



This Securities Note (the "**Securities Note**") has been prepared by Bone Therapeutics SA (the "**Company**" or "**Bone Therapeutics**") in relation to the admission to trading of 1,351,352 new shares on Euronext Brussels and Euronext Paris. This Securities Note has been approved by the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers*, the "**FSMA**") on 28 June 2019, 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 in relation to the admission to trading of 1,351,352 new shares on Euronext Brussels and Euronext Paris, as approved by the FSMA on 28 June 2019 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.

No public offering of the New Shares will be made in Belgium, France or in any other member state of the European Economic Area that has implemented the Prospectus Directive and no one has taken any action that would, or is intended to, permit a public offering of the new shares in any country or jurisdiction where any such action for such purpose is required.

Investing in the New 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. 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.

The Board of Directors of Bone Therapeutics assumes responsibility for the content of the Listing Prospectus. The Board of Directors declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Listing Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its contents.

On behalf of the Board of Directors,

A blue ink signature of Thomas Liénard, consisting of a large circular loop followed by several horizontal strokes.

Thomas Lienard SPRL,
represented by Thomas Liénard

A blue ink signature of Jean-Luc Vandebroek, featuring a stylized 'V' followed by a series of loops and a long horizontal stroke.

Finsys Management SPRL,
represented by Jean-Luc Vandebroek

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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 shareholders or by holders of convertible bonds upon conversion of the bonds may adversely affect the Company's share price.

1.2 Future issuances of shares or subscription rights 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 subscription rights 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 EUR 2,500 each (the "CBs"). 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, 282 convertible bonds with a total nominal value of EUR 705,000 and 1,180 Bond Warrants are outstanding. Based on a conversion price which is 92% of the VWAP of Bone Therapeutics' shares on 19 June 2019 (being the date of the most recent conversion of CBs), the total number of diluted shares amounts to 902,714.

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

Taking into account the proceeds of the Private Placement which will be paid on 1 July 2019, the Company is of the opinion that it has sufficient working capital to cover the working capital needs for a period of at least 12 months following the date of publication of the Prospectus. The Company will need to obtain another financing to continue after end of July 2020.

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 from 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 where 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.

On 26 June 2019, the Company conditionally issued up to 3,500,000 new shares, such issue being conditional upon the effective placement of the new shares. 1,351,352 shares (the "**New Shares**") were placed for an aggregate issue price of EUR 5 million by means of an accelerated bookbuilt private placement with institutional and professional investors by way of an exempt private placement in such jurisdictions where such offering is permitted in compliance with any applicable rules and regulations, outside the United States pursuant to Regulation S of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") (the "**Private Placement**"). The New Shares will be subscribed for and effectively issued on or about 1 July 2019.

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.

This Prospectus also covers the 641,425 shares resulting from the conversion of the CBs and admitted to trading on Euronext Brussels and Euronext Paris during 2019 prior to the date of the Prospectus. More detailed information about the conversion of the CBs is set out in Section 6.1.1.

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. Without prejudice to the responsibility of the Company for inconsistencies between the different language versions of the Prospectus, the English version will prevail. However, in their contractual relation with the Company, the investors can call upon the translated version.

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. The distribution of the Prospectus may be restricted by law in certain jurisdictions outside Belgium or France. The Company does not represent that the Prospectus may be lawfully distributed in jurisdictions outside Belgium and France. The Company does not assume any responsibility for such distribution. 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. Persons in whose possession this Prospectus or any New Shares may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus. Any person that, for any reason whatsoever, circulates or allows circulation of this Prospectus, must draw the addressee's attention to the provisions of this section.

2.1.5 Opt-in under the Belgian Code on Companies and Associations

The Company decided to anticipate the entry into force of the new Belgian Code on Companies and Associations pursuant to the Law of 23 March 2019 introducing the new Code on Companies and Associations and holding various provisions as published in the Belgian State Gazette on 4 April 2019 and to voluntary opt-in to the Belgian Code on Companies and Associations in accordance with article 39 §1, second paragraph of the said Law. To this end, the extraordinary shareholders' meeting of 12 June 2019 approved the voluntary opt-in to the Belgian Code on Companies and Associations and adopted a new version of the articles of association in accordance with the Belgian Code on Companies and Associations. The Code on Companies and Associations and the revised articles of association of the Company became effective towards the Company and third parties as of the publication thereof in the Belgian State Gazette on 24 June 2019.

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 Prospectus Act, and subsequently notified to the AMF, for the purposes of the admission to trading of the New Shares on Euronext Brussels and Euronext Paris.

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.

2.5 Notice to investors

2.5.1 *Decision to invest*

In making an investment decision, potential investors must rely on their own examination of the Company and the terms of the admission to trading, including the risks and merits involved. Any summary or description set forth in the Prospectus of legal provisions, corporate structurings or contractual relationships is for information purposes only and should not be construed as legal or tax advice as to the interpretation or enforceability of such provisions or relationships. In general, none of the information in the Prospectus should be considered investment, legal or tax advice. Investors should consult their own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding investing in the Company's shares. The Company's shares have not been recommended by any federal or state securities commission or regulatory authority in Belgium, France or elsewhere.

No dealer, sales person or other person has been authorized to give any information or to make any representation in connection with the admission to trading of the New Shares that is not contained in the Prospectus. If anyone provides different or inconsistent information, it should not be relied upon. The information appearing in the Summary Note, Securities Note and Registration Document should be assumed to be accurate only as at the date of approval by the FSMA of the relevant document as indicated on the cover page of this Securities Note. The Company's business, financial condition, results of operations and the information set forth in the Prospectus may have changed since those dates. In accordance with Belgian law, if a significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of the Company's shares and which arises or is noted between the time when the Prospectus is approved and the start of the trading of the New Shares on the relevant market, such will be set out in a supplement to the Prospectus. Any supplement is subject to approval by the FSMA, in the same manner as the Prospectus and must be made public, in the same manner as the Prospectus.

2.5.2 *Forward looking statements*

The Prospectus contains forward-looking statements and estimates made by the Company with respect to the anticipated future performance of Bone Therapeutics and the market in which it operates. Certain of these statements, forecasts and estimates can be recognised by the use of words such as, without limitation, "believes", "anticipates", "expects", "intends", "plans", "seeks", "estimates", "may", "will", "predicts", "projects" and "continue" and similar expressions. They include all matters that are not historical facts. Such statements, forecasts and estimates are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable when made but may or may not prove to be correct. Actual events are difficult to predict and may depend upon factors that are beyond the Company's control. Therefore, actual results, the financial condition, performance or achievements of Bone Therapeutics, or industry results, may turn out to be materially different from any future results, performance or achievements expressed or implied by such statements, forecasts and estimates. Factors that might cause such a difference include, but are not limited to, those discussed in the sections "Risk Factors" of this Securities Note and/or the Registration Document. Given these uncertainties, no representations are made as to the accuracy or fairness of such forward-looking statements, forecasts and estimates. Furthermore, forward-looking statements, forecasts and estimates in the Summary Note, the Securities Note or the Registration Document only speak as at the date of approval by the FSMA of the relevant document as indicated on the cover page of this Securities Note. Bone Therapeutics disclaims any obligation to update any such forward-looking statement, forecast or estimates to reflect any change in the Company's expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement, forecast or estimate is based, except to the extent required by Belgian law.

2.5.3 *Industry data, market share, ranking and other data*

Certain of the information contained in the Prospectus is based on the Company's own estimates and assumptions, believed by the Company to be reasonable. Certain information, industry data, market size/share data and other data provided in the Prospectus was derived from publications by leading organisations and scientific journals. The information published by such organisations and journals has been accurately reproduced and as far as the Company is aware and able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading. Neither the Company (with respect to information derived from publications by leading organisations) nor its advisors have independently verified any of the abovementioned information. Furthermore, market information is subject to change and cannot always be verified with complete certainty due to limits on the availability and

reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market information. As a result, prospective investors should be aware that market share, ranking and other similar data in the Prospectus, and estimates and beliefs based on such data, may not be reliable.

2.5.4 *Rounding of financial and statistical information*

Certain numerical figures included in the Prospectus have been subject to rounding adjustments and currency conversion adjustments. Accordingly, the sum of certain data may not be equal to the expressed total.

3 Essential Information

3.1 Capitalisation and indebtedness

The following table sets forth the capitalisation and indebtedness of the Company as of 31 March 2019 (unaudited). This information presented as of 31 March 2019 should be read in conjunction with the Company's audited financial statements and the information included in the Registration Document.

(€'000) - Indebtedness	As at 31 March 2019	As at 31 December 2018	As at 31 December 2017
Total Current financial debt	2,616	2,605	1,251
Secured	334	356	371
<i>bank loans</i>	250	250	250
<i>finance lease liabilities</i>	84	106	121
Unsecured	2,282	2,249	881
<i>government loans "recoverable cash advances" ⁽¹⁾</i>	742	742	627
<i>loans from related parties</i>	216	228	253
<i>Convertible Bonds</i>	1,324	1,279	0
Total Non-Current financial debt	11,797	11,925	12,192
Secured	2,199	2,276	2,457
<i>bank loans</i>	2,063	2,125	2,375
<i>finance lease liabilities</i>	136	151	82
Unsecured	9,598	9,649	9,736
<i>government loans "recoverable cash advances" ⁽¹⁾</i>	6,688	6,688	6,583
<i>loans from related parties</i>	1,232	1,283	1,511
<i>put on non-controlling interest</i>	1,678	1,678	1,641

(€'000) - Capitalization	As at 31 March 2019	As at 31 December 2018	As at 31 December 2017
Shareholder's Equity - Capitalization	5,791	4,491	2,383
Share capital	13,063	12,532	14,663
Share premium	54,217	53,478	42,665
Share-based payments	621	621	569
Retained earnings ⁽²⁾	(47,994)	(47,994)	(42,728)
Other ⁽²⁾	(3)	(3)	(12)
Result of the period ⁽²⁾	(14,142)	(14,142)	(12,774)
Total capitalization and Indebtedness	20,174	19,021	15,827

Notes:

(1) 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).

(2) *Retained earnings*, *Other* and *Result of the period* in the 31 March 2019 column, represent figures as of 31 December 2018.

