of the Phase III clinical study	2,900
Finalization of the PREOB osteonecrosis Phase III study	350
Completion of the Phase IIA spine fusion trial (ALLOB) and preparation of the Phase IIB	350
Optimization	3,000
G&A expenses	4,900
Cash available at the date of the Prospectus	(8,000)
Cash to receive from Private Placement of March 2018	(5,700)
Estimated revenues from existing conventions of Recoverable Cash Advances	(4,600)
Total estimated costs to be covered by net proceeds	20,500
Total estimated additional net proceeds needed	2,200

As mentioned above (section 3.2 – Working capital statement), the Issuer is of the opinion that, taking into account the proceeds of the Transaction, it does not have sufficient working capital to cover its working capital needs for a period of a least 12 months following the date of publication of the Prospectus and to fully implement its full development plan. The estimate working capital shortfall would be € 2.20 million.

The Company has in its projections not taken into consideration yet any income from partnering activities which could positively impact the cash burn in the future.

At the date of this Prospectus, the Company cannot predict with certainty all of the particular uses of the funds, or the amounts that will effectively be allocated to the above projects.

The Board of Directors and Management of the Company have the discretion to set the amounts and timing of expenditures, which will be based on many factors, including all conditions that may be imposed by regulatory authorities to the Company, the progress of its clinical trials, the research of potential partnerships, strategic collaborations and all resulting funding, such as the existence of candidates for the licensing or acquisition, the funds, all received grants or subsidies, and the costs and operating expenses of the Company. Consequently, the management of the Company will have flexibility in allocating the funds.

Depending on the use to be made of the actual proceeds of the Transaction, as described before, or elsewhere, the Company intends to invest the net proceeds in risk-free short-term securities and or interest-bearing investment grade and other money market instruments.

4 Description of the New Shares to be admitted to trading

4.1 Authorised capital

In accordance with the Articles of Association, on 9 July 2018, the extraordinary shareholders' meeting of the Company granted the authorisation to the Board of Directors to increase the Company's share capital in one or several times, in accordance with articles 604 juncto 607, para. 2, 2° of the Belgian Company Code, for a period of five years from the date of the publications of the resolution in the Annexes to the Belgian Official Gazette (*Moniteur Belge*), with a global maximum amount of 11,043,220.58 € on the same terms as currently provided for in article 7 of the Articles of Association, including in case of reception by the Company of a communication by the Financial Services and Markets Authority (FSMA) stating that the FSMA has been informed of a public takeover bid regarding the Company.

The general meeting amended article 7 of the Articles of Association in order to reflect the renewal of said authorisation.

If the Company's share capital is increased within the limits of the authorised share capital, the Board of Directors is authorised to request payment of an issuance premium. This issuance premium will be booked on a non-available reserve account, which may only be decreased or disposed of by a resolution of the shareholders' meeting subject to the same quorum and majority requirements that apply to an amendment of the articles of association.

The Board of Directors can make use of the authorised share capital for capital increases subscribed for in cash or in kind, or effected by incorporation of reserves, issuance premiums or revaluation surpluses, with or without issue of new shares. The Board of Directors is authorised to issue convertible bonds, bonds cum warrants or warrants within the limits of the authorised share capital and with or without preferential subscription rights for the existing shareholders.

The Board of Directors is authorised, within the limits of the authorised share capital, to limit or cancel the preferential subscription rights granted by law to the existing shareholders in accordance with article 596 and following of the Belgian Companies Code. The Board of Directors is also authorised to limit or cancel the preferential subscription rights of the existing shareholders in favour of one or more specified persons, even if such persons are not members of the personnel of the Company or its subsidiaries.

This authorisation was granted for a term of five years commencing from the date of the publication of the resolution in the Annexes to the Belgian Official Gazette (*Moniteur belge; 26 July 2018*), and can be renewed.

In principle, from the date of the FSMA's notification to the Company of a public takeover bid on the financial instruments of the Company, the authorization of the Board of Directors to increase the Company's share capital in cash or in kind, while limiting or cancelling the preferential subscription right, is suspended. However, the Company's extraordinary shareholders' meeting held on 9 July 2018 expressly granted the Board of Directors the authority to increase the Company's share capital, in one or several times, from the date of the FSMA's notification to the Company of a public takeover bid on the financial instruments of the Company and subject to the limitations imposed by the Belgian Companies Code. This authorization is granted until 9 July 2021.

4.2 The issue of the CBs

On 7 March 2018, the Company has successfully placed senior, unsecured CBs with a total commitment of EUR 19.45 million via a private placement whereby the Board of Directors conditionally increased the share capital of the Company, using the authorised capital, through the conditional issuance of up to 6,849,654 new shares at a subscription price of no less than the accounting par value (pair comptable) (ie € 2.14), subject to and to the extent of subscription of these new shares in the framework of the private placement.

In the framework of the private placement, the Board of Directors has cancelled the preferential subscription rights of the existing shareholders of the Company in accordance with Article 596 *juncto* 603 of the Belgian Company Code. The preferential subscription right was cancelled with a view to offering new shares in an "accelerated bookbuilding procedure" to a broad group of unspecified domestic and foreign qualified institutional and professional investors in Belgium, France or any other country or jurisdiction where such offering is permitted in compliance with any applicable rules and regulations of any such country or jurisdiction. Bryan, Garnier & Co. acted as Sole Bookrunner for the offering.

The CBs are in registered form, denominated EUR 2,500 each. The CBs do not bear any coupon and have a maturity date of twelve months after issuance. The CBs are convertible to ordinary shares at CB holders' convenience before maturity or are automatically converted at maturity date at the conversion price. The

conversion price will be equal to 92% of the Volume-Weighted-Averaged-Price of the Company's shares as provided by Bloomberg LP of the day immediately preceding CB holder's request of conversion or maturity date, but not lower than the par value (EUR 2.14) of the Company's share (the "**Conversion Price**"). Upon conversion of the CBs, the new shares issued shall immediately bear the same rights of all other existing shares and could be traded on the Euronext stock exchanges in Brussels and in Paris. The Company has the right to redeem the CB at a price of EUR 2,577.31 instead of issuing new shares.

Each subscribed CB is accompanied by 19 Bond Warrants in registered form with a warrant term of 19 months. Each Bond Warrant entitles its holder to subscribe to one CB and can be exercised at an exercise price of EUR 2,500 per CB at the request of the Bond Warrant holder at any time during the Bond Warrant term. The Bond Warrant holders are obliged to exercise at least one of the 19 Bond Warrants each 30 calendar days.

A total amount of EUR 19.45 million in committed capital has been subscribed in the context of the private placement. Part of the investors have decided to immediately exercise Bond Warrants resulting in an immediate gross proceed of about EUR 6.58 million and 565,773 new shares to be created, increasing the total outstanding shares from 6,849,654 to 7,415,427 ordinary shares.

At the date of this Securities Note in total, 5,405 CBs have been converted into Company's shares, of which 1,448,706 have been admitted to Euronext Brussels and Euronext Paris, applying the exemption for admission to trading provided for in Article 1(5) of the EU Regulation 2017/1129.

95 CBs and 2,280 Bond Warrants are still outstanding. As a result of the exercise of the Bond Warrants and the conversion of the CBs, the Company will issue up to 1,047,825 New Shares, based on a conversion price which is 92% of the VWAP of Bone Therapeutics' shares on 12 December 2018.

The New Shares will be traded on Euronext Brussels and Euronext Paris under the symbol "BOTHE".

4.3 Issue price of the New Shares

The issue price of the New Shares (accounting par value (*pair comptable*) plus issuance premium (*prime d'émission*) at which the New Shares will be issued and will depend on the volume weighted average price of the Company's shares of the day preceding the conversion request.

The portion of the issue price per New Share up to the accounting par value of EUR 1,51 will be recorded on the "Share Capital" account. The balance will be recorded on the "Issuance Premium" account, which in the same manner as the Company's share capital serves as guarantee for third parties and which, save for the possibility of conversion into capital, can only be decided on in accordance with the conditions required for an amendment of the Articles of Association.

4.4 Description of the New Shares

The New Shares are being issued under Belgian law in the form of dematerialized shares without nominal value, having the same rights and advantages as the existing shares, it being understood, for the avoidance of doubt, that these New Shares will be entitled to dividends as from the first date of the financial year during which they are issued.

Where applicable, distributed dividends on the New Shares will be subject to a Belgian withholding tax at the applicable ordinary rate which currently amounts to 30%, save for any reduction or exemption. See sections 4.8 "Taxation in Belgium" and 4.9 "Taxation in France" for more information.

All of the Company's shares are fully paid up and freely transferable. Likewise, all of the New Shares will be fully paid up and freely transferable.

Every shareholder may request conversion of its shares, at its own cost, either into registered shares, or into dematerialised shares. Conversion of dematerialised shares into registered shares will be done by entering them in the related register of registered shares.

For a more detailed description of the rights attached to the shares of the Company, reference is made to section 4.5 "Rights attached to the shares of the Company" below.

4.5 Rights attached to the shares of the Company

4.5.1 *Dividend rights*

All shares, including the New Shares, participate in the same manner in the Company's profits (if any). In accordance with the Belgian Company Code, the shareholders can in principle decide on the distribution of profits

with a simple majority vote at the occasion of the annual shareholders' meeting, on the basis of the most recent statutory audited annual accounts, prepared in accordance with the generally accepted accounting principles in Belgium and based on a (non-binding) proposal of the Board of Directors. The Articles of Association also authorise the Board of Directors to declare interim dividends subject to the terms and conditions of the Belgian Company Code.

Dividends can only be distributed if following the declaration and issuance of the dividends the amount of the Company's net assets on the date of the closing of the last financial year according to the statutory annual accounts (*ie* the amount of the assets as shown in the balance sheet, decreased with provisions and liabilities, all as prepared in accordance with Belgian accounting rules), decreased with the non-amortised costs of incorporation and expansion and the non-amortised costs for research and development, does not fall below the amount of the paid-up capital (or, if higher, the called capital), increased with the amount of non-distributable reserves. In addition, prior to distributing dividends, 5% of the net profits must be allotted to a legal reserve, until the legal reserve amounts to 10% of the share capital.

The right to payment of dividends expires five years after the Board of Directors declared the dividend payable.

For more information on the dividend policy of the Company and other restrictions, see section 15.8 of the Registration Document and Risk Factor 1.1.5 "The Company does not intend to pay dividends for the foreseeable future".

4.5.2 *Voting rights*

Each shareholder is entitled to one vote per share.

