



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 4,408,881 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 11 December 2020, 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 17 December 2019 (the "**Registration Document**"); and
- the Company's summary in relation to the admission to trading of 4,408,881 new shares on Euronext Brussels and Euronext Paris, as approved by the FSMA on 11 December 2020 and as subsequently notified to the AMF (the "**Summary**").

The Registration Document and the Summary, together with this Securities Note, constitute a prospectus within the meaning of article 10 of the Prospectus Regulation 2017/1129. This Securities Note contains the minimum disclosure requirements for a share securities note in accordance with Annex 12 of the Prospectus Delegated Regulation 2019/980. This prospectus was therefore drawn up as a simplified prospectus in accordance with article 14 of the Prospectus Regulation 2017/1129.

No public offering of the New Shares has or will be made in Belgium, France or in any other member state of the European Economic Area 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,

mC4Tx SRL,  
represented by Miguel Forte

Finsys Management SRL,  
represented by Jean-Luc Vandebroek

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# **1 Risk Factors related to the shares**

The risks and uncertainties that the Company believes to be material are described below. The occurrence of one or more of these risks may have a material adverse effect on the Company's share price, cash flows, results of operations, financial condition and/or prospects and may even endanger the Company's ability to continue as a going concern. However, these risks and uncertainties may not be the only ones faced by Bone Therapeutics. Additional risks, including those currently unknown or deemed immaterial, may also impair the Company's business operations. The risk factor which in the assessment of the Company is the most material, taking into account the negative impact on the Company and the probability of its occurrence, is mentioned first. The remaining risk factors are not ranked in order to their materiality. Prospective investors should also carefully read the detailed information set out in this Securities Note and in the Registration Document (including any documents incorporated in it by reference) and reach their own view prior to making any investment decision.

## **1.1 Various factors including changes in the operating results of the Company and its competitors as well the potential extreme price and volatility of stock markets may significantly affect the market price of the shares**

A number of factors may significantly affect the market price of the shares. Such factors include 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 materially adversely 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.

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

Furthermore, 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 in the public markets could have a material adverse effect on the Company's share price.

The negative fluctuations of the market price of the shares of the Company resulting from the abovementioned factors are likely to occur and may have a significant negative impact on the financial condition and viability of the Company.

## **1.2 Future issuances of shares or subscription rights may significantly dilute the interests of existing shareholders and therefore adversely affect the market price of the shares, the earnings of the shares and the net asset value thereof**

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 significant 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 materially 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. None of the March 2018 CBs remain outstanding and the Bonds Warrants have all been exercised or expired.

Following the private placement of CBs announced on 29 April 2020, up to a maximum 2,500 CBs were conditionally issued, subject to their effective subscription. In total, 705 CBs were effectively subscribed for, issued and also converted into shares. The remaining 1,795 CBs that were conditionally issued have not been subscribed for. Based

on current developments and recently signed agreements with Link Health/Pregene and Catalent, the Company decided to close the April 2020 convertible bond program on 29 October 2020. As a result, none of the April 2020 CBs remain outstanding or can be potentially subscribed for.

1,600 CBs were issued following the private placement announced on 6 May 2020. At the date of this Document, all 1,600 outstanding CBs issued following the private placement announced on 6 May 2020 remain outstanding. Using the predetermined conversion price of EUR 7.00, the 1,600 CBs can be converted into 571,428 new shares in the Company in case all such CBs are converted. These 1,600 CBs may be converted at the CB holder's request at any time until the day before their maturity date (i.e. 38 months after their issuance). The shares resulting from the bond conversions 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.

Taking into account the proceeds of the Private Placement which will be paid on 15 December 2020, 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 activities after end of Q4 2021.

For more information on the financial consequences of the issuance of the New Shares and the exercise of existing subscription rights for the shareholders of the Company, please refer to Section 6.2 of this Securities Note.

### **1.3 The Company does not intend to obtain a registration statement in the United States or to fulfill any requirement in other jurisdictions, which may significantly affect the ability of holders of shares outside Belgium and France 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). For more information on the exercise of preferential subscription rights, please refer to Section 4.6.4 of this Securities Note. 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 file a registration statement in the United States 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). As a result, the risk that holders of shares of the Company outside Belgium and France may not be able to exercise pre-emption rights is medium.

### **1.4 The Company does not intend to pay dividends for the foreseeable future**

All shares (including the New Shares) of the Company are entitled to participate in the profits of the Company (if any). For more information on the entitlement to dividends, please refer to Section 3.7. 1 of the Registration Document and Section 4.6.1 of this Securities Note.

As indicated under Section 3.7.2 of the Registration Document, the Company has never declared or paid any dividend on its shares. The Company does not anticipate paying dividends for the foreseeable future. In case the Company then changes its dividend policy, the payment of future dividends to shareholders will still 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. For more details on these requirements and restrictions, please refer to Section 4.6.1 of this Securities Note. Furthermore, financial restrictions and other limitations may be included in current or future credit and subsidy agreements.