(€'000)	As at 31 March 2019	As at 31 December 2018	As at 31 December 2017
Liquidity (A)	7,134	8,174	8,411
receivables related to recoverable cash advance	3,686	4,704	5,001
receivables related to patents	379	379	225
Total Current financial receivables (B)	4,064	5,083	5,226
Current Bank Debt	250	250	250
Current portion of non-current debt	1,042	1,077	1,001
Other current financial debt	0	0	0
Current Financial Debt (C)*	1,292	1,327	1,251
Net Current Financial Indebtedness (C-A-B)	(9,907)	(11,930)	(12,385)
Non-current Bank Loan	2,063	2,125	2,375
Bond Issued	0	0	0
Other non-current financial debt	9,734	9,800	9,736
Non-Current Financial Indebtness (D)	11,797	11,925	12,111
Net Financial Indebtness (C-A-B+D)	1,890	(5)	(275)

* The Company did not include the convertible bonds (which is in current debt) because it is expected that these will be automatically converted at maturity or by request from investors

* The € 1 million milestone payment from Asahi Kasei has been received in January 2019

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 31 December 2018 (we refer to the Annual Report 2018 on page 104 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 decrease on the DCF for turnover dependent reimbursement amounts to € 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 31 December 2018:

For a description of the balance sheet of 31 December 2018, we refer to the Annual Report 2018 published on the Company's website <http://www.bonetherapeutics.com/en/financial-reports>.

From 31 December 2018 till the date of this Document, the total number of new shares issued represent 641,425 shares. At the date of this Document, the share capital of the Company amounts to € 13,500,063.51, represented by 8,951,971 shares, without nominal value, each representing 1/8,951,971th of the share capital.

Following the exercise of the remaining part of the Bond Warrants, the Company is subject to receive € 2.95 million until Q3 2019.

Simultaneously with the Private Placement, the Company also announced the placement of non-dilutive subordinated bonds for a total amount of EUR 3.5 million (the "**Subordinated Bonds**"), fully placed with institutional investors. The Subordinated Bonds will be issued in registered form, redeemable at 100% of their principal amount with a maturity of 48 months and a coupon of 8% per annum. The coupon will be payable annually.

3.2 Working capital statement

Taking into account the Subordinated Bonds and the proceeds of the Private Placement which will be paid on 1 July 2019, the Company is of the opinion that it has sufficient working capital to cover its working capital needs for a period of at least 12 months following the date of publication of the Prospectus.

3.3 Reason for the capital increase and use of proceeds

The net proceeds to the Company resulting from the issue of the Subordinated Bonds and the New Shares will be approximately € 7.9 million.

The Company intends to use the net proceeds over a time horizon up to end of July 2020 for the following purposes:

- The start of the Phase II/III clinical trial with ALLOB for delayed-union fractures in Europe and in the United States (approximately 50% of the net proceeds);
- The start of the Phase III clinical trial with JTA-004 in Europe and in the United States (approximately 22% of the net proceeds);
- Non-clinical developments for the allogeneic product (approximately 8% of the net proceeds);
- To cover general business expenses and corporate activities (approximately 20% of the net proceeds).

The net requirement in cash is expected to amount to approximately € 12.00 to 13.00 million in 2019 (excluding capital raise linked to the bond program). Annual expenditure is further expected to increase in the following years, mainly as a result of the Phase II/III clinical trials with ALLOB in delayed-union fractures and a Phase III study with JTA-004, both in Europe and in the United States. The differences between a Phase II/III and a Phase III is explained by the fact that in the Phase II/III, there is an intermediate step between II and III where the recruitment is stopped and the entry in Phase III is decided after an analysis. In a Phase III with interim analysis, there is no such stop.

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 Private Placement, 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.

3.4 Outlook

In the second half of 2019, the Company plans to submit a clinical trial application (CTA) with the regulatory authorities in Europe and the United States to allow the start of a Phase II/III clinical trial with ALLOB in patients with delayed-union fractures, using its proprietary, optimised production process.

Also, in the second half of 2019, the Company plans to submit a CTA with the regulatory authorities in Europe and the United States for the Phase III programme with JTA-004 in patients with knee osteoarthritis¹.

Good cost and cash management will remain a key priority. The net cash burn for the full year 2019 is expected to be in the range of € 12-13 million. The Company anticipates having sufficient cash to carry out its business objectives until the end of 2019, taking into account the € 2.95 million to be received under the convertible bond programme.

¹ The differences between a Phase II/III and a Phase III is explained by the fact that in the Phase II/III, there is an intermediate step between II and III where the recruitment is stopped and the entry in Phase III is decided after an analysis. In a Phase III with interim analysis, there is no such stop.

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 (now articles 7:199 *juncto* 7:202, para. 2, 2° of the Belgian Code on Companies and Associations), 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 EUR 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.

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 subscription rights 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 7:191 of the Belgian Code on Companies and Associations. 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 Company Code (and as of 24 June 2019, the Belgian Code on Companies and Associations). This authorization is granted until 9 July 2021.

Since the renewal of the authorised share capital by the extraordinary shareholders' meeting held on 9 July 2018, no use was made by the Board of Directors of the authorised share capital of the Company. Consequently, the available authorised share capital of the Company amounts to EUR 11,043,220.58 prior to the conditional capital increase for the issuance of the New Shares.

4.2 The issue of the New Shares

On 26 June 2019, the Board of Directors conditionally increased the share capital of the Company in a maximum amount of EUR 5,285,000 (excluding issuance premium), using the authorised capital, through the conditional issuance of up to 3,500,000 new shares at a subscription price of no less than the accounting par value (*pair comptable*) (i.e. EUR 1.51 (rounded)), subject to and to the extent of subscription of these new shares in the framework of the Private Placement. On 27 June 2019, 1,351,352 New Shares were placed with investors under the Private Placement.

On or about 1 July 2019, the New Shares will be subscribed for and effectively issued and traded on Euronext Brussels and Euronext Paris under the symbol "BOTHE".

4.3 Standstill and lock-up

In the framework of the Private Placement, the Company agreed not to issue any shares or equity-linked financial instruments for a period of 180 days as of 1 July 2019, subject to customary exceptions which include the issue of

shares upon exercise of the outstanding subscription rights and convertible bonds or the issue of new options linked to new share-based incentive or remuneration plans.

The Company is not aware of any lock-up arrangements signed by its shareholders or directors in connection with the Private Placement.

4.4 Issue price of the New Shares

The total 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 subscribed for in the framework of the Private Placement is EUR 5 million.

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.

4.5 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 4.9 "Taxation in Belgium" and 4.10 "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 4.6 "Rights attached to the shares of the Company" below.

4.6 Rights attached to the shares of the Company

4.6.1 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 Code on Companies and Associations, 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 Code on Companies and Associations.

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 (*i.e.* 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 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".

4.6.2 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 7:91, subsection 1, of the Belgian Code on Companies and Associations, 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 7:91, subsection 2, of the Belgian Code on Companies and Associations, (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 (that are not independent directors), the approval of any variable part of the remuneration, in accordance with Article 7:92, subsection 4 of the Belgian Code on Companies and Associations;
- 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 7:151 of the Belgian Code on Companies and Associations;
- 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.

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

4.6.3.1 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).

4.6.3.2 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 10% of the Company's issued share capital so request. Said request shall specify the agenda items to be included in the convocation notice.

4.6.3.3 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 7:92 paragraph 1 and article 7:149, paragraph 3 of the Belgian Code on Companies and Associations);
- 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; and
- on the Company's website.

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 subscription rights, 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 provided their email-address to the Company, in

accordance with articles 7:128 *juncto* 2:32 of the Belgian Code on Companies and Associations. 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.

4.6.3.4 Formalities to attend the shareholders' meeting

All holders of shares, subscription rights 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 7:134 of the Belgian Code on Companies and Associations. 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.

4.6.3.5 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.

4.6.3.6 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 subscription rights or the issue of subscription rights; and
- certain other matters referred to in the Belgian Code on Companies and Associations,

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 which requires 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.

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

In accordance with article 7:130 of the Belgian Code on Companies and Associations, 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.

4.6.3.8 Right to ask questions

In accordance with article 7:139 of the Belgian Code on Companies and Associations, 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.

4.6.4 *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 subscription rights exercisable in cash, the shareholders have a preferential right to subscribe for the new shares, convertible bonds or subscription rights, 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 Code on Companies and Associations. 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 (now articles 7:199 *juncto* 7:202, para. 2, 2° of the Belgian Code on Companies and Associations), 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.

4.6.5 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, and provided that the Company is not dissolved and liquidated in one deed, 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 Enterprise Court pursuant to Articles 2:83 to 2:86 of the Belgian Code on Companies and Associations.

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.

4.6.6 Acquisition of the Company's shares

In accordance with the Belgian Code on Companies and Associations, the Company can only purchase and sell its own shares by virtue of a special shareholders' resolution approved by at least 75% of the votes validly cast at a shareholders' meeting where at least 50% of the share capital 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 Code on Companies and Associations, 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 7:212 of the Belgian Code on Companies and Associations.

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 7:215, §1, paragraph 4 of the Belgian Code on Companies and Associations.

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

4.7.1 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 4.7 "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 subscription rights 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 holders of subscription rights (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. For the calculation of the 30% threshold, the number of voting securities is taken into account and not the number of voting rights attached to such voting securities.

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 (now the Belgian Code on Companies and Associations). This authorization became effective as per 9 July 2018 and was 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 7:215 of the Belgian Code on Companies and Associations. 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.

4.7.2 Squeeze-out and sell-out

Pursuant to Article 7:82 of the Belgian Code on Companies and Associations, a person or legal entity, acting alone or in concert, who owns 95% of the voting securities in a listed company, 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 listed company, 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.

4.8 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.

4.9 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. (i) an individual having its domicile in Belgium, (ii) when not having its domicile in Belgium, an individual having its seat of wealth in Belgium, or (iii) an individual assimilated to a resident for purposes of Belgian tax law;
- a company (as defined by Belgian tax law) subject to Belgian corporate income tax, i.e. a corporate entity having its 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). A company having its registered seat in Belgium shall be presumed, unless the contrary is proved, to have its principal establishment, administrative seat or effective place of management in Belgium; 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 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.

4.9.1 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 Code on Companies and Associations is not treated as a dividend distribution to the extent that such repayment is imputed to the fiscal capital. 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 (being any taxed reserve incorporated or not in the capital, and any tax-exempt reserve incorporated in the 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.

4.9.1.1 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. 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 800 (amount applicable for income year 2019) per year. 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 as a professional income 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.

4.9.1.2 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 companies and Medium Sized Enterprises (as defined by Article 1:24, §1 to §6 of the Belgian Code on Companies and Associations) 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 on the day the beneficial owner of the dividend is identified, 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.