Voting rights may be suspended in relation to shares, in the following events, without limitation and without this list being exhaustive:

- which are not fully paid up, notwithstanding the request thereto by the Board of Directors;
- to which more than one person is entitled, except in the event that a single representative is appointed for the exercise of the voting right;
- which entitle their holder to voting rights above the threshold of 5%, 10%, 15% or any multiple of 5% of the total number of voting rights attached to the outstanding financial instruments of the Company on the date of the relevant shareholders' meeting, except in case the relevant shareholder has notified the Company and the FSMA at least 20 days prior to the date of the shareholders' meeting of its shareholding reaching or exceeding the thresholds above; and
- of which the voting right was suspended by a competent court or the FSMA.

Generally, the shareholders' meeting has sole authority with respect to:

- the approval of the audited statutory financial statements under Belgian GAAP;
- the appointment and dismissal of directors and of the auditor;
- the granting of discharge of liability to the directors and to the auditor;
- the determination of the remuneration of the directors and of the auditor for the exercise of their mandate;
- the determination of the remuneration of the directors and of the auditor for the exercise of their mandate, including inter alia, as relevant, (i) in relation to the remuneration of executive and non-executive directors, the approval of an exemption from the rule that, in accordance with article 520ter, subsection 1, of the Belgian Company Code, Share based awards can only vest during a period of at least three years as of the grant of the awards, (ii) in relation to the remuneration of executive directors, the approval of an exemption from the rule that, in accordance with article 520ter, subsection 2, of the Belgian Company Code, (unless the variable remuneration is less than a quarter of the annual remuneration) at least one quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least two years and that at least another quarter of the variable remuneration must be based on performance criteria that have been determined in advance and that can be measured objectively over a period of at least three years and (iii) in relation to the remuneration of non-executive directors, the approval of any variable part of the remuneration, in accordance with Article 554, subsection 7 of the Belgian Company Code;
- the approval of provisions of service agreements to be entered into with executive directors, members of the Executive Committee and other executives providing for severance payments exceeding 12 months'

remuneration (or, subject to a motivated opinion by the Nomination & Remuneration Committee, 18 months' remuneration);

- the approval of the grant of rights to third parties affecting the assets and liabilities of the company or creating a debt or obligation of the company when the exercise of these rights depends on the issue of a public takeover bid over the company or on a change of control of the company, in accordance with article 556 of the Belgian Company Code;
- the approval of the remuneration report included in the annual report of the Board of Directors;
- the distribution of profits;
- the filing of a claim for liability against directors;
- the decisions relating to the dissolution, mergers, de-mergers and certain other reorganisations of the Company; and
- the approval of amendments to the articles of association.

4.5.3 *Right to participate in shareholders' meeting and voting rights*

4.5.3.1 Ordinary shareholders' meetings

The ordinary shareholders' meeting is held each year on the second Wednesday of June at 4:00 p.m. (Brussels time), or if not a business day, on the next business day.

At the ordinary shareholders' meeting, the Board of Directors submits the audited statutory financial statements under Belgian GAAP, the audited consolidated financial statements under IFRS, as adopted by the European Union, and the reports of the Board of Directors and of the auditor with respect thereto to the shareholders.

The ordinary shareholders' meeting typically decides on:

- the approval of the audited statutory financial statements under Belgian GAAP;
- the proposed allocation of the Company's profit or loss;
- the discharge of liability to the directors and the auditor;
- the approval of the remuneration report included in the annual report of the Board of Directors;
- the (re-) appointment or dismissal of all or certain directors (as the case may be); and
- the (re-) appointment or dismissal of the auditor (as the case may be).

In addition, as relevant, the shareholders' meeting must also decide on the approval of the remuneration of the directors and the auditor for the exercise of their mandate, and on the approval of provisions of service agreements to be entered into with executive directors, members of the management team and other executives providing (as the case may be) for severance payments exceeding 12 months' remuneration (or, subject to a motivated opinion by the Nomination and Remuneration Committee, 18 months' remuneration).

4.5.3.2 Other shareholders' meetings

The Board of Directors or the auditor (or the liquidator(s), as the case may be) may, whenever the interest of the Company so requires, convene a shareholders' meeting.

The Board of Directors must convene a shareholders' meeting if one or more shareholders representing 20% of the Company's issued share capital so request. Said request shall specify the agenda items to be included in the convocation notice.

4.5.3.3 Convening notices

The convocation notice for the shareholders' meeting must include:

- the place, date and hour of the meeting; and
- the agenda of the meeting indicating the items to be discussed as well as any draft resolutions.

The notice needs to contain a description of the formalities that shareholders must fulfil in order to be admitted to the shareholders' meeting and exercise their voting right, information on the manner in which shareholders can put additional items on the agenda of the shareholders' meeting and table draft resolutions, information on the

manner in which shareholders can ask questions during the shareholders' meeting, information on the procedure to participate to the shareholders' meeting by means of a proxy or to vote by means of a remote vote, and the registration date for the shareholders' meeting.

The notice must also mention where shareholders can obtain a copy of the documentation that will be submitted to the shareholders' meeting, the agenda with the proposed draft resolutions or, if no resolutions are proposed, a commentary by the Board of Directors, updates of the agenda if shareholders have put additional items or draft resolutions on the agenda, the forms to vote by proxy or by means of a remote vote, and the address of the webpage on which the documentation and information relating to the shareholders' meeting will be made available. This documentation and information, together with the notice and the total number of outstanding voting rights, must also be made available on the Company's website at the same time as the publication of the convocation notice for the shareholders' meeting.

At least 30 days prior to the date of the shareholders' meeting, the convocation notice must be published:

- in the Belgian Official Gazette (*Moniteur belge*);
- in a nation-wide newspaper (except if the relevant meeting is an ordinary shareholders' meeting held at the municipality, place, date and hour mentioned in the articles of association and its agenda is limited to the review of the annual financial statements, the annual report of the Board of Directors, the report of the auditor, the vote on the discharge of the directors and the auditor and the matters described in article 554, paragraph 3 and 4 of the Belgian Company Code); and
- in media of which it reasonably can be expected that they will ensure an effective distribution of the information among the public in the EEA and which is accessible quickly and in a non-discriminatory manner.

Convocation notices must be sent 30 days prior to the shareholders' meeting to the holders of registered shares, holders of registered bonds, holders of registered warrants, holders of registered certificates issued with the co-operation of the Company (if any), and, as the case may be, to the directors and auditor. This communication is made by letter unless the addressees have individually and expressly accepted in writing to receive the notice by another form of communication, in accordance with article 533 of the Belgian Company Code. The convocation notice and the other documents referred to above are also made available on the Company's website as of the date of the publication of the convening notice.

The term of 30 days prior to the date of the shareholders' meeting for the publication and distribution of the convening notice can be reduced to 17 days for a second meeting if the applicable quorum for the meeting is not reached at the first meeting, the date of the second meeting was mentioned in the notice for the first meeting and no new item is put on the agenda of the second meeting.

4.5.3.4 Formalities to attend the shareholders' meeting

All holders of shares, warrants and bonds issued by the Company and all holders of certificates issued with the co-operation of the Company (if any) may attend the shareholders' meeting. Only shareholders, however, may vote at shareholders' meetings. If any holder of securities other than shares wishes to attend a shareholders' meeting, it must comply with the same formalities as those imposed on the shareholders.

The fourteenth day prior to the shareholders' meeting, at 24:00 (Brussels time), constitutes the registration date. A shareholder can only participate to a shareholders' meeting and exercise its voting right provided that its shares are registered in its name on the registration date (and irrespective of the number of Shares the shareholder holds at the date of the shareholders' meeting). For registered shares, this is the registration of the shares in the Company's shareholders' register, and for dematerialized shares, this is the registration of the shares in the accounts of a certified account holder or settlement institution in accordance with article 536 of the Belgian Company Code. The convocation notice to the shareholders' meeting must explicitly mention the registration date.

The shareholder must also notify the Company (or any person so appointed by the Company) whether it intends to participate to the shareholders' meeting, at the latest on the sixth day before the date of such meeting.

Prior to participating to the shareholders' meeting, the holders of securities or their proxy holders must sign the attendance list, thereby mentioning: (i) the identity of the holder of securities, (ii) if applicable, the identity of the proxy holder and (iii) the number of securities they represent. The representatives of shareholders-legal entities must present the documents evidencing their quality as legal body or special proxy holder of such legal entity. In addition, the proxy holders must present the original of their proxy evidencing their powers, unless the convocation notice required the prior deposit of such proxies. The physical persons taking part in the shareholders' meeting must be able to prove their identity.

4.5.3.5 Voting by proxy

Each shareholder has, subject to compliance with the requirements set forth above to attend shareholders' meetings, the right to attend a shareholders' meeting and to vote at such meeting in person or through a proxy holder. The Board of Directors can request the participants to the meeting to use a model of proxy (with voting instructions), which must be deposited at the Company's registered office or at a place specified in the notice convening the shareholders' meeting at the latest six days prior to the meeting. The appointment of a proxy holder must be made in accordance with the applicable rules of Belgian law, including in relation to conflicts of interest and the keeping of a register.

4.5.3.6 Quorums and majorities

In general, there is no attendance quorum requirement for a shareholders' meeting and decisions are generally passed with a simple majority of the votes of the shares present or represented at the meeting.

However, decisions regarding:

- amendments of the articles of association;
- an increase or decrease of the Company's share capital (other than a capital increase decided by the Board of Directors pursuant to the authorised share capital;
- the Company's dissolution, mergers, de-mergers and certain other reorganisations of the Company;
- the issue of convertible bonds or bonds with warrants or the issue of warrants; and
- certain other matters referred to in the Belgian Company Code,

require a presence quorum of 50% of the share capital of the Company and a majority of at least 75% of the votes cast, with the exception of an amendment of the Company's corporate purpose and, subject certain exceptions, the acquisition of own shares (see Section 4.5.6 "Acquisition of the Company's shares"), which require the approval of at least 80% of the votes cast at a shareholders' meeting, which can only validly pass such resolution if at least 50% of the Company's share capital and at least 50% of the profit certificates, if any, are present or represented.

In the event where the required quorum is not present or represented at the first meeting, a second meeting needs to be convened through a new notice. The second shareholders' meeting may validly deliberate and decide regardless of the number of shares present or represented.

4.5.3.7 Right to add items to the agenda and file draft resolutions

In accordance with article 533ter of the Belgian Company Code, one or more shareholders holding at least 3% of the Company's share capital have the right to add new items on the agenda of a shareholders' meeting and to file draft resolutions concerning items that were or will be included on the agenda of a shareholders' meeting. This right does not apply to shareholders' meetings that are being convened on the grounds that the presence quorum was not met at the first duly convened meeting.

Shareholders who exercise this right must comply with the following two conditions for the proposal(s) to be eligible for consideration at the shareholders' meeting: (i) they must prove that they hold the abovementioned percentage of shares on the date of their request (either by producing a certificate of registration of those shares in the Company's shareholders' register, or by producing a certificate from a certified account holder or settlement institution evidencing that the relevant number of dematerialised shares are registered in their name in the accounts of such certified account holder or settlement institution) and (ii) they must demonstrate that they still hold the abovementioned percentage of shares on the registration date.

The Company must receive requests to add new items on the agenda of shareholders' meetings and to file draft resolutions at the latest 22 days prior to the date of the shareholders' meeting. The revised agenda must be published by the Company at the latest 15 days prior to the date of the shareholders' meeting.

4.5.3.8 Right to ask questions

In accordance with article 540 of the Belgian Company Code, shareholders have a right to ask questions to the directors in connection with the report of the Board of Directors or the items on the agenda of such shareholders' meeting. Shareholders can also ask questions to the auditor in connection with its report. Such questions can be submitted in writing prior to the meeting or can be raised at the meeting. Written questions must be received by the Company no later than the sixth day prior to the meeting.

Written and oral questions will be answered during the meeting in accordance with applicable law. In addition, in order for written questions to be considered, the shareholders who submitted the written questions concerned must comply with the requirements set forth above to attend shareholders' meetings.

4.5.4 *Preferential subscription right*

In the event of a capital increase in cash with issue of new shares, or in the event of an issue of convertible bonds or warrants exercisable in cash, the shareholders have a preferential right to subscribe for the new shares, convertible bonds or warrants, pro rata to the part of the share capital represented by the shares that they already hold. The shareholders' meeting may decide to limit or cancel such preferential subscription right, subject to specific substantive and reporting requirements. Such decision must satisfy the same quorum and majority requirements as the decision to increase the Company's share capital.

The shareholders can also decide to authorise the Board of Directors to limit or cancel the preferential subscription right within the framework of the authorised capital, subject to the terms and conditions set forth in the Belgian Company Code. In principle, the authorisation of the Board of Directors to increase the share capital of the Company through contributions in cash with cancellation or limitation of the preferential right of the existing shareholders is suspended as of the notification to the Company by the FSMA of a public takeover bid on the shares of the Company. The shareholders' meeting can, however, authorise the Board of Directors to increase the share capital by issuing further shares, not representing more than 10% of the shares of the Company at the time of such a public takeover bid.

In accordance with the Articles of Association, on 9 July 2018, the extraordinary shareholders' meeting of the Company granted the authorisation to the Board of Directors to increase the Company's share capital in one or several times, in accordance with articles 604 juncto 607, para. 2, 2° of the Belgian Company Code, for a period of five years from the date of the publications of the resolution in the Annexes to the Belgian Official Gazette (*Moniteur Belge*), with a global maximum amount of 11,043,220.58 € on the same terms as currently provided for in article 7 of the Articles of Association, including in case of reception by the Company of a communication by the FSMA stating that the FSMA has been informed of a public takeover bid regarding the Company.

4.5.5 *Dissolution and liquidation*

The Company can only be dissolved by a shareholders' resolution passed with a majority of at least 75% of the votes at an extraordinary shareholders' meeting where at least 50% of the share capital is present or represented.

If, as a result of losses incurred, the ratio of the Company's net assets (determined in accordance with Belgian GAAP) to share capital is less than 50%, the Board of Directors must convene a shareholders' meeting within two months from the date the Board of Directors discovered or should have discovered this undercapitalisation. At such shareholders' meeting, the Board of Directors must propose either the dissolution of the Company, or the continuation of the Company's activities, in which case the Board of Directors must propose measures to redress the Company's financial situation. Shareholders representing at least 75% of the votes validly cast at this meeting can decide to dissolve the Company, provided that at least 50% of the Company's share capital is present or represented at the shareholders' meeting.

If, as a result of losses incurred, the ratio of the Company's net assets to share capital is less than 25%, the same procedure must be followed, it being understood, however, that in such event shareholders representing 25% of the votes validly cast at the shareholders' meeting can decide to dissolve the Company.

If the amount of the Company's net assets fall below € 61,500 (the minimum amount of share capital of a Belgian public limited liability company (*société anonyme*)), each interested party is entitled to request the competent court to dissolve the Company. The court may order the dissolution of the Company or grant a grace period within which the Company is allowed to remedy the situation.

In case of dissolution of the Company for whatever reason, the shareholders' meeting shall appoint and dismiss the liquidator(s), determine their powers and the manner of liquidation. The shareholders' meeting shall fix the remuneration of the liquidator(s), if any.

The liquidators can only take up their function after confirmation of their appointment by the shareholders' meeting by the competent Commercial Court pursuant to Article 184 of the Belgian Company Code.

After settlement of all debts, charges and expenses relating to the liquidation, the net assets shall be equally distributed amongst all shares, after deduction of that portion of such shares that are not fully paid-up, if any.

4.5.6 *Acquisition of the Company's shares*

In accordance with the Belgian Company Code, the Company can only purchase and sell its own shares by virtue of a special shareholders' resolution approved by at least 80% of the votes validly cast at a shareholders' meeting where at least 50% of the share capital and at least 50% of the profit certificates, if any, are present or represented. The prior approval by the shareholders is not required if the Company purchases its own shares to offer them to its personnel.

In accordance with the Belgian Company Code, an offer to purchase shares must be made by way of an offer to all shareholders under the same conditions. This does not apply to (i) the acquisition of shares by companies listed on a regulated market and companies whose shares are admitted to trading on a multilateral trading facility (an "**MTF**"), provided that the company ensures equal treatment of shareholders finding themselves in the same circumstances by offering an equivalent price (which is assumed to be the case: (a) if the transaction is executed in the central order book of a regulated market or MTF; or (b) if it is not so executed in the central order book of a regulated market or MTF, in case the offered price is lower than or equal to the highest actual independent bid price in the central order book of a regulated market or (if not listed on a regulated market) of the MTF offering the highest liquidity in the share); or (ii) the acquisition of shares that has been unanimously decided by the shareholders at a meeting where all shareholders were present or represented.

A company can only acquire its own shares with funds that would otherwise be available for distribution to the company's shareholders pursuant to Article 617 of the Belgian Company Code.

The total amount of own shares held by a company can at no time be higher than 20% of its share capital. At the date of this Prospectus, the Board of Directors of the Company was not authorised by the shareholders' meeting to purchase its own shares and neither do the Articles of Association authorise the Board of Directors to purchase own shares in case of imminent serious harm to the Company in accordance with Article 620, §1, paragraph 3 of the Belgian Company Code.

4.6 Takeover bids, squeeze-out and sell-out rules

4.6.1 *Takeover bids*

The Directive 2004/25/EC of the European Parliament and the Council dated 21 April 2004 on takeover bids (the "**Takeover Directive**") sets forth the principles governing the choice of laws applicable to the Company in the context of a takeover bid for the shares of the Company. Article 4-2(c) of the Takeover Directive provides that if the securities of a company subject to the offer were first admitted to trading on regulated markets in more than one Member State simultaneously, the offeree company shall determine which of the supervisory authorities of those Member States shall be the authority competent to supervise the bid by notifying those regulated markets and their supervisory authorities on the first day of trading.

Article 4.2 (e) of the Takeover Directive also provides that matters relating to the consideration offered in the case of an offer, in particular the price and matters relating to the offer procedure, in particular the information on the offeror's decision to make an offer, the contents of the offer document and the disclosure of the offer, shall be dealt with in accordance with the rules of the Member State of the competent authority. As to matters relating to the information to be provided to the employees of the offered company and matters relating to corporate law, in particular the percentage of voting rights which confers control and any exemption from the obligation to launch an offer, as well as the conditions under which the supervisory board of the offeree company may undertake any action which might result in the frustration of an offer, the applicable rules and the competent authority shall be those of the Member State in which the offeree company has its registered office.

These provisions have been implemented in Belgium by the Law of 1 April 2007 on public takeover bids (*Loi du 1er avril 2007 relative aux offres publiques d'acquisition*), as implemented by the Royal Decree of 27 April 2007 on public takeover bids (*Arrêté royal du 27 avril 2007 relatif aux offres publiques d'acquisition*) and the Royal Decree of 27 April 2007 on public squeeze-outs (*Arrêté royal du 27 avril 2007 relatif aux offres publiques de reprise*) (for the latter, see below under Section 4.6 "Takeover bids, squeeze-out and sell-out rules").

The Company has chosen the FSMA as competent authority. As a consequence, Belgian laws and regulations will fully apply and public takeover bids on the Company's shares and other securities granting access to voting rights (such as warrants or convertible bonds, if any) will be subject to supervision by the FSMA. In accordance with article 6.2 of the Takeover Directive, the takeover bid documents approved by the FSMA will be recognized in full in France, subject to any translation required, without the need to obtain the approval of the AMF. The AMF may however require the inclusion of additional information regarding the formalities to be complied with to accept the takeover bid and to receive the consideration due at the close of the takeover bid as well as to the tax arrangements to which the consideration offered to the holders of the securities will be subject.

Public takeover bids must be made for all of the Company's voting securities, as well as for all other securities issued by the Company that entitle the holders thereof to the subscription for, or the conversion in, voting securities. Prior to making an offer, an offeror must issue and disseminate an offer document, which must be approved by the FSMA. The offeror must also obtain approval of the relevant competition authorities, where such approval is legally required for the acquisition of the shares of the target.

All shareholders and warrant holders (and holders of other securities granting access to voting rights issued by the target company) must have equal rights to contribute their securities in any public takeover bid. Furthermore, whenever a person (as a result of its own acquisition or the acquisition by persons acting in concert with it or by persons acting for their account, directly or indirectly) acquires more than 30% of the voting securities of a company that are (at least in part) admitted to trading on a regulated market, such person must launch a mandatory takeover bid for all the voting securities and securities granting access to voting securities issued by the target company. In general and except for certain exceptions, the mere fact of exceeding the relevant threshold as a result of an acquisition will give rise to the obligation to launch a mandatory takeover bid, irrespective of whether or not the price paid in the relevant transaction exceeds the then current market price.

In such an event, the takeover bid must be launched at a price equal to the higher of the two following amounts: (i) the highest price paid by the offeror or the persons acting in concert with it for the acquisition of the relevant securities during the last 12 calendar months; and (ii) the average trading price during the last 30 days before the obligation to launch a takeover bid arose. No mandatory takeover bid is required, amongst other things, when the acquisition is the result of a subscription for a capital increase with application of the preferential subscription rights of the shareholders as decided by the shareholders' meeting.

The price for the acquisition of the shares can be in cash or in securities. In the event of a mandatory takeover bid or a voluntary takeover bid launched by an offeror who controls the target, if a price composed of securities is offered, a cash alternative must also be offered in the event that: (i) the price does not consist of liquid securities admitted to trading on a regulated market; or (ii) the offeror, or a person acting in concert with it, acquired shares for cash during a period of 12 calendar months preceding the publication of the takeover bid or during the takeover bid period (whereby these shares, in the event of a voluntary takeover bid by a controlling shareholder, represent more than 1% of the outstanding voting securities).