The above described Dividend Received Deduction and withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) for which the Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine (*kunstmatig/non authentique*) and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the EU Parent-Subsidiary Directive of November 30, 2011 (2011/96/EU) ("**Parent-Subsidiary Directive**") in another EU Member State. An arrangement or a series of arrangements is regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

4.9.1.3 Organisations for Financing Pensions

For organisations for financing of pensions ("**OFPs**"), i.e. Belgian pension funds incorporated under the form of an OFP (*organisme voor de financiering van pensioenen/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.

Belgian (or foreign) OFPs not holding the shares – which give rise to dividends – for an uninterrupted period of 60 days in full ownership amounts to a rebuttable presumption that the arrangement or series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) which are connected to the dividend distributions, are not genuine (*kunstmatig/non authentique*). The withholding tax exemption will in such case not apply and/or any Belgian dividend withholding tax levied at source on the dividends will in such case not be credited against the corporate income tax, unless counterproof is provided by the OFP that the arrangement or series of arrangements are genuine.

4.9.1.4 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.

4.9.1.5 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 on the day the beneficial owner of the dividend is identified 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 Parent-Subsidiary Directive, 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.

The withholding tax exemption will not be applicable to dividends which are connected to an arrangement or a series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) for which the Belgian tax administration, taking into account all relevant facts and circumstances, has proven, unless evidence to the contrary, that this arrangement or this series of arrangements is not genuine (*kunstmatig/non authentique*) and has been put in place for the main purpose or one of the main purposes of obtaining the dividend received deduction, the above dividend withholding tax exemption or one of the advantages of the Parent-Subsidiary Directive in another EU Member State. An arrangement or a series of arrangements is regarded as not genuine to the extent that they are not put into place for valid commercial reasons which reflect economic reality.

Dividends distributed by a Belgian company to non-resident companies on a share participation of less than 10% will under certain conditions be subject to an exemption from withholding tax, provided that the non-resident companies (i) are either established in another Member State of the EEA or in a country with which Belgium has concluded a double tax treaty, where that treaty, or any other treaty concluded between Belgium and that jurisdiction, includes a qualifying exchange of information clause; (ii) have a legal form as listed in Annex I, Part A to the Parent-Subsidiary Directive as amended from time to time, or a legal form similar to the legal forms listed in the aforementioned annex and which is governed by the laws of another Member State of the EEA or a similar legal form in a country with which Belgium has concluded a double tax treaty; (iii) hold a share participation in the Belgian dividend distributing company, upon payment or attribution of the dividends, of less than 10% of the issuer's share capital but with an acquisition value of at least EUR 2,500,000; (iv) hold or will hold the shares which give rise to the dividends in full legal ownership during an uninterrupted period of at least one year; and (v) are subject to the corporate income tax or a tax regime similar to the corporate income tax without benefiting from a tax regime which deviates from the ordinary regime. The exemption from withholding tax is only applied to the extent that the Belgian withholding tax, which would be applicable absent the exemption, could not be credited nor reimbursed at the level of the qualifying, dividend receiving, company. The non-resident company must provide the issuer or its paying agent with a certificate confirming, in addition to its full name, legal form, address and fiscal identification number (if applicable), its qualifying status and the fact that it meets the required conditions mentioned under (i) to (v) above, and indicating to which extent the withholding tax, which would be applicable absent the exemption, is in principle creditable or reimbursable on the basis of the law as applicable on 31 December of the year preceding the year during which the dividend is paid or attributed.

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.

A pension fund not holding the shares – which give rise to dividends – for an uninterrupted period of 60 days in full ownership amounts to a rebuttable presumption that the arrangement or series of arrangements (*rechtshandeling of geheel van rechtshandelingen/acte juridique ou un ensemble d'actes juridiques*) which are connected to the dividend distributions, are not genuine (*kunstmatig/non authentique*). The withholding tax exemption will in such case be rejected, unless counterproof is provided by the OFP that the arrangement or series of arrangements are genuine.

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 800 (amount applicable for income year 2019) per year. 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 800 (amount applicable for income year 2019) per year 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.

4.9.2 Capital gains and losses

4.9.2.1 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 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 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 10% (capital gains realised in the framework of the cessation of activities under certain circumstances) or 16.5% (other circumstances), 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).

4.9.2.2 Resident companies

Belgian resident companies are not subject to Belgian corporate income tax on gains realised upon the disposal of Company's shares provided that the Conditions for the application of the Dividend Received Deduction regime are met.

If the shares have not been held in full legal ownership for an uninterrupted period of at least one year but the other Conditions for the application of the Dividend Received Deduction regime are met, the capital gains realised upon the disposal of Company's shares 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 one or more of the Conditions for the application of the Dividend Received Deduction regime (other than the one-year minimum holding period condition) are not 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 year (the standard corporate income tax rate can be further reduced on the first EUR 100,000 of yearly taxable profits for small companies if conditions are met (see above)).

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 Company's shares incurred by resident companies are as a general rule not tax deductible.

If the Company's shares form part of the trading portfolio (*handelsportefeuille/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 (*jaarrekening van de kredietinstellingen, de beleggingsonderneming en de beheervennootschappen van instellingen van collectieve belegging/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, and capital losses will be tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realisation.

4.9.2.3 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.

4.9.2.4 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, save 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 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).

4.9.2.5 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 4.9.1.2 "Resident companies" above), in which case the capital gains will be subject to tax at a rate of 17.66% (i.e., 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 4.9.1.2 "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).

4.9.3 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 (*taks op de beursverrichtingen/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).

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 on an FTT is still subject to negotiation between the Participating Member States and therefore may be changed at any time.

4.9.4 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, subscription rights) 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 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 (e.g. 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.

4.9.5 Common reporting standard

Following recent international developments, the exchange of information will be governed by the Common Reporting Standard ("**CRS**"). More than 90 jurisdictions have 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.

4.10 Taxation in France

4.10.1 Dividends

- 4.10.1.1 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 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 tax².

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.

Tax bracket	Tax rate
Up to 9 964 €	0 %
From 9 965 € to 27 519 €	14 %
From 27 520 € to 73 779 €	30 %
From 73 780 € to 156 244 €	41 %

² Although, since the Finance Act for 2019, early withdrawals from a PEA are subject to the 12.8% flat tax.

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 9.2% (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); and
- *prélèvement de solidarité* at the rate of 7.5% (not deductible from the taxable income subject to personal income tax).

The aggregate rate of the social levies equals 17.2%.

4.10.1.2 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 2019, 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 31% 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).

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*).

4.10.2 Capital gains and losses

4.10.2.1 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 4.9.1 "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 4.9.1 "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 shares³ 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 companies⁴).

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. Personal income tax applies to closing and withdrawals occurring before 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.

4.10.2.2 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).

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 4.9.1 "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

³ 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.

⁴ 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.

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.

4.10.3 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).

4.10.4 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 on or around 1 July 2019.

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 subscription rights 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 subscription rights) 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 subscription right, 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.

On 9 January 2019, 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 € 47,725 with issuance of 31,606 shares. The aggregate share premium for this transaction amounts to € 82,275.

On 13 February 2019, 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 € 202,388 with issuance of 134,032 shares. The aggregate share premium for this transaction amounts to € 347,599.

On 13 March 2019, 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 € 280,973 with issuance of 186,075 shares. The aggregate share premium for this transaction amounts to € 309,021.

On 17 April 2019, 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 € 48,352 with issuance of 32,021 shares. The aggregate share premium for this transaction amounts to € 64,140.

On 8 May 2019, 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 € 174,542 with issuance of 115,591 shares. The aggregate share premium for this transaction amounts to € 212,953.

On 19 June 2019, 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 € 214,571 with issuance of 142,100 shares. The aggregate share premium for this transaction amounts to € 297,918.63.

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
09/01/2019	Capital increase / conversion convertible bonds	31,606	4.11 (average issue price)	47,725.06	12,579,236.82	8,342,152
13/02/2019	Capital increase / conversion convertible bonds	134,032	4.61 (average issue price)	202,388.32	12,781,625.14	8,476,184
13/03/2019	Capital increase / conversion convertible bonds	186,075	3.17 (average issue price)	280,973.25	13,062,598.39	8,662,259
17/04/2019	Capital increase / conversion convertible bonds	32,021	3.51 (average issue price)	48,352.71	13,110,950.10	8,694,280
08/05/2019	Capital increase / conversion	115,591	3.35 (average issue price)	174,542.41	13,285,492.51	8,809,871

	convertible bonds					
19/06/2019	Capital increase / conversion convertible bonds	142,100	3.61 (average issue price)	512,489.63	13,500,063.51	8,951,971

6.2 Financial consequences for the existing shareholders

Immediately prior to the Private Placement the share capital of the Company amounted to EUR 13,500,063.51 represented by 8,951,971 shares, without nominal value, each representing 1/8,951,971th of the share capital.

Upon completion of the Private Placement, the share capital of the Company will be increased by the Board of Directors, acting within the framework of the authorised capital with cancellation of the preferential subscription rights of the existing shareholders, with EUR 2,040,541.52 (excluding issuance premium) through the issuance of 1,351,352 New Shares. Therefore, immediately following the issue of the New Shares at the occasion of the Private Placement, the share capital of the Company will amount to EUR 15,540,605.03, represented by 10,303,323 shares.

In addition, as per 21 June 2019⁵:

- There are 210,498 granted and outstanding subscription rights, excluding the Bond Warrants, i.e. subscription rights that have been granted and that have not yet become null and void for any reason (the "**Outstanding Subscription Rights**"). In accordance with the conditions of the subscription rights plans under which they were issued, upon exercise, the Outstanding Subscription Rights entitle the subscription right holders to one new share in the Company per exercised subscription right, being a total of 210,498 new shares in the Company in case all 210,498 Outstanding Subscription Rights are exercised;
- There are 1,180 outstanding Bond Warrants which allow the beneficiary to subscribe for additional 1,180 CBs if all Bond Warrants are exercised. Together with the 282 already outstanding CBs, and using a conversion price of 92% of the VWAP of the Company's shares on 19 June 2019 (i.e. EUR 4.0489), the CBs can be converted into 902,714 new shares in the Company in case all 1,180 Bond Warrants are exercised and all CBs are converted.

Leaving the 210,498 Outstanding Subscription Rights, the 1,180 Bond Warrants and the 282 CBs aside and only taking into account the number of shares that were outstanding immediately prior to the Private Placement, the issue of 1,351,352 New Shares at the occasion of the Private Placement will result in a dilution of the share of the existing shares in the Company in the profits of the Company of (rounded-off) 13.1%.