Where the voluntary takeover bid is launched by a controlling shareholder, the price must be supported by a fairness opinion issued by an independent expert. In addition, in any cases, the Board of Directors of the target company is required to publish its opinion concerning the takeover bid, as well as its comments on the offer document.

The acceptance period for the takeover bid must be at least two weeks and may not exceed ten weeks.

In principle, from the date of the FSMA's notification to the Company of a public takeover bid on the financial instruments of the Company, the authorization of the Board of Directors to increase the Company's share capital in cash or in kind, while limiting or cancelling the preferential subscription right, is suspended. However, the Company's extraordinary shareholders' meeting held on 9 July 2018 expressly granted the Board of Directors the authority to increase the Company's share capital, in one or several times, from the date of the FSMA's notification to the Company of a public takeover bid on the financial instruments of the Company and subject to the limitations imposed by the Belgian Company Code. This authorization became effective as per 9 July 2018 and was be granted for a period of three years.

A Belgian public limited liability company (*société anonyme*) can acquire, dispose of, or pledge its own shares, profit certificates or any certificates relating thereto subject to compliance with the relevant legal provisions. In particular, the shareholders' meeting can authorise the Board of Directors to, without any resolution of the shareholders' meeting, purchase and keep the Company's own shares when such is necessary to "to avoid imminent and serious danger to the Company" within the meaning of article 620 of the Belgian Company Code. If granted, such authorisation is valid for a period of three years as of the publication thereof in the Annexes to the Belgian Official Gazette (*Moniteur belge*). On the date of this Securities Note, such authorisation has not been granted to the Board of Directors of the Company.

The Articles of Association do not provide for any other specific protective mechanisms against public takeover bids.

4.6.2 *Squeeze-out and sell-out*

Pursuant to Article 513 of the Belgian Company Code, a person or legal entity, acting alone or in concert, who owns 95% of the voting securities in a company having made a public call on savings, such as the Company, can acquire all of the outstanding voting securities or securities granting access to such voting securities in the

Company following a squeeze-out offer. The securities that are not voluntarily tendered in response to such offer are deemed to be automatically transferred to the offeror at the end of the procedure. At the end of the procedure, the Company is no longer deemed to be a company having made a public call on savings, unless bonds issued by the Company, if any, are still spread across the public. The consideration paid for the securities must be in cash and must represent the fair value of the securities with a view to safeguarding the interests of the holders of voting securities and securities granting access to such voting securities.

The Takeover Law and the Takeover Decree provide for certain rules on the squeeze-out by majority shareholders of the minority shareholders and on the sell-out right of the minority shareholders. If, as a result of a (reopened) public takeover bid, a bidder (together with any person acting in concert with the bidder) holds 95% or more of the voting capital and 95% of the voting securities of the target company, and provided that, in case of a voluntary public takeover bid, the bidder acquired securities representing at least 90% of the voting capital to which the public takeover bid relates, then the bidder can proceed with a simplified squeeze-out in accordance with article 42 of the Takeover Decree, provided that all conditions for such simplified squeeze-out are met, to acquire the securities not yet acquired by the bidder (or any other person deemed to act in concert with the bidder).

Also, if, as a result of such a (reopened) public takeover bid, a bidder (together with any person acting in concert with the bidder) holds 95% or more of the voting capital and 95% or more of the voting securities of the target company, and provided that the bidder acquired securities representing at least 90% of the voting capital to which the public takeover bid relates, each security holder has the right to require the bidder take over its securities against the offer price in accordance with article 44 of the Takeover Decree.

4.7 Takeover bids instigated by third parties during the previous financial year and the current financial year

No takeover bid has been instigated by third parties in respect of the Company's equity during the previous financial year and the current financial year.

4.8 Taxation in Belgium

The following is a summary of the principal Belgian tax consequences for investors relating to the acquisition, the ownership and disposal of the shares. This summary is based on the Company's understanding of the applicable laws, treaties and regulatory interpretations as in effect in Belgium on the date of this Prospectus, all of which are subject to change, including changes that could have a retroactive effect.

This summary does not purport to address all tax consequences associated with the acquisition, ownership and disposal of the shares, and does not take into account the specific circumstances of any particular investor or the tax laws of any country other than Belgium. Moreover, it does not address specific rules, such as Belgian federal or regional estate and gift tax, nor the tax treatment of investors who are subject to special rules, such as financial institutions, insurance companies, collective investment undertakings, dealers in securities or currencies or persons who hold the shares as a position in a straddle, share-repurchase transactions, conversion transactions, a synthetic security or other integrated financial transaction. This summary does not address the local taxes that may be due in connection with an investment in shares, other than Belgian local surcharges which generally vary from 0% to 10% of the investor's income tax liability.

For the purposes of this summary, a resident investor is:

- an individual subject to Belgian personal income tax, i.e. an individual having its domicile or seat of wealth in Belgium or assimilated individuals for purposes of Belgian tax law;
- a company (as defined by Belgian tax law) subject to Belgian corporate income tax, i.e. a company having its registered seat, principal establishment, administrative seat or effective place of management in Belgium (and that is not excluded from the scope of the Belgian corporate income tax); or
- a legal entity subject to the Belgian tax on legal entities, i.e. a legal entity other than a company subject to Belgian corporate income tax having its registered seat, principal establishment, administrative seat or effective place of management in Belgium.

A non-resident investor is any individual, company or legal entity that does not fall in any of the three previous classes.

This summary does not address the tax regime applicable to shares held by Belgian tax residents through a fixed basis or a permanent establishment situated outside Belgium.

Investors should consult their own advisers regarding the tax consequences of an investment in the shares in light of their particular situation, including the effect of any state, local or other national laws, treaties and regulatory interpretations thereof.

4.8.1 *Dividends*

For Belgian income tax purposes, the gross amount of all benefits paid on or attributed to the shares is generally treated as a dividend distribution.

By way of exception, the repayment of capital carried out in accordance with the Belgian Companies Code is not treated as a dividend distribution to the extent that such repayment is imputed to fiscal capital. Generally, fiscal capital includes paid-up statutory capital and, subject to certain conditions, paid-up share premiums and the amounts subscribed to at the time of the issuance of profit participating certificates. Whether a repayment is imputed to fiscal capital will depend on the company's taxed (and certain untaxed) reserves. Any capital reduction will be deemed to be paid out on a pro rata basis of the Company's fiscal capital and its relevant reserves (ie and in the following order: any taxed reserve incorporated in the statutory capital, any taxed reserve not incorporated in its statutory capital and any tax-exempt reserve incorporated in the statutory capital). The portion of the capital reduction that is deemed to be paid out of the reserves will be considered as a dividend distribution.

Belgian withholding tax of 30% is normally levied on dividends, subject to such relief as may be available under applicable domestic or tax treaty provisions.

In the case of a redemption of the shares, the redemption distribution (after deduction of the part of the fiscal capital represented by the redeemed shares) will be treated as a dividend subject to a Belgian withholding tax of 30%, subject to such relief as may be available under applicable domestic or tax treaty provisions. No withholding tax will be triggered if this redemption is carried out on a stock exchange and meets certain conditions.

In case of liquidation of the Company, any amounts distributed in excess of the fiscal capital will in principle be subject to a 30% withholding tax, subject to such relief as may be available under applicable domestic provisions.

4.8.1.1 Resident individuals

For Belgian resident individuals who acquire and hold the shares as a private investment, the Belgian dividend withholding tax fully discharges their personal income tax liability. This means that they do not have to declare the dividends in their personal income tax return and that the Belgian withholding tax constitutes a final tax.

They may nevertheless opt to report the dividends in their personal income tax return. Belgian resident individuals who report the dividends in their personal income tax return will normally be taxable at the lower of the generally applicable 30% Belgian withholding tax rate on dividends or at the progressive personal income tax rates applicable to their overall declared income. If the beneficiary reports the dividends, any income tax due on such dividends will not be increased by communal surcharges. In addition, if the dividends are reported, the Belgian dividend withholding tax levied at source may, in both cases, be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due, provided that the dividend distribution does not result in a reduction in value of or a capital loss on the shares of the Company. The latter condition is not applicable if the individual can demonstrate that it has held shares in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends. For dividends paid or attributed as of January 1, 2018, an exemption from personal income tax could in principle be claimed by Belgian resident individuals in their personal income tax return for a first tranche of dividend income up to the amount of EUR 640 (for income year 2018) or EUR 800 (as of income year 2019 onwards). For the avoidance of doubt, all reported dividends (not only dividends distributed on the shares) are taken into account to assess whether said maximum amount is reached (and hence not only the amount of dividends paid or attributed on the shares).

For resident individuals who acquire and hold the shares for professional purposes, the Belgian withholding tax does not fully discharge their income tax liability. Dividends received must be declared by the investor and will, in such a case, be taxable at the investor's progressive personal income tax rates (of up to 50%, plus local surcharges). The Belgian withholding tax levied at source may be credited against the personal income tax due and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the investor must have held full legal ownership of the Company's shares at the time of payment or attribution of the dividends and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on, the Company's shares. The latter condition is not applicable if the investor demonstrates that he has held full legal ownership of the Company's shares during an uninterrupted period of 12 months prior to the payment or attribution of the dividends.

4.8.1.2 Resident companies

Corporate income tax

For resident companies, the gross dividend income (including the Belgian withholding tax levied) must be declared in the corporate income tax return and will generally be taxable at the standard corporate income tax rate of 29.58% (including the 2% crisis surcharge) and 25% as of 2020 (i.e. for financial years starting on or after January 1, 2020). Subject to certain conditions, a reduced corporate income tax rate of 20.4% (including the 2% crisis surcharge) and 20% as of 2020 (i.e. for financial years starting on or after January 1, 2020) applies for Small and Medium Sized Enterprises (as defined by Article 15, §1 to §6 of the Belgian Companies Code) on the first EUR 100,000 of taxable profits.

Belgian resident companies can deduct 100% of the gross dividend received from their taxable income (the "**Dividend Received Deduction**"), provided that at the time of a dividend payment or attribution: (i) the Belgian resident company holds shares representing at least 10% of the share capital of the Company or a participation in the Company with an acquisition value of at least EUR 2,500,000 (it being understood that only one out of the two tests must be satisfied); (ii) the shares of the Company have been or will be held in full ownership for an uninterrupted period of at least one year immediately prior to the payment or attribution of the dividend; and (iii) the conditions relating to the taxation of the underlying distributed income, as described in Article 203 of the Belgian Income Tax Code (the "**Article 203 BITC Taxation Condition**") are met (together, the "**Conditions for the application of the Dividend Received Deduction regime**").