In case, in addition to the number of shares that were outstanding immediately prior to the Private Placement, also the maximum number of shares that can be issued upon exercise of all Outstanding Subscription Rights and Bond Warrants and conversion of all CBs is taken into account, the issue of 1,351,352 New Shares at the occasion of the Private Placement will result in a dilution of up to (rounded-off) 11.8%.

The dilution relating to the share in the Company's profits also applies, *mutatis mutandis*, to the voting and other rights attached to the shares of the Company, as well as to the share in the liquidation proceeds, if any, and the preferential subscription rights.

⁵ Date of publication of latest information on the total number of voting rights and shares.

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, boîte 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 2022, resolving upon the financial statements for the fiscal year ended on 31 December 2021.

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).

In connection with the Private Placement, the statutory auditor has, on 26 June 2019, issued a report pursuant to and in accordance with Articles 7:191 and 7:193 of the Belgian Code on Companies and Associations. The conclusions of this report are as follows (free translation from French):

“In our view, the financial and accounting information set out in the special report of the board of directors of 26 June 2019 is fair (*fidèles*) and sufficient to inform in all material respects the board of directors acting within the framework of the authorised capital, and ultimately the shareholders, about the proposed capital increase and cancellation of preferential subscription rights of existing shareholders.

We note however that as the issue price has not yet been determined due to the accelerated bookbuilding procedure conducted by the Bookrunner as described above, the special report does not mention the issue price of the new shares but only the minimum issue price. The report justifies in a detailed manner the procedure that will be applied in order to determine the issue price.

This report has been prepared solely for the use by the board of directors and shareholders of the Company in the framework of the capital increase and the cancellation of preferential subscription rights described above and may not be used for other purposes.”

This report is available for inspection on the Company's website.

7.2 Update of the Registration Document and 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.

This section replaces Section 3 “Information Incorporated by Reference” of the Registration Document:

The Registration Document shall be read and construed in conjunction with the following documents:

- (i) the annual report and audited consolidated financial statements of the Company prepared in accordance with IFRS for the financial year ended 31 December 2016 (in English and French), together with the related audit report thereon; and
- (ii) the annual report and audited consolidated financial statements of the Company prepared in accordance with IFRS for the financial year ended 31 December 2017 (in English and French), together with the related audit report thereon; and
- (iii) the annual report and audited consolidated financial statements of the Company prepared in accordance with IFRS for the financial year ended 31 December 2018 (in English and French), together with the related audit report thereon.

Such documents shall, in accordance with Article 11 of the Prospectus Directive and Article 30, §1 of the Prospectus Law, be incorporated in, and form part of, this Registration Document, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Registration Document to the extent that a statement contained herein modifies or supersedes such earlier statement.

Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Registration Document.

Copies of documents incorporated by reference in this Registration Document may be obtained (without charge) from the registered offices of the Company and the website of the Company (<http://www.bonetherapeutics.com/en/financial-reports>). The Company confirms that it has obtained the approval from its auditors to incorporate the audited consolidated financial statements and the auditors' reports thereon for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 in the Registration Document.

The tables below include references to the relevant pages of the audited consolidated financial statements of the Company for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018, as set out in the annual reports of the Company (in English and French). Information contained in the documents incorporated by reference other than information listed in the tables below is for information purposes only and does not form part of the Registration Document.

Audited consolidated financial statements of the Company prepared in accordance with IFRS for the financial year ended 31 December 2016, as set out in the annual report (in English and French).

Consolidated statement of financial position	p. 119
Consolidated statement of comprehensive income	p. 120
Consolidated statement of cash flows	p. 121
Consolidated statement of changes in equity	p. 122
Notes to the consolidated financial statements	p. 123-151
Auditor's report	p. 158-163

Audited consolidated financial statements of the Company prepared in accordance with IFRS for the financial year ended 31 December 2017, as set out in the annual report (in English and French).

Consolidated statement of financial position	p. 130
Consolidated statement of comprehensive income	p. 131
Consolidated statement of cash flows	p. 132
Consolidated statement of changes in equity	p. 133
Notes to the consolidated financial statements	p. 133-165
Auditor's report	p. 173-182

Audited consolidated financial statements of the Company prepared in accordance with IFRS for the financial period ended 31 December 2018, as set out in the annual report (in English and French).

Consolidated statement of financial position	p. 66
Consolidated statement of comprehensive income	p. 67
Consolidated statement of cash flows	p. 68
Consolidated statement of changes in equity	p. 69
Notes to the consolidated financial statements	p. 70-107
Auditor's report	p. 59-65

This section replaces Section 4 “Selected Financial Information” of the Registration Document:

<i>(in thousands of euros)</i>	2018	2017	2016
Revenue	1,000	41	0
Other operating income	4,079	4,172	4,007
Research and development expenses	(12,884)	(13,122)	(13,649)
General and administrative expenses	(3,660)	(3,385)	(3,157)
Operating profit/(loss)	(11,466)	(12,294)	(12,799)
Financial result	(2,545)	(297)	(282)
Result Profit/(loss) before taxes	(14,011)	(12,591)	(13,081)
Income taxes	(131)	(178)	60
PROFIT/(LOSS) FOR THE PERIOD	(14,142)	(12,769)	(13,021)

Consolidated <i>(in thousands of euros)</i>	Assets	IFRS	per:	31/12/18	31/12/17	31/12/16
Non-current assets				10,754	10,558	10,114
Current assets				15,000	14,615	24,471
TOTAL ASSETS				25,753	25,173	38,585
Consolidated <i>(in thousands of euros)</i>	Liabilities	IFRS	per:	31/12/18	31/12/17	31/12/16
Total Equity				4,491	2,383	15 270
Non-current liabilities				11,925	12,192	12 802
Current liabilities				9,327	10,598	10 512
TOTAL EQUITY AND LIABILITIES				25,753	25,173	38 585

CONSOLIDATED <i>(in thousands of euros)</i>	STATEMENTS	OF	CASH	FLows	For the twelve-month period ended 31 December		
					2018	2017	2016
Net cash used in operating activities					(12,901)	(11,018)	(11,369)
Net cash used in investing activities					(295)	(415)	(578)
Net cash generated from financing activities					12,958	(456)	(1,363)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					(237)	(11,889)	(13,310)
CASH AND CASH EQUIVALENTS at beginning of year					8,411	20,300	33,611
CASH AND CASH EQUIVALENTS at end of year					8,174	8,411	20,300

The figures have been updated in Section 5.3 “Investments” of the Registration Document:

The table below provides an overview of the Company’s principal investments for the financial years ended on 31 December 2016, 31 December 2017 and 31 December 2018 (excluding recognition of the government grant of € 2.53 million mentioned above):

(in thousands €)	2018	2017	2016	Before 2016	Total
	New	New	New	New	
Building	183	310	582	7,817	8,892
Laboratory equipment	258	86	530	1,945	2,819
Land	0	0	0	233	233
Other	11	7	35	226	279
Intangible assets	19	9	26	173	227
Total	471	412	1,173	10,394	12,450

- The building relates to the new facilities constructed by SCTS at the BioPark of Gosselies (south of Brussels). The investment for 2016 amounts to € 582,000, for 2017 the amount is € 310,000 and for 2018 the amount is € 183,000. At 31 December 2018 the total invested amounts to € 8,892,000.
- Laboratory equipment includes capital expenditure for € 530,000 in 2016, € 86,000 in 2017 and € 258,000 in 2018. At 31 December 2018 the total amount invested amounts to € 2,819,000.
- Land represents a long lease right of 99 years on which the new facilities of the Company are being constructed. The amount is € 233,000.
- Other investments include IT material and office furniture. At 31 December 2018, the total amount invested is € 279,000.
- Intangible assets relate to purchased software. At 31 December 2018, the total amount invested is € 227,000.

This section replaces Section 5.5 “Significant change in the financial or trading position of Bone Therapeutics Since 31 December 2018” of the Registration Document:

On 7 March 2018, the Company has successfully placed senior, unsecured Convertible Bonds (the “CBs”) with a total commitment of EUR 19.45 million via a private placement.

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. Upon conversion of the CBs, the new shares issued shall immediately bear the same right 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 (the “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 warrant holder at any time during the warrant term. The warrant holders are obliged to exercise at least one of the 19 Bond Warrants each 30 calendar days.

From 31 December 2018 till the date of this Registration Document, 641,425 new shares have been created increasing the total outstanding shares from 8,310,546 to 8,951,971 ordinary shares.

The Company has issued convertible bonds and bond warrants to be subscribed to convertible bonds, of which 282 convertible bonds with a total nominal value of EUR 705,000 and 1,180 bond warrants are outstanding at the date of this Document.

This section replaces Section 5.6 “Outlook 2019” of the Registration Document:

In the second half of 2019, the Company plans to submit a clinical trial application (CTA) with the regulatory authorities in Europe and the United States to allow the start of a Phase II/III clinical trial with ALLOB in patients with delayed-union fractures, using its proprietary, optimised production process.

Also, in the second half of 2019, the Company plans to submit a CTA with the regulatory authorities in Europe and the United States for the Phase III programme with JTA-004 in patients with knee osteoarthritis.

Good cost and cash management will remain a key priority. The net cash burn for the full year 2019 is expected to be in the range of € 12-13 million. The Company anticipates having sufficient cash to carry out its business objectives until the end of 2019, taking into account the € 2.95 million to be received under the convertible bond programme.

This section replaces Section 6.4 “Current Clinical Pipeline and Outlook for 2019” of the Registration Document:

Bone Therapeutics’ cell therapy product, the allogeneic ALLOB, and the viscosupplement JTA-004, are currently under clinical development for three indications in the field of orthopaedics and bone diseases.

ALLOB is being evaluated in two Phase II studies:

- Delayed-union fractures: In September 2018, the Company reported positive final results for its Phase I/IIA study in 21 patients, supporting the future clinical development of this indication. A Phase II/III trial is currently in preparation.
- Lumbar spinal fusion: In June 2019, the Company announced that its allogeneic cell therapy product, ALLOB, met the primary endpoints in the Phase IIa study in patients undergoing a lumbar spinal fusion procedure. The recruitment for the study was finalized in February 2018 and positive interim data for the first 15 patients were reported in September 2017.

JTA-004 was evaluated in a Phase II trial in knee osteoarthritis. The first results indicated that a single intra-articular injection of JTA-004 delivered higher pain reduction than the reference product, a leading viscosupplement on the market.



Figure: Clinical pipeline with ALLOB (allogeneic approach) and the viscosupplement, JTA-004

As the Company is still in the process of preparing the JTA Phase III and DU Phase II/III studies, it is not able to communicate long-term outlook. When the planning of these studies has been specified and approved, an indicative timeline of the studies will be provided to the market in a subsequent communication.

Outlook for 2019

In the second half of 2019, the Company plans to submit a clinical trial application (CTA) with the regulatory authorities in Europe and the United States to allow the start of a Phase II/III clinical trial with ALLOB in patients with delayed-union fractures, using its proprietary, optimised production process.

Also, in the second half of 2019, the Company plans to submit a CTA with the regulatory authorities in Europe and the United States for the Phase III programme with JTA-004 in patients with knee osteoarthritis.

Good cost and cash management will remain a key priority. The net cash burn for the full year 2019 is expected to be in the range of € 12-13 million. The Company anticipates having sufficient cash to carry out its business objectives until the end of 2019, taking into account the € 2.95 million to be received under the convertible bond programme.

The figures have been updated in Section 6.11.1 “Bone Therapeutics” of the Registration Document:

From incorporation until 31 December 2018, the Company has been awarded non-dilutive financial support from the Walloon Region and by the European Commission totalling € 26,512,000. This financial support has been granted in the form of recoverable cash advances (“RCAs”) for an amount of € 22,853,000 of which € 19,990,000 has been paid out to the Company as of 31 December 2018, and in the form of (non-refundable) subsidies for an amount of € 3,658,000 of which € 3,266,000 has been paid out to the Company as of 31 December 2018. The Company intends to continue to apply for RCAs and subsidies to fund its development and research programs.

The tables have been updated in Section 6.11.1.1 “Recoverable cash advances” of the Registration Document:

The Company has contracted the following RCAs with the Walloon Region:

Contract N°	Name	Budget (k€)	Exploitation phase	Turnover-independent reimbursement (k€)	Total reimbursed 12/2018(k€)	Turnover-dependent reimbursement
5369	HOMING*	648	2012-2041	648	475	5%
5827	MATOB*	744	2012-2041	744	510	5%
6064	PREOB*	998	2013-2041	299	221	0.2%
6446	METHODES*	660	2014-2041	198	94	0.073%
5993	JOINTAIC*	432	2014-2042	130	43	0.085%
6834	STABCELL*	395	2015-2041	118	38	0.04%
6805	ALLOB NU*	600	2015-2042	180	55	0.2%
6337	PREOB NU*	2,960	2015-2041	888	296	0.59%
6187-6700	ALLOB*	1,306	2015-2042	392	78	1.2%
6081	GXP*	1,519	2015-2041	456	106	0.007%
6539	MAXBONE*	676	2015-2042	203	22	0.08%
6855	JTA*	600	2016-2042	180	50	0.042%
7029	CRYO*	550	2016-2042	165	33	0.37%
7028	PREOB ON3*	815	2016-2041	244	49	0.05%
7187	BANK*	258	2016-2042	78	3	0.175%
7186	ALLOB IF*	620	2017-2042	186	19	1.28%
7217	MXB BIOPRINTING*	995	2017-2042	294	0	0.1093%
7405	MECA OB*	1,815	2018-2043	545	0	0.847%
7433	ALLOB SEQ*	1,894	2019-2043	568	0	0.90%
7539	LIPO	519	2018-2043	156	0	0.23%

1510583	ALLGEL	155	2019-2043	47	0	0.04%
7646	JTA-NEXT	2,161	2020-2044	648	0	0.20%
7720	RUSTUS	455	2019-2033	136	0	0.25%
7813	CELLSORT	613	2020-2045	184	0	0.05%
7845	BIOPOTAN – Phase I	467	2021-2044	140	0	0.05%
TOTAL		22,853		7,830	2,113	

**Exploitation already signified to the Walloon Region*

Out of these contracted RCAs, up to 31 December 2018, € 19,990,000 has been effectively paid out. The remaining € 2,864,000 is expected to be received before end-2020.

A brief description of the Company's subsidies is given in the Table below.

Subsidy Names	Related Company's Projects & Activities	Description
HOMING	PREOB	Study of homing properties of PREOB
MATOB	PREOB	Study of secretion of extracellular matrix proteins of PREOB
PREOB	PREOB	Phase IIB clinical study in osteonecrosis with PREOB
METHODES	Quality control	Optimisation of QC analytical methods
JOINTAIC	JTA	Pharmaceutical development of JTA
STABCELL	PREOB & ALLOB	Optimisation of PREOB and ALLOB stability
ALLOB NU	ALLOB	Preclinical and clinical development of ALLOB
PREOB NU	PREOB	Non-union clinical study with PREOB
ALLOB	ALLOB	Preclinical and clinical development of ALLOB
GXP	Quality system	Set-up of preclinical, clinical and quality control quality systems
MAXBONE	MXB	Pharmaceutical development of MXB
JTA	JTA	Pharmaceutical development of JTA
CRYO	ALLOB	Development of cryopreservation of ALLOB
PREOB ON3	PREOB	Phase III clinical study in osteonecrosis with PREOB
BANK	ALLOB	Optimization of human biological material supply
ALLOB IF	ALLOB	Preclinical and clinical development of ALLOB in spine fusion
MXB BIOPRINTING	MXB	Preclinical development of 3D MXB cell-matrix products
MECA OB	ALLOB	Study of cell mechanisms implicated in chemotaxis and migration of osteoblastic cells
ALLOB SEQ	ALLOB	Study of the ALLOB cells secretome and its impact on the serum profile of key proteins implicated in bone reconstruction in delayed-union fractures phase II study.
LIPO	ALLOB	Influence of obesity and diabetes on osteogenic potential of ALLOB
ALLGEL	ALLOB	Preclinical study of ALLOB for bone repair in osteitis in small animals
JTA-NEXT	JTA	Increased stability of JTA-004 and product development of JTA-NEXT
RUSTUS	ALLOB	Radiographic and tomographic scores during fracture healing
CELLSORT	ALLOB	Characterization of allogenic product by Cell sorting

Subsidy Names	Related Company's Projects & Activities	Description
BIOPOTAN	ALLOB	Short and middle term biodistribution and functional evaluation of allogeneic products in DU murine model

The figures have been updated in Section 6.11.2 “Subsidies” of the Registration Document:

Subsidies granted by the Walloon Region are dedicated to funded research programs and patent applications.

Subsidies granted by the Walloon Region and amounting to € 3,658,000 are related to patent applications (contracts 820020, 920572, 820018, 920571, 820060, 820126, 920569, 820127, 820125, 920570, 1120242, 1320011, 1320145, 1320190, 820019, 820046, 820047, 1120198, 1220075, 1320146, 1120197, 1220076, 1320144, 1220028, and 1220029) together the “**Patent Subsidies**”) and research programs (contracts n° 1017112, 6559, 607051, 1217891, 1318272, 1318269 and 1318215).

As of 31 December 2018, the Company has been granted subsidies related to patent applications totalling € 1,472,000 of which € 1,081,000 has been received. The balance will be granted based on statements of expenses to be submitted to the Walloon Region.

The Company has also been granted subsidies for a total amount of € 2,186,000 of which € 2,185,000 by the Walloon Region to fund:

- 70% of costs of research programs under the contracts with the number 1017112, 6559, 1217891, 1318272 and 1318269 for an amount of € 1,653,000
- 80% of costs of research programs under contract n°1318215 for an amount of € 224,000

and by the European Commission to fund 100% of costs of a research program for an amount of € 309,000 (contract n° 607051).

These Region and European Commission subsidies for research are not refundable. Out of the above mentioned subsidies € 2,185,000 has been effectively paid out on 31 December 2018.

The figures have been updated in Section 6.11.1.2 “Skeletal Cell Therapy Support” of the Registration Document:

Since incorporation, SCTS has been awarded non-dilutive financial support from the Walloon Region totalling € 6,641,000. This financial support has been granted in the form of RCAs for an amount of € 6,246,000 of which € 4,407,000 has been paid out to SCTS as of 31 December 2018, and in the form of (non-refundable) subsidies for an amount of € 395,000, which has been fully paid out.

As of 31 December 2018, SCTS has contracted the following RCAs with the Walloon Region:

Contract N°	Names	Budget (k€)	Exploitation phase	Turnover-independent reimbursement (k€)	Total reimbursed 12/2018 (k€)	Turnover-dependent reimbursement
6804	PROFAB*	734	2015-2042	220	73	1.28%
7253	JTA PROD*	742	2017-2041	223	15	0.1%
7280	MO SELECT*	353	2018-2043	106	0	0.082%
7406	CRYOFIN*	1,185	2018-2043	355	0	0.553%
7620	EXCIP	1,589	2019-2044	477	0	0.08%
7763	PROSTERIL	729	2020-2045	219	0	0.04%
7852	ALLOPROD – Phase I	913	2021-2046	274	0	0.05%
TOTAL		6,246		1,874	88	

*Exploitation already signified to the Walloon Region

Out of these contracted RCAs, as of 31 December, € 4,407,000 has been effectively paid out. The remaining € 1,839,000 is expected to be received before end of 2020.

A brief description of SCTS' subsidies is given in the Table below.

Subsidy Names	Related Company's Projects & Activities	Description
PROFAB	PREOB	Optimisation of PREOB production

JTA PROD	JTA	Optimisation of JTA production
MO SELECT	ALLOB	Optimisation of bone marrow selection
CRYOFIN	ALLOB	Optimisation of ALLOB cryopreservation
EXCIP	PREOB	Development of a new excipient to increase the stability of PREOB
PROSTERIL	Quality control	Manufacturing of cell therapy products: aseptic risk assessment, detection methods and product protection techniques
ALLOPROD	ALLOB	Increasing the production capacity of allogenic product and optimization of the production process

This section replaces Section 9.3 “Overview Funding” of the registration document:

Up to 31 December 2018, the Company has been able to fund its operations with a long-term perspective through the following funding instruments:

- € 78.95 million in net proceeds from private equity placements in the Company;
- € 1.28 million in invested cash through the non-controlling interest held by third parties in its affiliate SCTS SA;
- € 33.15 million of non-dilutive funding, mainly through recoverable cash advances, subsidies and patents provided by the Walloon Region and to lesser extent through regular grants. In total, € 26.51 million was granted to the Company and € 6.64 million was granted to SCTS;
- € 3.25 million as a long-term investment credit provided by BNP Paribas Fortis SA/NV and ING Belgique SA/NV (each for half of the amount) for the construction of the SCTS building at the Biopark of Gosselies (South of Brussels);
- € 2.62 million in loans, provided by related parties (regional investment vehicles) which have been recorded as current and non-current financial liabilities and
- € 2.53 million through an investment grant provided by the Walloon Region on the SCTS building.