Conditions (i) and (ii) above are, in principle, not applicable for dividend received by an investment company within the meaning of art. 2, §1, 5°, f) of the Belgian Income Tax Code ("**BITC**"). The Conditions for the application of the dividend received deduction regime depend on a factual analysis and for this reason the availability of this regime should be verified upon each dividend distribution.

Any Belgian dividend withholding tax levied at source may, in principle, be credited against the corporate income tax due and is reimbursable to the extent that it exceeds the investor's corporate income tax due, subject to two conditions: (i) the investor must have held the full legal ownership of the shares at the time of payment or attribution of the dividends, and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on, the Company's shares. The latter condition is not applicable (A) if the investor demonstrates that it has held the Company's shares in full legal ownership during an uninterrupted period of 12 months prior to the payment or attribution of the dividends or (B) if, during that period, the Company's shares never belonged to a taxpayer other than a resident company or a non-resident company that held the Company's shares in an uninterrupted manner through a permanent establishment in Belgium.

Withholding tax

Dividends distributed to a resident company will be exempt from Belgian withholding tax provided that the Belgian resident company holds, upon payment or attribution of the dividends, at least 10% of the Company's share capital and such minimum participation is held or will be held during an uninterrupted period of at least one year.

In order to benefit from this exemption, the investor must provide the Company or its paying agent with a certificate confirming its qualifying status and the fact that it meets the two required conditions. If the investor holds a minimum participation for less than one year, at the time the dividends are paid on or attributed, the Company will levy the withholding tax but will not transfer it to the Belgian Treasury provided that the investor certifies its qualifying status, the date from which it has held such minimum participation, its commitment to hold the minimum participation for an uninterrupted period of at least one year and its commitment to immediately notify to the Company or its paying agent a reduction of its shareholding below such threshold prior to the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the levied dividend withholding tax will be passed on to the investor.

4.8.1.3 Organisations for Financing Pensions

For organisations for financing of pensions ("**OFPs**"), i.e. Belgian pension funds incorporated under the form of an OFP (*organismes de financement de pensions*) within the meaning of Article 8 of the Belgian Law of 27 October 2006, dividend income is generally tax exempt. Subject to certain limitations, any Belgian withholding tax levied at source may be credited against the final income tax due and is reimbursable to the extent that it exceeds the investor's income tax due.

4.8.1.4 Resident legal entities

For resident legal entities subject to the Belgian income tax on legal entities, the Belgian withholding tax levied at source generally constitutes their final tax liability.

4.8.1.5 Non-residents

Belgian dividend withholding tax for non-resident

For non-resident individuals, corporations or other legal entities the withholding tax levied at source will be the only tax on dividends in Belgium, unless the non-resident holds Company's shares in connection with a business conducted in Belgium through a fixed base in Belgium or a permanent establishment in Belgium.

If the Company's shares are acquired or held by a non-resident in connection with a business conducted in Belgium through a fixed base in Belgium or a permanent establishment in Belgium, the investor must report any dividends received in its Belgian income tax return and the dividends will be taxable at the applicable non-resident individual or corporate income tax rate, as appropriate. Withholding tax levied at source may then be credited against non-resident individual or corporate income tax and is reimbursable to the extent that it exceeds the income tax due, subject to two conditions: (i) the investor must have held full legal ownership of the shares at the time of payment or attribution of the dividends and (ii) the dividend distribution may not result in a reduction in value of, or a capital loss on, the Company's shares. The latter condition is not applicable if (i) the non-resident individual or the non-resident company demonstrates that the Company's shares were held in full legal ownership for an uninterrupted period of 12 months prior to the payment or attribution of the dividends or (ii) with regard to non-resident companies only, if, during the said period, the Company's shares have not belonged to a taxpayer other than a resident company or a non-resident company that held the Company's shares in an uninterrupted manner through a permanent establishment in Belgium.

Non-resident companies whose Company's shares are invested in a permanent establishment may deduct up to 100% of the gross dividends included in their taxable profits if, at the date dividends are paid or attributed, the Conditions for the application of the Dividend Received Deduction regime are met. Application of the Dividend Received Deduction regime depends, however, on a factual analysis to be made upon each distribution and its availability should be verified upon each distribution.

Belgian dividend withholding tax relief for non-residents

Dividends distributed to non-resident companies established in a Member State of the EU or in a country with which Belgium has concluded a double tax treaty that includes a qualifying exchange of information clause and qualifying as a parent company, will be exempt from Belgian withholding tax provided that Company's shares held by the non-resident company, upon payment or attribution of the dividends, amount to at least 10% of the Company's share capital and such minimum participation is held or will be held during an uninterrupted period of at least one year. A company qualifies as a parent company provided that (i) for companies established in a Member State of the EU, it has a legal form as listed in the annex to the EU Parent-Subsidiary Directive of November 30, 2011 (2011/96/UE), or, for companies established in a country with which Belgium has concluded a qualifying double tax treaty it has a legal form similar to the ones listed in such annex, (ii) it is considered to be a tax resident according to the tax laws of the country where it is established and the double tax treaties concluded between such country and third countries, and (iii) it is subject to corporate income tax or a similar tax without benefiting from a tax regime that derogates from the ordinary tax regime.

In order to benefit from this exemption, the investor must provide the Company or its paying agent with a certificate confirming its qualifying status and the fact that it meets the three abovementioned conditions. If the investor holds a minimum participation for less than one year, at the time the dividends are paid on or attributed to the Company's shares, the Company or the paying agent will levy the withholding tax but will not transfer it to the Belgian Treasury provided that the investor certifies its qualifying status, the date from which the investor has held such minimum participation, its commitment to hold the minimum participation for an uninterrupted period of at least one year and its commitment to immediately notify the Company of a reduction of its shareholding below such threshold prior to the end of the one-year holding period. Upon satisfying the one-year shareholding requirement, the levied dividend withholding tax will be passed on to the investor.

Under Belgian tax law, withholding tax is also not due on dividends paid to a non-resident pension fund which satisfies the following conditions: (i) to be a legal entity with fiscal residence outside of Belgium and without a Belgian establishment, (ii) whose corporate purpose consists solely in managing and investing funds collected in order to serve legal or complementary pension schemes, (iii) whose activity is limited to the investment of funds collected in the exercise of its statutory mission, without any profit making aim, (iv) which is exempt from income tax in its country of residence, and (v) provided that it is not contractually obligated to remit or transfer the dividends received to any ultimate beneficiary of such dividends for whom it would manage the shares, nor obligated to pay a manufactured dividend with respect to the shares under a securities borrowing transaction. The exemption will only apply if the non-resident pension fund provides a certificate confirming that it is the full legal owner or usufruct holder of the Company's shares and that the above conditions are satisfied.

If there is no exemption or reduced rate available under Belgian domestic law, the Belgian withholding tax can potentially be reduced for non-resident investors pursuant to the bilateral tax treaty concluded between Belgium and the state of residence of the investor. Belgium has concluded tax treaties with over 95 countries, reducing the dividend withholding tax rate to 20%, 15%, 10%, 5% or 0% for residents of such countries, subject to conditions relating, amongst others, to the size of the shareholding and certain identification formalities. Such reduction may be obtained either directly at source or through a refund of taxes withheld in excess of the applicable tax treaty rate.

Prospective investors should consult their own tax advisors as to whether they qualify for a reduction of, or exemption from, Belgian withholding tax upon payment or attribution of dividends, and as to the procedural requirements for obtaining such a reduction or exemption.

Dividends paid or to Belgian non-resident individuals who do not use the shares in the exercise of a professional activity, may be exempt from Belgian non-resident individual income tax up to the amount of EUR 640 (for income year 2018) or EUR 800 (for income year 2019). Consequently, if Belgian withholding tax has been levied on dividends paid or attributed to the shares, such Belgian non-resident individual may request in his or her Belgian non-resident income tax return that any Belgian withholding tax levied on dividends up to the amount of EUR 640 (for income year 2018) or EUR 800 (as of income year 2019 onwards) be credited and, as the case may be, reimbursed. However, if no such Belgian income tax return has to be filed by the Belgian non-resident individual, any Belgian withholding tax levied on such an amount could in principle be reclaimed by filing a request thereto addressed to the tax administration. Such a request has to be made at the latest on December 31 of the calendar year following the calendar year in which the relevant dividend(s) have been received, together with an affidavit confirming the non-resident individual status and certain other formalities. For the avoidance of doubt, all dividends paid or attributed to the Belgian non-resident individual are taken into account to assess whether the maximum amount of EUR 640 (for income year 2018) or EUR 800 (as of income year 2019 onwards) is reached (and hence not only the amount of dividends paid or attributed on the shares).

4.8.2 *Capital gains and losses*

4.8.2.1 Resident individuals

For resident individuals acquiring and holding the Company's shares as a private investment, capital gains realised upon the transfer of the shares are generally not subject to Belgian income tax. However, resident individuals may be subject to a 33% income tax (to be increased with local surcharges) if the capital gain on the shares is deemed to be speculative or realised outside the scope of the normal management of their private estate. Moreover, capital gains realised by Belgian resident individuals on the disposal of the Company's shares for consideration, outside the exercise of a professional activity, to a legal person that has its registered office, its principal establishment, or place of management outside the European Economic Area, are in principle taxable at a rate of 16.5% (plus local surcharges) if, at any time during the five years preceding the sale, the Belgian resident individual has owned directly or indirectly, alone or with his/her spouse or with certain relatives, a substantial shareholding in the Company (*i.e.*, a shareholding of more than 25% in the Company). Capital losses arising from such transactions are, however, not tax deductible.

For resident individuals holding the Company's shares for professional purposes, capital gains realised upon transfer of shares shall be taxable at the normal progressive personal income tax rates (which are currently in the range of 25% to 50%, plus local surcharges), except for Company's shares held for more than five years, which are taxable at a separate rate of 16.5% (plus local surcharges). Capital losses on the Company's shares incurred by resident individuals holding the shares for professional purposes are in principle tax deductible.

Capital gains realised by resident individuals upon redemption of the Company's shares or upon liquidation of the Company will in principle be taxed as dividend income (see above).

4.8.2.2 Resident companies

Belgian resident companies are not subject to Belgian corporate income tax on gains realised upon the disposal of shares of the Company provided that: (i) the Belgian resident company holds shares representing at least 10% of the share capital of the Company or a participation in the Company with an acquisition value of at least EUR 2,500,000and (ii) the shares have been held in full legal ownership for an uninterrupted period of at least one year.

If condition (ii) is note met, the capital gains realised upon the disposal of Shares of the Company by a Belgian resident company are taxable at a separate corporate income tax rate of 25.5% (including the 2% crisis surcharge) and at the ordinary corporate income tax rate of 25% as of 2020 (i.e. financial years starting on or after 1 January 2020). If condition (i) is not met or none of the condition is met , the capital gains realised upon the disposal of

shares in the Company will be taxable at the ordinary corporate income tax rate as applicable in the relevant financial yearelgian resident companies are not subject to Belgian capital gains taxation on gains realized upon the disposal of shares of the Company provided that: (i) the Belgian resident company holds shares representing at least 10% of the share capital of the Company or a participation in the Company with an acquisition value of at least EUR 2,500,000 (it being understood that only one out of the two tests must be satisfied); (ii) the Article 203 BITC Taxation Condition is satisfied and (iii) the shares have been held in full legal ownership for an uninterrupted period of at least one year.

Capital gains realized by Belgian resident companies upon the redemption of Shares by the Company or upon the liquidation of the Company will, in principle, be subject to the same taxation regime as dividends (see above).

Capital losses on Shares of the Company incurred by resident companies are as a general rule not tax deductible.

If the Company's shares form part of the trading portfolio (*portefeuille commercial*) of companies which are subject to the Royal Decree of 23 September 1992 on the annual accounts of credit institutions, investment firms and management companies of collective investment institutions (*comptes annuels des établissements de crédit, des entreprises d'investissement et des sociétés de gestion d'organismes de placement collectif*), the capital gains realised upon the disposal of shares will be subject to corporate income tax at the standard rates, and capital losses will be tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realisation.

4.8.2.3 Organisation for Financing Pensions

OFPs are, in principle, not subject to Belgian corporate income tax on the capital gains realised upon the disposal of the Company's shares, and capital losses are not tax deductible.

4.8.2.4 Other resident legal entities

Capital gains realised upon transfer of the Company's shares by resident legal entities subject to the legal entities income tax are generally not subject to income tax, safe in case of a sale of Company's shares which are directly or indirectly part of a stake representing more than 25% of the share capital in the Company which may, under certain conditions, give rise to a 16.5% tax (plus local surcharges). Capital losses on the Company's shares incurred by Belgian resident legal entities are not tax deductible.

Capital gains realised by Belgian resident legal entities upon the redemption of the Company's shares or upon the liquidation of the Company will in principle be taxed as dividends (see above).

4.8.2.5 Non-residents

Non-resident individuals

Capital gains realised on the Company's shares by a non-resident individual that has not acquired the shares in connection with a business conducted in Belgium through a fixed base in Belgium are in principle not subject to taxation, unless the capital gains are earned or received in Belgium and:

- deemed to be speculative or realised outside the scope of the normal management of the individual's private estate (as defined in articles 90, 1° and 9° of the BITC), in which case (i) capital gains taxable under article 90, 1° and article 228, §2, 9°, a) of the BITC will be subject to a final Belgian professional withholding tax of 30.28% (to the extent that article 248 of the BITC is applicable) and (ii) capital gains taxable under article 90, 9° and article 228, §2, 9°, h) of the BITC need to be declared in a Belgian non-resident income tax return and will be subject to tax at a rate of 35.31% (ie, 33% plus local surcharges of 7%); or
- originate from the disposal of (part of) a substantial participation in the Company (being a participation representing more than 25% of the Company's share capital at any time during the last five years prior to the disposal – see Section 4.8.1.2 "Resident companies" above), in which case the capital gains will be subject to tax at a rate of 17.66% (ie, 16.5% plus local surcharges of currently 7%) and will need to be declared in a Belgian non-resident income tax return.

However, Belgium has concluded tax treaties with more than 95 countries which generally provide for a full exemption from Belgian capital gains taxation on such gains realised by residents of those countries. Capital losses are generally not tax deductible.

Capital gains will be taxable at the ordinary progressive income tax rates and capital losses will be tax deductible, if those gains or losses are realised on Company's shares by a non-resident individual that holds the Company's shares in connection with a business conducted in Belgium through a fixed base in Belgium.

Capital gains realised by Belgian non-resident individuals upon the redemption of Company's shares or upon the liquidation of the Company will generally be taxable as a dividend (see above).

Non-resident companies

Non-resident companies that have not acquired the Company's shares in connection with a business conducted in Belgium through a Belgian establishment are generally not subject to taxation in Belgium on capital gains on those shares.

Non-resident companies that hold the shares in connection with a business conducted in Belgium through a Belgian establishment will generally be taxable in the same way as resident companies (see Section 4.8.1.2 "Resident companies" above).

Capital gains realised by non-resident companies upon redemption of the shares or upon liquidation of the Company will in principle be taxed as dividend income (see above).

4.8.3 *Tax on stock exchange transactions*

Upon the issue of the New Shares (primary market), no tax on stock exchange transactions is due .

The purchase and sale or any other acquisition or transfer for consideration of existing Company's shares (secondary market) in Belgium through a professional intermediary is subject to the tax on stock exchange transactions (*taxe sur les opérations de bourse*) currently at a rate of 0.35%, capped at € 1,600 per taxable transaction. A separate tax is due from each party to the transaction, both collected by the professional intermediary.

Following the Law of December 25, 2016, the scope of application of the tax on the stock exchange transactions has been extended as of January 1, 2017 to secondary market transactions of which the order is, directly or indirectly, made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a **Belgian Investor**). In such a scenario, the tax on the stock exchange transactions is due by the Belgian Investor, unless the Belgian Investor can demonstrate that the tax on the stock exchange transactions due has already been paid by the professional intermediary established outside of Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel*), at the latest on the business day after the day the transaction concerned was realized. Alternatively, professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (**Stock Exchange Tax Representative**). Such Stock Exchange Tax Representative will then be liable towards the Belgian Treasury for the tax on stock exchange transactions due and for complying with reporting obligations and the obligations relating to the order statement in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions..

No tax on stock exchange transactions is due on transactions entered into by the following parties, provided they are acting for their own account:

- professional intermediaries described in Articles 2, 9° and 10° of the Belgian Law of 2 August 2002 on the supervision of the financial sector and financial services;
- insurance companies described in Article 2, §1 of the Belgian Act of 9 July 1975 on the supervision of insurance companies;
- pension institutions described in Article 2, 1° of the Belgian Act of 27 October 2006 on the supervision of pension institutions;
- collective investment undertakings;
- regulated real estate companies; and
- non-residents (provided that they deliver a certificate to the professional intermediary in Belgium confirming their non-resident status).

As stated above, the EU Commission adopted on 14 February 2013 the Draft Directive on an FTT. The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax

on stock exchange transactions should thus be abolished once the FTT enters into force. The Draft Directive is still subject to negotiation between the Participating Member States and therefore may be changed at any time.

4.8.4 *Tax on securities accounts*

Pursuant to the law of 7 February 2018, Belgian resident and non-resident individuals are taxed at a rate of 0.15% on their share in the average value of qualifying financial instruments (such as shares, bonds, certain other type of debt instruments, units of undertakings for collective investment, warrants) held on one or more securities accounts with one or more financial intermediaries during a reference period of 12 consecutive months starting on October 1, and ending on September 30, of the subsequent year (**Tax on Securities Accounts**).

No Tax on Securities Accounts is due provided the holder's share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder's share in the average value of the qualifying financial instruments on those accounts during the relevant reference period amounts to EUR 500,000 or more, the Tax on Securities Accounts is due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and hence, not only on the part exceeding the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty override may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the on the legal status and supervision of credit institutions and stockbroking firms and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are pursuant to national law admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (eg in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value of each of these accounts do not amount to EUR 500,000 or more but of which the holder's share in the total average value of these accounts exceeds EUR 500,000). Otherwise, the Tax on Securities Accounts needs to be declared and is due by the holder itself, unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities (**Tax on the Securities Accounts Representative**). Such a Tax on the Securities Accounts Representative is then liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return their various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return their various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

Prospective Investors are strongly advised to seek their own professional advice in relation to the Tax on Securities Accounts.

4.8.5 *Common reporting standard*

Following recent international developments, the exchange of information will be governed by the Common Reporting Standard (**CRS**). On October 29, 2014, 51 jurisdictions signed the multilateral competent authority agreement (**MCAA**), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

More than 50 jurisdictions, including Belgium, have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017, relating to income year 2016.

Under CRS, financial institutions resident in a CRS country will be required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On December 9, 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (**DAC2**), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The mandatory automatic exchange of financial information by EU Member States as foreseen in DAC2 had to become effective on September 30, 2017 at the latest, except with regard to Austria. The mandatory automatic exchange of financial information had to become effective in Austria on September 30, 2018 (at latest).

The Belgian government has implemented said Directive 2014/107/EU, respectively the Common Reporting Standard, per the Law of December 16, 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes.

As a result of the Law of December 16, 2015, the mandatory automatic exchange of information applies in Belgium (i) as of income year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of income year 2014 (first information exchange in 2016) towards the US and (iii), with respect to any other non-EU States that have signed the MCAA, as of the respective date to be further determined by Royal Decree.

Investors who are in any doubt as to their position should consult their professional advisers.

4.9 Taxation in France

4.9.1 *Dividends*

4.9.1.1 Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity

Income tax

Dividends received by individuals who are fiscally domiciled in France are taken into account for the computation of their taxable income. They are subject to personal income tax at the progressive rates and, subject to certain conditions, to the exceptional tax on high income (*contribution exceptionnelle sur les hauts revenus*). For taxpayers who are married or have entered into a civil partnership (*PACS*) and who are filing a joint tax return, the exceptional tax on high income applies at a rate of 3% on fiscal income (*revenu fiscal de référence*) of the fiscal household between €500,000 and €1,000,000 and at a rate of 4% on fiscal income above €1,000,000. For other taxpayers who are single, widowed, separated or divorced, the tax applies at a rate of 3% on fiscal income between €250,000 and €500,000 and at a rate of 4% on fiscal income above €500,000.

Furthermore, dividends are generally subject to the 12.8% withholding tax set out under article 117 *quater* of the French Code *général des impôts* (the "**French Tax Code**") if paid by a paying agent located in France. The 12.8% withholding tax is applicable to the gross amount of the dividend paid and is deductible from their personal income tax liability in respect of the year in which the payment has been made. If the 12.8% withholding tax exceeds the amount of personal income tax due by the taxpayer, it may be reimbursed.

Persons belonging to a fiscal household with a fiscal income (*revenu fiscal de référence*) below €75,000, for taxpayers filing a joint return and below €50,000 for other taxpayers during the penultimate year preceding the payment of the dividends, can elect not to be subject to the 12.8% withholding tax. Furthermore, dividends paid on shares of the Company held in a personal equity plan (*plan d'épargne en action*") are exempt from the 12.8% withholding tax.