Section 12 of the Registration Document has been updated through annual report for the financial period ended 31 December 2018 (the "Annual Report 2019"):

Please find the update in Chapter 4 from page 15 to page 42 in the Annual Report 2019.

This table replaces the table in Section 12.3.1 “Composition of the Board of Directors” of the Registration Document:

The table below provides an overview of the mandates held at the date of this Document:

Name	Position	Start renewal mandate	or of	End mandate	Nature mandate	of	Professional address
Innoste SA, with as permanent representative Jean Stéphenne	Chairman	2018		2021	Independent		Avenue Alexandre 8, 1330 Rixensart, Belgium
Claudia D’Augusta	Director	2018		2020	Independent		Calle Estrelas 5, 28224 Pozuelo De Alarcon - Madrid – Spain

Name	Position	Start renewal mandate	or of	End of mandate	Nature mandate	of Professional address
Thomas Lienard SPRL, with as permanent representative Thomas Lienard	Managing Director	2016		2023	Executive	Avenue Coghen 262 bte 7, 1180 Uccle, Belgium
Castanea Management Limited with as permanent representative Damian Marron	Director	2017		2021	Independent	Tabernacle Streer 69-85, London EC2A 4RR, England
Gloria Matthew	Director	2019		2022	Independent	Ansley way 185, Roswell, GA, United States
Jean-Paul Prieels	Director	2017		2020	Independent	Avenue Louise 32- 46, 1050 Brussels, Belgium
Finsys Management SPRL with as permanent representative Jean-Luc Vandebroek	Managing Director	2018		2022	Executive	Rue Charles Plisnier 25, 1420 Braine l'Alleud, Belgium

This section replaces Section 15.4 “Warrant Plans” of the Registration Document:

15.4.1. Subscription Rights Plans Outstanding

The Company currently has 2 subscription rights plans outstanding:

On 24 February 2014, the extraordinary general shareholders’ meeting of the Company created and approved a plan which consisted in the issue of 113,760 subscription rights for employees, consultants and Directors (plan A). On At the date of the Document, 87,998 subscription rights have been granted and accepted, the remaining 25,762 subscription rights can still be offered;

On 18 December 2014, the extraordinary general shareholders’ meeting of the Company approved a second plan for the issue of the 145,000 subscription rights for the CEO, CFO and CCRO (Plan C). At the date of this Annual Report, 145,000 subscription rights have been granted and accepted but as the conditions were not respected anymore, 22,500 subscription rights have been canceled.

On 9 July 2018, the extraordinary shareholders’ meeting of the Company approved a new plan (the Warrants Plan 2018) and the issue of the 220,000 subscription rights for any natural or legal person performing professional services, of which the majority (approximately 120,000 subscription rights) will be for the benefit of the employees of the Company or its subsidiaries. The remaining amount of subscription rights would be allocated as follows: 20,000 subscription rights for the Chairman, 20,000 subscription rights for other directors and 60,000 subscription rights for the members of the Executive Committee (only the CEO, CFO and CTMO). This Plan has been canceled at the ordinary general meeting of 12 June 2019.

On the date of this Document, the following subscription rights are outstanding in accordance with the above-mentioned plans:

Plan	Plan A	Plan B	Plan C	Plan 2018	Total
CEO	36,000	-	-	-	36,000
CFO	24,000	-	-	-	24,000
CCRO	-	-	20,000	-	20,000
Consultant	4,000	-	-	-	4,000
Board members	7,998	-	-	-	7,998
Former CTMO	16,000	-	-	-	16,000

Former CFO	-	-	35,000	-	35,000
Former CEO	-	-	67,500	-	67,500
Total	87,998	0	122,500	0	210,498

Compared to the last version published, there are no more subscription rights in Plan B as the conditions were not met anymore

The ordinary general meeting of 12 June 2109 decided to limit the possibility reserved to the Board of Directors to issue subscription rights within the framework of annual plans issued within the framework of the authorised capital, to a maximum of 0.6% of the number of shares existing at the time of the issue of the said subscription rights.

7.3 Overview of press releases

This section contains an overview of press releases issued by the Company since 27 December 2018, the date on which the Registration Document was approved by the FSMA. For a more detailed review of the contents of the press releases that are incorporated by reference only, reference is made to the Company's website, where these press releases are publicly available.

List of press releases issued by the Company since 27 December 2018:

- Press release of 22 January 2019: Bone Therapeutics announces 2019 business outlook and reports year-end 2018 cash position
- Press release of 30 January 2019: Bone Therapeutics holds successful event to highlight strength of cell and gene therapy in Wallonia;
- Press release of 30 January 2019: Information on the total number of voting rights and shares;
- Press release of 5 February 2019: Bone Therapeutics to present at the Annual Meeting of the Orthopaedic Research Society (ORS)
- Press release of 25 February 2019: Bone Therapeutics Notice of Full Year 2018 Results
- Press release of 1 March 2019: Bone Therapeutics announces 2018 full year results
- Press release of 5 March 2019: Information on the total number of voting rights and shares;
- Press release of 12 March 2019: Bone Therapeutics appoints Olivier Godeaux as Chief Medical Officer and Benoit Moreaux as Chief Scientific and Technology Officer
- Press release of 18 March 2019: Bone Therapeutics to present at Herbert Fleisch / IFMRS Workshop
- Press release of 28 March 2019: Bone Therapeutics: Information on the total number of voting rights and shares (March 2019)
- Press release of 23 April 2019: The preliminary documents for the Extraordinary General Shareholder Meeting on 23 May 2019 have been made available.
- Press release of 25 April 2019: Bone Therapeutics announces publication of Annual Report 2018 and Extraordinary General Meeting on 23 May 2019
- Press release of 29 April 2019: Bone Therapeutics: Information on the total number of voting rights and shares (April 2019)
- Press release of 7 May 2019: Bone Therapeutics Provides First Quarter 2019 Business Update
- Press release of 10 May 2019: The preliminary documents for the Annual Ordinary General Shareholder Meeting on 12 June 2019 have been made available
- Press release of 24 May 2019: The preliminary documents for the Extraordinary General Shareholder Meeting on 12 June 2019 have been made available
- Press release of 24 May 2019: Bone Therapeutics to present data at TERMIS European Chapter Meeting 2019
- Press release of 29 May 2019: Bone Therapeutics: Information on the total number of voting rights and shares (May 2019)
- Press release of 31 May 2019: Bone Therapeutics to participate in upcoming conferences
- Press release of 12 June 2019: Bone Therapeutics announces results of Annual General Meeting
- Press release of 13 June 2019: Bone Therapeutics' allogeneic cell therapy product ALLOB meets primary endpoints in Phase IIa study in patients undergoing a lumbar spinal fusion

The following press releases shall be incorporated in, and form part of, the Prospectus, save that any statement contained in a document which is incorporated by reference shall be modified or superseded for the purpose of the Prospectus to the extent that a statement contained herein 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 Prospectus.

The following press releases – an extract of which is set out below – are incorporated by reference only:

- Press release of 22 January 2019: Bone Therapeutics announces 2019 business outlook and reports year-end 2018 cash position
- Press release of 1 March 2019: Bone Therapeutics announces 2018 full year results
- Press release of 7 May 2019: Bone Therapeutics Provides First Quarter 2019 Business Update
- Press release of 13 June 2019: Bone Therapeutics' allogeneic cell therapy product ALLOB meets primary endpoints in Phase IIa study in patients undergoing a lumbar spinal fusion
- Press release of 27 June 2019: Bone Therapeutics to raise capital through private placement of new shares and issuance of non-dilutive subordinated bonds
Press release of 27 June 2019: Bone Therapeutics successfully raises EUR 8.5 million.

7.3.1 22 January 2019 press release: Bone Therapeutics announces 2019 business outlook and reports year-end 2018 cash position

On 22 January 2019, Bone Therapeutics provides its business outlook for 2019 and reports its cash position for the year ending December 31, 2018.

Copy of the press release:

Outlook for 2019

The Company is on track to report top line data in mid-2019 from the Phase IIA study with its off-the-shelf, allogeneic bone cell therapy, ALLOB, in 32 patients undergoing a spinal fusion procedure.

In H2 2019, the Company plans to submit a clinical trial application (CTA) with the regulatory authorities in Europe to allow the start of a study with ALLOB in patients with delayed-union fractures, using its proprietary, optimised production process. The Company is currently generating the non-clinical data package as required.

The Company expects to submit a CTA with the regulatory authorities and to start the Phase III programme with the enhanced viscosupplement JTA-004, in patients with knee osteoarthritis, in H2 2019.

"We're delighted with the continued clinical momentum of ALLOB and are further advancing this programme towards commercialization, supported by our new optimized manufacturing process," said Thomas Lienard, Chief Executive Officer of Bone Therapeutics. "Our focus is now on progressing the late-stage clinical development of the ALLOB platform in delayed-union fractures and JTA-004 in osteoarthritis of the knee. We believe we have a compelling portfolio of programmes with the potential to provide best-in-class solutions to orthopaedics and bone diseases, and we look forward to updating on the progress of these programmes."

Cash position for the full year ended December 31, 2018

Strong focus on cash management and resource allocation optimization resulted in a cash utilization of €13.9 million⁽¹⁾ for the full year 2018 which was below the Company's guidance. As a result, the net cash position totalled €8.2 million⁽¹⁾ for the year ended December 31, 2018. Subsequently, in January 2019, Bone Therapeutics received a €1 million milestone payment from licensee Asahi Kasei, after reaching a regulatory milestone following a consultation with the Japanese Regulatory Authority for PREOB. In parallel, Asahi Kasei and the Company are reviewing their options with regards to the future of the PREOB licensing agreement, following termination of the PREOB study in osteonecrosis of the hip. Therefore, the Company anticipates having sufficient cash to carry out its business objectives into Q4 2019.

⁽¹⁾ Unaudited number

Financial Calendar 2019

- 25 April – Full Year Results 2018 and Annual Report 2018
- 7 May – Q1 2019 Business and Financial Highlights
- 12 June – Annual General Meeting 2019
- 30 August – Half Year Results 2019
- 6 November – Q3 2019 Business and Financial Highlights

Calendar may be subject to change and is communicated on an indicative basis.