When the paying agent is established outside France, the 12.8% withholding tax is paid either by (i) the taxpayer himself or (ii) the person who ensures the payment of the income when that person (a) is established in a Member State of the European Union or in another State party to the Agreement on the European Economic Area which has concluded an administrative assistance agreement with France to combat tax evasion and avoidance and (b)

has been mandated by the taxpayer for this purpose.

Upon final taxation, dividends are subject to personal income tax (after deduction of the 12.8% withholding tax) at a flat rate of 12.8% or, upon irrevocable option covering all income within the scope of the 12.8% flat rate, at progressive rates.

In case of option for the progressive rates, pursuant to article 158 of the French Tax Code, a rebate of 40% (*abattement de* 40%) is applicable (under certain conditions) to the gross amount of the distributions arising from a regular decision when the personal income tax liability is computed and certain costs and expenses may also be deducted. The *contribution sociale généralisée* (CSG) is deductible up to 6.8% from the taxable income.

Furthermore, in application of the tax treaty entered into between France and Belgium on 10 March 1964 (the "**Treaty**"), a French shareholder is entitled to claim a tax credit for the Belgian withholding tax applicable to the dividends. This foreign tax credit may be offset against his/her personal income tax, to the extent that the foreign tax credit does not exceed the amount of French tax attributable to the dividend payments (*règle du butoir*) and that the Belgian withholding tax has been levied at the rate provided in the Treaty.

Social levies

The following social levies are applicable to the gross amount of the dividends:

- *contribution sociale généralisée* (*CSG*) at the rate of 9.9% (6.8% being deductible from the taxable income subject to personal income tax);
- *contribution au remboursement de la dette sociale* (*CRDS*) at the rate of 0.5% (not deductible from the taxable income subject to personal income tax);
- *prélèvement social* at the rate of 4.5% (not deductible from the taxable income subject to personal income tax);
- *contribution additionnelle au prélèvement social* at the rate of 0.3% (not deductible from the taxable income subject to personal income tax); and
- *prélèvement de solidarité* at the rate of 2% (not deductible from the taxable income subject to personal income tax).

The aggregate rate of the social levies equals 17.2%.

4.9.1.2 Legal entities subject to French corporation tax

Shareholders not qualifying for the participation exemption (régime des sociétés mères et filiales)

Dividends received by shareholders who do not qualify for the participation exemption are subject to corporation tax at a standard rate. For financial years beginning as from 1 January 2018, the standard rate of corporate income tax is set at 28% up to a maximum of €500,000 of taxable profit per twelve-month period and 33.33% above this limit (article 219 I of the French Tax Code). The standard rate will be gradually reduced to 25% for financial years beginning as from 1 January 2022 (regardless of taxable profits).

In addition, legal entities liable to corporate income tax may, under certain conditions and subject to certain exceptions, be also liable to a social contribution of 3.3% (article 235 *ter* ZC of the French Tax Code) and an exceptional contribution and an additional contribution to the exceptional contribution for financial years ended from 31 December 2017 until 30 December 2018.

Small and medium sized enterprises (i.e. enterprises whose turnover is lower than €7,630,000) may benefit, if the conditions specified under articles 219 I b) and 235 *ter* ZC of the French Tax Code respectively, are met, from a 15% reduced rate of corporation tax on profits up to €38,120 and from an exemption of the 3.3% social surtax.

By application of the Treaty, a French shareholder is entitled to claim a tax credit for the Belgian withholding tax applicable to the dividends. This foreign tax credit may be offset against the corporation tax due, to the extent that the foreign tax credit does not exceed the amount of French tax attributable to the dividend payments (*règle du butoir*) and that the Belgian withholding tax has been levied at the rate provided in the Treaty.

Shareholders qualifying for the participation exemption

Pursuant to articles 145 and 216 of the French Tax Code, legal entities may benefit from the participation exemption regime if the shares are *inter alia* (i) in registered form or deposited or recorded in an account held by an authorized intermediary; (ii) represent at least 5% of the subsidiary's share capital; or, if this threshold is not reached, 2.5% of the subsidiary's share capital and 5% of the subsidiary 's voting rights, provided that the parent

is controlled by one or more non-profit organisations (mentioned in 1 *bis* of article 206 of the French Tax Code); (iii) and kept for a period of two years when the shares represent at least 5 per cent. of the subsidiary's share capital; or five years when the shares represent 2.5% of the subsidiary 's share capital and 5% of the voting rights.

Under the participating exemption, dividends are exempt from corporation tax, except that 5% of the dividends received (including any foreign tax credit) must be added back to the shareholder's taxable income (*quote-part de frais et charges*).

4.9.2 *Capital gains and losses*

4.9.2.1 Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity

Pursuant to the Treaty, any capital gains realised by a French resident individual shareholder upon the disposal of the shares of the Company will only be taxable in France.

In accordance with article 150-0A of the French Tax Code, capital gains on the disposal of shares are subject to personal income tax at a rate of 12.8% and to social levies at the aggregate rate of 17.2%, as mentioned under paragraph "Social levies", under "Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity" (see Section 4.8.1 "Dividends").

According to article 150-0 D of the French Tax Code, capital losses incurred in a given year may be offset against capital gains of the same kind realised during that year and during the ten following years.

The capital gains on the disposal of shares may also be subject to the exceptional tax on high income (*contribution exceptionnelle sur les hauts revenus*), as mentioned under paragraph "Income tax", under "Individuals who are fiscally domiciled in France, who hold the shares in their personal portfolio and who do not carry on a trading activity in conditions which are similar to those of a professional trading activity" (see Section 4.8.1 "Dividends").

Special rules applicable to a plan d'épargne en actions PEA (personal equity plan) and to a plan d'épargne en actions destiné au financement des petites et moyennes entreprises et des entreprises de taille intermédiaire PEA PME-ETI (personal plan for equity of small and medium sized companies)

Under certain conditions set out under article 163 *quinquies* D of the French Tax Code, the shares[1] of the Company may be eligible to the PEA (personal equity plan) or PEA PME-ETI (personal plan for equity of small and medium sized companies[2]).

Holders of a PEA and PEA PME-ETI are, subject to certain conditions, entitled to an exemption from personal income tax on net income and net capital gains derived from investments held in the PEA and PEA PME-ETI provided that no withdrawal occurs during the five-year period following the opening of the PEA and PEA PME-ETI. Special rates of personal income tax apply to closing and withdrawals occurring before two years and between two and five years following the opening of the PEA and PEA PME-ETI. Social levies are due upon withdrawal from the PEA and PEA PME-ETI.

Capital losses incurred on shares held in a PEA and PEA PME-ETI may in principle only be offset against capital gains realised on other shares held in the plan.

4.9.2.2 Legal entities subject to French corporation tax

Pursuant to the Treaty, any capital gains realised by a French resident corporate shareholder upon the disposal of the shares of the Company will only be taxable in France (provided that such capital gains are not attributable to a permanent establishment situated in Belgium of that shareholder).

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[1] May be held in a PEA shares issued by a company (i) having its registered seat in France, another Member State of the European Union or another Member State of the European Economic Area having signed with France an information exchange agreement to combat fraud and tax evasion and (ii) subject to corporation tax under standard conditions or an equivalent tax.

[2] Small and medium sized companies are companies which have (i) less than 5,000 employees and (ii) an annual turnover not exceeding €1.5 billion or a total balance sheet not exceeding €2 billion. When the shares are admitted to trading on a regulated market or on a multilateral trading system, additional conditions have to be satisfied in order for their issuing companies to be considered as small and medium sized companies.

General regime

Capital gains realised upon the disposal of the shares are subject to corporation tax, to the social surtax and to the additional contribution at the rates mentioned under paragraph "Shareholders not qualifying for the participation exemption", under "Legal entities subject to French corporation tax" (see Section 4.8.1 "Dividends").

Capital losses are deductible from the taxable income.

Special rules applicable to long-term capital gains and losses

Pursuant to article 219 I a) *quinquies* of the French Tax Code, long-term capital gains realised upon the disposal of shares qualifying as non-portfolio shares (*titres de participation*) and which have been held for at least two years, are exempt from corporation tax, except that 12% of the gross capital gains must be added back to the shareholder's taxable income (*quote-part de frais et charges*).

Long-term capital losses are not deductible for corporation tax purposes and may not be imputed against long-term capital gains for the purposes of computation of the *quote-part de frais et charges*.

Prospective investors should consult their own tax advisor as to the qualification of the shares of the Company as non-portfolio shares (*titres de participation*) and shares assimilated thereto for tax purposes.

4.9.3 *Stamp duties*

The subscription of the shares does not give rise to stamp duties or other transfer taxes in France. The sale of the shares is not subject to stamp duties or other transfer taxes in France provided that the transfer is not evidenced by a written deed or agreement executed in France, unless a purchase agreement is voluntarily registered before the French tax authorities (in which case the 0.1% rate would apply).

4.9.4 *Other situations*

Prospective investors who are subject to taxation regimes other than those described above should consult their own tax advisor in respect of their specific situation.

5 Admission to trading

The Prospectus has been prepared for the purpose of the admission to trading of the New Shares on Euronext Brussels and Euronext Paris pursuant to and in accordance with Article 20 and following of the Prospectus Act. No offering of the New Shares will be made and no one has taken any action that would, or is intended to, permit an offering in any country or jurisdiction where any such action for such purpose is required, including in Belgium and in France.

An application has been made for the admission to trading of the New Shares on Euronext Brussels and Euronext Paris. It is expected that the admission to trading will become effective and that dealings in the New Shares on Euronext Brussels and Euronext Paris will commence 3 working days after the monthly issuance of the New Shares, following the conversion of CBs, on the delivery date.

The New Shares will be traded as are the existing shares of the Company under international code number ISIN BE0974280126 and symbol "BOTHE" on Euronext Brussels and Euronext Paris.

6 Dilution

The financial consequences of the issuance of the New Shares for the existing shareholders immediately prior to such issuance are summarised below. The admission to trading of the New Shares does, as such, not cause any additional dilution nor has it had any other direct consequences for the shareholders of the Company.

6.1 Evolution of the share capital of the Company

6.1.1 *History of capital since 31 December 2013*

On 24 February 2014, the shareholders of the Company resolved upon a share split, dividing the 314,960 shares, without nominal value, each representing 1/314,960th of the share capital of the Company by 10, creating 3,149,000 shares, without nominal value, each representing 1/3,149,600th of the share capital of the Company. On the same day, the share capital was increased by a contribution in cash in the amount of € 580,488.00 with issuance of 152,000 shares. The new shares were issued at a price of € 6.579 per share (of which € 3.819 in capital and € 2.760 in issuance premium). The aggregate issuance premium amounted to € 419,520.00. Following the capital increase, the share capital of the Company amounted to € 9,868,094.47 and was represented by 3,301,600 shares.

On 10 July 2014, the share capital was increased by a contribution in cash in the amount of € 598,208.16 with issuance of 156,640 shares. The new shares were issued at a price of € 6.579 per share (of which € 3.819 in capital and € 2.760 in issuance premium). The aggregate issuance premium amounted to € 432,326.40. Following the capital increase, the share capital of the Company amounted to € 10,466,302.63 and was represented by 3,458,240 shares.

On 18 December 2014, the extraordinary general shareholders' meeting of the Company resolved to abolish the second anti-dilution warrants issued on 27 November 2012, further to a waiver by the holders thereof.

On 8 January 2015, the extraordinary general shareholders' meeting of the Company resolved to cancel the stock option plan (and the outstanding pool of 12,000 warrants) issued on 24 November 2011.

On 5 February 2015, the share capital was increased by a contribution in cash further to the completion of the initial public offering of the Company, in the amount of € 6,077,750 with issuance of 2,012,500 shares. The new shares were issued at a price of € 16 per share (of which 3.02 in share capital and 12.98 in issuance premium). The aggregate issuance premium amounted to € 26,122,250.00. Following the capital increase, the share capital of the Company amounted to € 16,544,052.63 and was represented by 5,470,740 shares.

On 5 February 2015, the share capital was increased by a contribution in cash further to the conversion of the convertible bonds, in the amount of € 3,252,657.78 with issuance of 1,077,039 shares. The new shares were issued at a price of € 9.61 per share (of which 3.02 in share capital and 6.59 issuance premium). The aggregate issuance premium amounted to € 7,097,342.22. Following the capital increase, the share capital of the Company amounted to € 19,796,710.41 and was represented by 6,547,779 shares.

On 10 February 2015, the share capital was increased by contribution in cash further to the exercise of the over-allotment warrant, in the amount of € 911,662.50 with issuance of 301,875 shares. The new shares were issued at a price of € 16 per share (of which 3.02 in share capital and 12.98 in issuance premium). The aggregate issuance premium amounted to € 3,918,337.50. Following the capital increase, the share capital of the Company amounted to € 20,708,372.90, represented by 6,849,654 shares.

On 30 October 2017, the share capital was decreased by an incorporation of losses of an amount of € 6,045,571.41 without any reduction of shares.

On 7 March 2018, a total amount of € 19.45 million in committed capital has been subscribed.

On 9 March 2018, as a result of the exercise of bond warrants and the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 1,210,754 with issuance of 565,773 shares. The aggregate share premium for this transaction amounts to € 4,791,588.

On 11 April 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 94,873 with issuance of 44,333 shares. The aggregate share premium for this transaction amounts to € 297,617.

On 9 May 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 97,661 with issuance of 45,636 shares. The aggregate share premium for this transaction amounts to € 302,330.

On 6 June 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 271,682 with issuance of 126,954 shares. The aggregate share premium for this transaction amounts to € 813,304.

On 9 July 2018, the share capital was decreased by an incorporation of losses of an amount of € 4,830,335.13 without any reduction of shares.

On 11 July 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 152,353 with issuance of 100,896 shares. The aggregate share premium for this transaction amounts to € 887,625.

On 22 August 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 153,572 with issuance of 101,703 shares. The aggregate share premium for this transaction amounts to € 828,873.

On 12 September 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 125.771 with issuance of 83,292 shares. The aggregate share premium for this transaction amounts to € 606,706.

On 10 October 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 177,413 with issuance of 117,492 shares. The aggregate share premium for this transaction amounts to € 817,557.

On 14 November 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 317,588 with issuance of 210,323 shares. The aggregate share premium for this transaction amounts to € 1,187,377.

On 12 December 2018, as a result of the conversion of the convertible bonds placed via a private placement on 7 March 2018, the share capital was increased by € 97,380 with issuance of 64,490 shares. The aggregate share premium for this transaction amounts to € 280,120.

Date	Transaction	Number and class of shares issued	Issue price per share (€) including issuance premium	Capital increase (€)	Share capital after transaction (€)	Aggregate number of shares after capital increase
24/02/2014	Share split	None	Not applicable	Not applicable	Not applicable	3,149,600
24/02/2014	Capital increase	152,000	6.579	580,488	9,868,094.47	3,301,600
10/07/2014	Capital increase	156,640	6.579	598,206	10,466,302.63	3,458,240
05/02/2015	Capital increase	2,012,500	16	6,077,750	16,544,052.63	5,470,740
05/02/2015	Capital increase	1,077,039	9.61	3,252,657.78	19,796,710.41	6,547,779
10/02/2015	Capital increase	301,875	16	€ 911,662.50	€ 20,708,372.90	6,849,654
30/10/2017	Incorporation of losses	None	Not applicable	6,045,571.41	14,662,801.49	6,849,654
09/03/2018	Capital increase / conversion convertible bonds	565,773	10.61	1,210,754.22	15,873,555.71	7,415,427
11/04/2018	Capital increase / conversion convertible bonds	44,333	8.85 (average issue price)	94,872.62	15,968,428.33	7,459,760

09/05/2018	Capital increase / conversion convertible bonds	45,636	8.76 (average issue price)	97,661.04	16,066,089.37	7,505,396
06/06/2018	Capital increase / conversion convertible bonds	126,954	8.55 (average issue price)	271,681.56	16,337,770.93	7,632,350
09/07/2018	Incorporation of losses	None	Not applicable	4,830,335.13	11,507,435.80	7,632,350
11/07/2018	Capital increase / conversion convertible bonds	100,896	10.31 (average issue price)	152,352.96	11,659,788.76	7,733,246
22/08/2018	Capital increase / conversion convertible bonds	101,703	9.66 (average issue price)	153,571.53	11,813,360.29	7,834,949
12/09/2018	Capital increase / conversion convertible bonds	83,292	8.79 (average issue price)	152,770.92	11,939,131.21	7,918,241
10/10/2018	Capital increase / conversion convertible bonds	117,492	8.47 (average issue price)	177,412.92	12,116,544.13	8,035,733
14/11/2018	Capital increase / conversion convertible bonds	210,323	7.16 (average issue price)	317,588	12,434,131.86	8,246,056
12/12/2018	Capital increase / conversion convertible bonds	64,490	5.85 (average issue price)	97,379.90	12,531,511.76	8,310,546

7 Additional information

7.1 Statutory auditor

Deloitte Réviseurs d'Entreprises SCCRL, a civil company having the form of a co-operative company with limited liability organised and existing under the laws of Belgium, with registered office at Gateway building, Luchthaven Nationaal 1, boite J, 1930 Zaventem, Belgium, represented by Mrs Julie Delforge (member of the Belgian *Institut des Réviseurs d'Entreprises*) is appointed statutory auditor of the Company, for a term of three years ending immediately following the adjournment of the annual general shareholders' meeting of the Company to be held in 2019, resolving upon the financial statements for the fiscal year ended on 31 December 2018.

The remuneration of the statutory auditor for the performance of its three year mandate for the audit of the financial statements of the Company amounts to € 28,100 (excluding VAT and expenses and subject to a yearly indexation based on the consumer price index).

7.2 Documents incorporated by reference

The information incorporated by reference herein forms an integral part of this Securities Note, save that any statement contained in a document which is incorporated by reference herein, shall be modified or superseded for the purpose of this Securities Note to the extent that a statement contained in this Securities Note modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Securities Note.

8 Definitions

AMF	means the French Financial Markets Authority (*Autorité des Marchés Financiers*)
Article 203 BITC Taxation Conditions	has the meaning as set out in clause 4.8.1.2
Articles of Association	means the articles of association of the Company
Belgian Investor	has the meaning as set out in clause 4.8.3
BITC	means the Belgian Income Tax Code
Board of Directors	means the board of directors of the Company
Bond Warrants	has the meaning as set out in clause 2.1.1
Bone Therapeutics or the **Company**	means Bone Therapeutics SA, a limited liability company incorporated under the laws of Belgium, with registered office at Rue August Piccard 37, 6041 Gosselies, Belgium and registered with the legal entities register (Charleroi) under number 0882.015.654
CBs	has the meaning as set out in clause 2.1.1
Conditions for the application of the Dividend Received Deduction Regime	has the meaning as set out in clause 4.8.1.2
Conversion Price	has the meaning as set out in clause 4.2
CRS	means the Common Reporting Standard
DAC2	means the Directive 2014/107/EU on administrative cooperation in direct taxation adopted on December 9, 2014
Dividend Received Deduction	has the meaning as set out in clause 4.8.1.2
Euronext Brussels	means the regulated market operated by Euronext Brussels SA/NV
Euronext Paris	means the regulated market operated by Euronext Paris SA
Executive Committee	means [the team consisting of the CEO, CFO, CCRO, CMO and Director of Clinical Operations]
French Tax Code	has the meaning as set out in section 4.9
FSMA	means the Financial Services and Markets Authority in Belgium (*Autorité des services et marchés financiers*)
FTT	means a common financial transaction tax
GAAP	means the (Belgian) Generally Accepted Accounting Principles
IFRS	means the International Financial Reporting Standards

MCAA	means the multilateral competent authority agreement signed on October 29, 2014 by 51 jurisdictions
MTF	means a multilateral trading facility
New Shares	means [●] new shares to be traded on Euronext Brussels and Euronext Paris
Nomination & Remuneration Committee	means the nomination and remuneration committee of the Company installed by the Board of Directors.
OFPs	means the organisation for financing of pensions
Prospectus	has the meaning as set out in clause 2.1.1
Prospectus Act	means the Belgian Act of 16 June 2006 on the public offering of securities to trading on a regulated market (*loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marches réglementés*)
Prospectus Directive	means Directive 2003/71/EC of the European Parliament and of the Council of the European Union (as amended, including by Directive 2010/73/EU)
Prospectus Regulation	means the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing the Prospectus Directive
QIB	means a qualified institutional buyer
Registration Document	means the Company's registration document
Regulation S	means Regulation S under the U.S. Securities Act
Relevant Member State	has the meaning as set out in clause 2.1.2
Rule 144A	means Rule 144A under the U.S. Securities Act
Securities Note	means the current note prepared by Bone Therapeutics SA in relation to the admission to trading of up to [•] new shares on Euronext Brussels and Euronext Paris
Stock Exchange Tax Representative	has the meaning as set out in clause 4.8.3
Summary Note	means the Company's summary note in relation to the admission to trading of up to [•] New Shares on Euronext Brussels and Euronext Paris, as approved by the FSMA on [•] and as subsequently notified to the AMF
Takeover Decree	means and the Belgian Royal Decree of April 27, 2007 on public takeover bids
Takeover Directive	means the Directive 2004/25/EC of the European Parliament and the Council dated 21 April 2004 on takeover bids
Takeover Law	means the Belgian Law of April 1, 2007 on public takeover bids
U.S. Securities Act	means the U.S. Securities Act of 1933