7.3.2 1 March 2019 press release: Bone Therapeutics announces 2018 full year results

On 1 March 2019, the Company announced its business update and full year financial results for the year ending 31 December 2018, prepared in accordance with IFRS as adopted by the European Union.

Copy of the press release:

Clinical and operational highlights

- Achieved positive final results for the Phase I/IIa study with ALLOB in 21 patients with delayed-union fractures.
- Completed patient recruitment in the ALLOB Phase IIa lumbar spinal fusion study.
- Optimised the allogeneic manufacturing process to improve consistency, scalability, cost effectiveness and ease of use, factors critical for the successful development of a commercial cell therapy product.
- Further demonstrated the potent osteogenic properties of the allogeneic cell therapy platform, presented at the Annual Meeting of the European Orthopaedic Research Society (EORS).
- Reported positive Phase IIb efficacy results with JTA-004 in patients with knee osteoarthritis, showing a statistically significant improvement in pain relief compared to a leading viscosupplement.
- Pipeline focused on the clinical development of ALLOB and JTA-004, following discontinuation of the autologous product, PREOB, in osteonecrosis of the hip.

Corporate highlights

- Further strengthened the Board of Directors with the appointment of Jean Stéphenne as Chairman, Jean-Luc Vandebroek as Executive Director and Claudia D'Augusta as Independent Director.
- Appointment of Linda Lebon as Chief Regulatory Officer, who will play a crucial role in defining the regulatory pathway for the late-stage clinical assets.

Financial highlights

- Revenues and operating income of € 5.1 million, up 20.5% compared to 2017.
- Operating loss for the period amounted to € 11.5 million, compared to € 12.3 million for the full year 2017.
- Lower than anticipated net cash burn of € 13.9 million vs € 15-16 million previously guided.
- Year-end cash position of €8.2 million compared to €8.4 million year-end 2017.
- Secured a total of €19.45 million in committed funds following the successful private placement of convertible bonds.

Post-period highlights

- Subsequent analysis of the unblinded interim data of the Phase III PREOB study in patients with hip osteonecrosis demonstrated that PREOB had a clinical effect, which was in line with the previous reported results from the Phase II study. However, this analysis also revealed that the control group, which consisted of core decompression alone, performed much better than what was originally anticipated from historical clinical studies. This could be related to improvements of the core decompression techniques in recent years, and hence may have led to a reduced difference in responder rate between the control arm and PREOB group, leading to the discontinuation of the Phase III trial. Based on the preclinical data, manufacturing and intellectual property experience with PREOB, the Company generated the knowledge to develop ALLOB, its patented allogeneic cell therapy platform. ALLOB's optimised production process significantly increases the production yield, substantially reducing production costs, and the product is delivered to physicians in a ready-to-use cryopreserved formulation, to the benefit of patients.
- Achieved a regulatory milestone as part of its PREOB collaboration with Asahi Kasei, triggering a €1 million success fee. In parallel, Asahi Kasei and the Company are reviewing their options regarding the future of the PREOB licensing agreement, following termination of the PREOB study in osteonecrosis of the hip in Europe.
- Further demonstrated the potent osteogenic properties of its allogeneic cell therapy product at the Annual Meeting of the Orthopaedic Research Society (ORS).
- Strengthened the executive management team with the appointment Benoît Moreaux as Chief Technology & Manufacturing Officer.

Outlook for the remainder of 2019

- The Company expects to report top line data in mid-2019 from the Phase IIa study with ALLOB in 32 patients undergoing a lumbar spinal fusion procedure.

- In the second half of 2019, the Company plans to submit a clinical trial application (CTA) with the regulatory authorities in Europe and the United States to allow the start of a Phase IIb/III clinical trial with ALLOB in patients with delayed-union fractures, using its proprietary, optimised production process. The Company is currently generating the non-clinical data package as required.
- Also, in the second half of 2019, the Company plans to submit a CTA with the regulatory authorities in Europe and the United States for the Phase III programme with JTA-004 in patients with knee osteoarthritis.

Good cost and cash management will remain a key priority. The net cash burn for the full year 2019 is expected to be in the range of € 13-14 million. The Company anticipates having sufficient cash to carry out its business objectives until the end of 2019, taking into account the € 5.18 million to be received under the convertible bond programme.

7.3.3 7 May 2019 press release: Bone Therapeutics provides First Quarter 2019 Business Update

On 7 May 2019, Bone Therapeutics provides its business update for the first quarter ended 31 March 2019.

Copy of the press release:

Corporate highlights

- Presented *in vitro* and *in vivo* data for ALLOB at the Annual Meeting of the Orthopaedic Research Society (ORS), demonstrating the potent osteogenic properties of ALLOB to promote direct bone-formation and to improve fracture healing in relevant models.
- Strengthened the executive management team with the appointments of Olivier Godeaux, MD, as Chief Medical Officer and Benoît Moreaux, PhD, as Chief Scientific and Technology Officer.

Financial highlights

- Achieved a regulatory milestone as part of its PREOB collaboration with Asahi Kasei, triggering a € 1 million success fee. In parallel, Asahi Kasei and the Company are reviewing their options regarding the future of the PREOB licensing agreement, following termination of the PREOB study in osteonecrosis of the hip in Europe.
- Good cost and cash management will remain a key priority. The net cash burn for the full year 2019 is expected to be in the range of € 12-13 million. The Company anticipates having sufficient cash to carry out its business objectives until the end of 2019, taking into account the € 3.75 million to be received under the convertible bond programme.
- As a result, the Company ended the first quarter of 2019 with a cash balance of € 7.13 million.

Outlook for the remainder of 2019

- The Company expects to report in mid-June top line data from the Phase IIa study with ALLOB in patients undergoing a lumbar spinal fusion procedure.
- The company will participate to the Belgian Life Science day organised by Kepler Cheuvreux in collaboration with Belfius in Paris on 18 June.
- In the second half of 2019, the Company plans to submit a clinical trial application (CTA) with the regulatory authorities in Europe and the United States to allow the start of a Phase II/III clinical trial with ALLOB in patients with delayed-union fractures, using its proprietary, optimised production process.
- Also, in the second half of 2019, the Company plans to submit a CTA with the regulatory authorities in Europe and the United States for the Phase III programme with JTA-004 in patients with knee osteoarthritis.

7.3.4 Press release of 13 June 2019: Bone Therapeutics' allogeneic cell therapy product ALLOB meets primary endpoints in Phase IIa study in patients undergoing a lumbar spinal fusion

On 13 June 2019, Bone Therapeutics reports that its allogeneic cell therapy product, ALLOB, meets primary endpoints in Phase IIa study in patients undergoing a lumbar spinal fusion procedure.

Copy of the press release:

This multi-centre, open-label proof-of-concept Phase IIa study was designed to evaluate the safety and efficacy of ALLOB administered in addition to the standard of care procedure in which an interbody cage with bioceramic granules is implanted into the spine to achieve fusion of the lumbar vertebrae. The primary endpoints of the study assessed at 12-month included radiological assessments to evaluate fusion (continuous bone bridges) and clinical

assessments to evaluate improvement in patients' functional disability. The secondary endpoints included the assessment of intervertebral mobility (absence of motion at the treated lumbar level), back and leg pain reduction, as well as safety and tolerability. The study evaluated 30 patients treated with ALLOB in combination with standard of care procedure.

Radiological data collected from CT-scans over a 12-month period showed successful fusion ($p < 0.001$) of the lumbar vertebrae in 22 out of 30 patients (73.3%), while the remaining 8 patients showed evidence of bone formation. For the first 15 patients who already reached the 24-month follow-up time point, 13 out of 15 patients (86.7%) showed successful fusion. Furthermore, treatment with ALLOB resulted in a clear and statistically significant clinical improvement from the pre-treatment baseline in functional disability, with a mean score improvement of 63.0% ($p < 0.001$) on the Oswestry Disability Index.

In addition, radiological data collected from dynamic X-rays at 12 months demonstrated that treatment with ALLOB resulted in the immobilisation of the treated intervertebral segment in all patients. Finally, treatment with ALLOB resulted in a strong reduction in back and leg pain of 67.0% and 75.0% respectively.

The results from the study demonstrated that treatment with ALLOB was generally well-tolerated. As previously described in the literature covering clinical studies with allogeneic mesenchymal stem cells or their derivatives, pre-existing or treatment-emergent antibodies have been detected in 64.5% of patients, however no clinical consequences were observed.

These strong results are an improvement (60.0% to 73.3%) compared to the Phase IIa spinal fusion 12-month interim analysis reported in September 2017. Moreover, the results are in line with the Phase I/IIa study with ALLOB in patients with delayed union fractures reported in September 2018, confirming ALLOB's potential to significantly improve treatment options in orthopaedics and bone diseases.

Professor Bronek Boszczyk, Head of the Spinal Surgery Benedictus Clinic, Visiting professor at Nottingham Trent University, Director of NSpine, commented: *"These strong results demonstrate that treatment with ALLOB is well-tolerated and provides a clinically meaningful improvement supported by radiological evidence in patients undergoing a spinal fusion procedure. Degenerative spine disorders put a high burden on patients and their families and there is a high unmet medical need for safe and effective procedures to eliminate painful motion and restore stability of the spine. ALLOB, in combination with the current standard procedure, has the potential to address these needs and to become a more convenient alternative, offering a safe and significant improvement over spine fusion surgery alone."*

Thomas Lienard, CEO of Bone Therapeutics, added: *"The positive outcome from this study further validates the potential of our unique allogeneic cell therapy platform to address high unmet medical needs in orthopaedics and bone related disorders. We will now evaluate these positive results with the regulatory agencies. Next clinical development steps that are required for ALLOB in this indication will be discussed later on. In addition, we are on track to submit the clinical trials application to start the Phase II/III program with ALLOB in patients with fractures at risk of delayed or non-union by the end of this year."*

About Spinal Fusion

Due to ageing populations and sedentary lifestyles, the number of people suffering from degenerative spine disorders continues to increase. Today, spinal fusion procedures are performed to relieve pain and improve patient daily functioning in a broad spectrum of degenerative spine disorders. Spinal fusion consists of bridging two or more vertebrae with the use of a cage and graft material, traditionally autologous bone graft or demineralised bone matrix – placed into the intervertebral space – for fusing an unstable portion of the spine and immobilizing a painful intervertebral motion segment. Over 1,000,000 spinal fusion procedures are performed annually in the US and EU, of which half at lumbar level and the market is growing at a rate of 5% per year. Although spinal fusion surgery is routine, non-fusion, slow progression to fusion and failure to eliminate pain are still frequent with up to 35% of patients not being satisfied with their surgery.

About ALLOB and the Company's proprietary, scalable cell therapy manufacturing process

ALLOB is the Company's off-the-shelf allogeneic cell therapy platform consisting of human allogeneic bone-forming cells derived from cultured bone marrow mesenchymal stem cells (MSC) from healthy adult donors, offering numerous advantages in product quality, injectable quantity, production, logistics and cost as compared to an autologous approach. To address critical factors for the development and commercialisation of cell therapy products, Bone Therapeutics has established a proprietary, optimised production process that improves consistency, scalability, cost effectiveness and ease of use of ALLOB. This optimized production process significantly increases the production yield, generating 100,000 of doses of ALLOB per bone marrow donation. Additionally, the final ALLOB product will be cryopreserved, enabling easy shipment and the capability to be stored in a frozen form at the hospital level. The

process will therefore substantially reduce overall production costs, simplify supply chain logistics, improve patient accessibility and facilitate global commercialisation. The Company will implement the optimized production process for all future clinical trials with ALLOB.

7.3.5 *Press release of 27 June 2019: Bone Therapeutics to raise capital through private placement of new shares and issuance of non-dilutive subordinated bonds*

On 27 June 2019, Bone Therapeutics announced its intention to raise funds for an approximate amount of EUR 8.5 million.

Copy of the press release:

The operation will be covered by the launch of a private placement of new shares to institutional investors with the aim to raise gross proceeds of approximately EUR 5.0 million via an accelerated bookbuild offering (the "Private Placement"), with the potential to increase the size of the placement. Furthermore, the Company announces the placement of fully-subscribed non-dilutive subordinated bonds (the "Bond Issuance") for a total aggregate amount of EUR 3.5 million.

The Company has received confirmations from its existing shareholders S.R.I.W., SFPI and Sambrinvest that they intend to submit subscription orders for the Private Placement for about EUR 2.0 million, depending on the total amount of equity raised. The Board of Directors has decided to cancel the preferential subscription rights of the existing shareholders in the framework of the Private Placement with respect to the issuance of the new shares, within the limits of the authorised capital as approved by the extraordinary shareholders' meeting on 9 July 2018. The Private Placement is open to institutional investors and such other investors as permitted under applicable private placement exceptions. Any final allocation to S.R.I.W., SFPI, Sambrinvest and participating investors, as the case may be, will be made based on customary, objective and pre-identified criteria agreed with the Bookrunner. No guarantee has been given as to the final allocation to S.R.I.W., SFPI and Sambrinvest, or that any allocation will be made to them, or as to the size of any such allocation.

To further strengthen its cash position and to diversify its funding through non-dilutive financing, the Company also announces the issuance of non-dilutive subordinated bonds for a total amount of EUR 3.5 million, fully placed with institutional investors (insurance companies). The subordinated bonds will be issued in registered form, redeemable at 100% of their principal amount with a maturity of 48 months and a coupon of 8% per annum. The coupon will be payable annually.

Bone Therapeutics intends to use the net proceeds from the Private Placement and the Bond Issuance to:

- Initiate the Phase II/III programme in Europe and the United States with its proprietary allogeneic cell therapy product, ALLOB, in patients with delayed-union fractures;
- Start the Phase III programme in Europe and the United States with its enhanced viscosupplement, JTA-004, in patients with knee osteoarthritis;
- Fund non-clinical developments of ALLOB and;
- Cover general business expenses and corporate activities.

The Private Placement of new shares with institutional investors will start today, 27 June 2019, immediately following this announcement. The Company will announce the results of the Private Placement as soon as possible after closing of the accelerated bookbuild offering in a subsequent press release.

The trading of the shares of the Company on Euronext Brussels and Euronext Paris will be suspended during the accelerated bookbuild offering until the closing of the bookbuilding period and publication of the results of the Private Placement. Trading in the shares is expected to resume following the publication of the results of the Private Placement.

Belfius Bank NV/SA, in cooperation with Kepler Cheuvreux SA and its affiliates, is acting as Sole Bookrunner (the "Bookrunner") in the Private Placement. In relation to the Private Placement, the Company has agreed with the Bookrunner a market customary 180-days standstill period on future share issuances, waivable by the Bookrunner and subject to customary exceptions.

7.3.6 *Press release of 27 June 2019: Bone Therapeutics successfully raises EUR 8.5 million*

On 27 June 2019, Bone Therapeutics announced that it has successfully raised EUR 8.5 million in gross proceeds through a private placement of 1,351,352 new shares via an accelerated bookbuild offering, launched on 27 June 2019 (the "Private Placement") and a non-dilutive subordinated bond placement (the "Bond Issuance").

Copy of the press release:

Thomas Lienard, Chief Executive Officer of Bone Therapeutics commented: “The level of support we received from our existing and new investors is a true recognition of our potential to fundamentally change the way patients with bone diseases and orthopaedic conditions are treated. Over the past nine months, we have made substantial progress across our entire business, including the successful completion of three Phase II programmes across multiple indications and the implementation of a proprietary, high-yield, scalable cell therapy manufacturing process. The funds raised today will allow us to further build on this positive momentum and to continue to build significant value for our shareholders and patients. We look forward to reporting on our progress over the next coming period.”

Jean-Luc Vandebroek, Chief Financial Officer of Bone Therapeutics, added: “We are very pleased with the demand and support from both our existing shareholders as well as new local and international investors, underpinning their confidence in our Company and the unique potential of our innovative product candidates. The associated subordinated bond placement allowed us to diversify our funding sources to strengthen our balance sheet ahead of the anticipated start of the late-stage clinical programmes with ALLOB and JTA-004, while limiting the dilution of our existing shareholders. In line with our financing strategy, we will continue to seek funding to further strengthen our working capital and to fund our operations, including strategic transactions, additional private placement transactions or public share offerings.”

Bone Therapeutics intends to use the net proceeds from the Private Placement and the Bond Issuance to:

- Initiate the Phase II/III programme in Europe and the United States with its proprietary allogeneic cell therapy product, ALLOB, in patients with delayed-union fractures;
- Start the Phase III programme in Europe and the United States with its enhanced viscosupplement, JTA-004, in patients with knee osteoarthritis;
- Fund non-clinical developments of ALLOB and;
- Cover general business expenses and corporate activities.

With the total gross proceeds of EUR 8.5 million raised through the Private Placement and the Bond Issuance, the Company expects to have sufficient cash to carry out its strategic objectives into Q3 2020.

Via the Private Placement, Bone Therapeutics has raised EUR 5.0 million and placed 1,351,352 new shares with current and new institutional investors in Belgium and abroad at a price of EUR 3.70 per share, which represents a 15% discount to yesterday's closing price. The new shares represent 15.1% of the Company's shares currently admitted to trading on Euronext Brussels and Euronext Paris (pre-transaction) and will bring the total number of shares (post-transaction) to 10,303,323. The new shares will be admitted to trading on Euronext Brussels and Paris following their issuance, which is expected to take place on 1 July 2019.

The payment and delivery of the new shares is expected to take place on 1 July 2019, and an application will be made to admit the new shares to trading on the regulated markets of Euronext Brussels and Euronext Paris at the same time. The new shares to be issued will have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of the Company at the moment of their issuance.

Via the Bond Issuance, the Company has raised EUR 3.5 million. The non-dilutive subordinated bonds will be issued in registered form, redeemable at 100% of their principal amount with a maturity of 48 months and a coupon of 8% per annum. The coupon will be payable annually.

The new ordinary shares were offered through an accelerated bookbuild procedure with institutional investors only, outside the United States, in accordance with Regulation S under the Securities Act, and may be subject to restrictions in other jurisdictions.

Belfius Bank NV/SA, in cooperation with Kepler Cheuvreux SA and its affiliates, is acting as Sole Bookrunner (the "Bookrunner") in the Private Placement. In relation to the Private Placement, the Company has agreed with the Bookrunner a market customary 180-days standstill period on future share issuances, waivable by the Bookrunner and subject to customary exceptions.

8 Definitions

AMF	means the French Financial Markets Authority (<i>Autorité des Marchés Financiers</i>)
Article 203 BITC Taxation Conditions	has the meaning as set out in Section 4.9.1.2
Articles of Association	means the articles of association of the Company
Belgian Code on Companies and Associations	<i>Code des sociétés et des associations / Wetboek van vennootschappen en verenigingen</i> enacted by the Belgian Act of 23 March 2019 regarding the implementation of the Belgian code on companies and associations, as applicable to the Company as of 24 June 2019 following the publication in the Belgian State Gazette of the approval by the extraordinary shareholders' meeting dd. 12 June 2019 to opt-in under the Belgian Code on Companies and Associations.
Belgian Companies Code	<i>Code des sociétés / Wetboek van vennootschappen</i> , enacted by Belgian Act of 7 May 1999 regarding the Belgian companies code (as amended from time to time), which as of 24 June 2019 no longer applies to the Company.
Belgian Investor	has the meaning as set out in Section 4.9.3
BITC	means the Belgian Income Tax Code
Board of Directors	means the board of directors of the Company
Bond Warrants	means the bond warrants accompanying each subscribed CB and entitling the holder of each Bond Warrant to subscribe to one CB
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	means the unsecured convertible bonds with a total commitment of EUR 19.45 million as placed by the Company on 7 March 2018 by means of an accelerated bookbuilding procedure with institutional and professional investors by way of a private placement
Conditions for the application of the Dividend Received Deduction Regime	has the meaning as set out in Section 4.9.1.2
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 Section 4.9.1.2
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, CMO, CSTO and CRO
French Tax Code	has the meaning as set out in Section 4.10

FSMA	means the Financial Services and Markets Authority in Belgium (<i>Autorité des services et marchés financiers</i>)
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 1,351,352 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
Private Placement	has the meaning as set out in Section 2.1.1
Prospectus	has the meaning as set out in Section 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 (<i>loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés</i>)
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
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 Section 2.1.2
Securities Note	means the current note prepared by Bone Therapeutics SA in relation to the admission to trading of 1,351,352 new shares on Euronext Brussels and Euronext Paris
Stock Exchange Tax Representative	has the meaning as set out in Section 4.9.3
Summary Note	means the Company's summary note in relation to the admission to trading of up to 1,351,352 New Shares on Euronext Brussels and Euronext Paris, as approved by the FSMA on 28 June 2019 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