The probability that the shareholders of the Company do not receive dividends in the near future is therefore high.

### **1.5 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, which may have a negative impact on the Company's activities and financial condition**

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

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

the shareholders. Alternatively, to the extent that these shareholders have insufficient votes to impose certain shareholders' decisions, they could still have the ability to block proposed shareholders' resolutions that require, or require more than, 50%, 75% or 80% of the votes of the shareholders that are present or represented at shareholders' meetings were such decisions are submitted to voting by the shareholders. Any such voting by the shareholders may not be in accordance with the interests of the Company or the other shareholders of the Company and may therefore have a negative impact on the Company's activities and financial condition. As a result, this risk is medium.

## 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, which together constitute a prospectus (the "**Prospectus**"), prepared by the Company in accordance with article 10 of the Prospectus Regulation 2017/1129. This Securities Note contains the minimum disclosure requirements for a share securities note in accordance with Annex 12 of the Prospectus Delegated Regulation 2019/980.

On 11 December 2020, the Company conditionally issued up to 4,408,881 new shares, such issue being conditional upon the effective placement of the new shares. 4,408,881 shares (the "**New Shares**") were placed for an aggregate issue price of EUR 9,920,000 by means of a private placement (i) with institutional and professional investors (the "**non-US 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**"), and (ii) within the United States solely to qualified institutional buyers ("**QIBs**") within the meaning of the U.S. federal securities laws (the "**US Investors**") in transactions exempt from registration under the U.S. Securities Act (the "**Private Placement**"). The New Shares will be subscribed for and effectively issued on or about 15 December 2020.

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 3, paragraph 3 of the Prospectus Regulation 2017/1129.

This Prospectus also covers the 1,765,964 shares resulting from the conversion of the CBs and admitted to trading on Euronext Brussels and Euronext Paris during 2019 and 2020 prior to the date of the Prospectus. More detailed information about the conversion of the CBs is set out in Section 6.1.

#### 2.1.2 *No offering of the New Shares*

No offering of the New Shares to the public was made or will be made and no one has taken any action that would, or is intended to, permit such an offering in any country or jurisdiction where any such action for such purpose is required, including in Belgium, France or any other member state of the European Economic Area to which the Prospectus Regulation 2017/1129 applies (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 to persons in any form and by any means, presenting 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 and (b) the expression "Prospectus Regulation 2017/1129" means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (as transposed 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. Accordingly, none of the New Shares may be offered or sold in the United States, except to or by persons reasonably believe to be institutional accredited investors or QIBs in transactions exempt from registration under the U.S. Securities Act.

#### 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, this Securities Note and the Registration Document. The Summary 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](http://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 and has not been scrutinised or approved by the competent authority. 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.

## **2.2 Persons responsible for the contents of the Prospectus**

In accordance with Article 26, §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 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 20 of the Prospectus Regulation 2017/1129, 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](http://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](http://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](http://stori.fsma.be) or [www.fsma.be](http://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, 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, 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 statement of capitalisation of the Company as of 30 September 2020. This information presented as of 30 September 2020 has not been audited by the Auditor. For a summary description of the balance sheet of 30 June 2020, we refer to the Half-Year Report 2020 published on the Company's website <http://www.bonetherapeutics.com/en/financial-reports>.

(€'000)	As at 30 September 2020
<b>TOTAL CURRENT DEBT</b>	<b>11.658</b>
Guaranteed	0
Secured	4.414
Unguaranteed / Unsecured	7.244
<b>TOTAL NON-CURRENT DEBT</b>	<b>14.792</b>
Guaranteed	0
Secured	1.926
Unguaranteed / Unsecured	12.866
<b>SHAREHOLDER'S EQUITY</b>	<b>-8.679</b>
Share capital	6.060
Share premium	60.608
Retained earnings	-75.536
Other reserves	189
<b>TOTAL</b>	<b>17.771</b>

The following table sets out the net financial indebtedness of Bone Therapeutics as of 30 September 2020:

(€'000)	As at 30 September 2020	As at 31 December 2019
A Cash	5.554	8.633
B Cash equivalents	0	0
C Other current financial assets	850	2.188
D Liquidity (A + B + C)	6.403	10.821
Current financial debt (including debt instrument, but excluding current portion of non-current financial debt)*	5.407	1.578
F Current portion of non-current financial debt	1.344	1.131
G Current financial indebtedness (E + F)	6.751	2.709
H Net current financial indebtedness (G - D)	348	-8.112
Non-current financial debt (excluding current portion and debt instrument)**	14.792	11.006
J Debt instruments	0	0
K Non-current trade and other payables	0	0
L Non-current financial indebtedness (I + J + K)	14.792	11.006
M Total financial indebtedness (H + L)	15.140	2.894

*\* The convertible bonds issued by the Company in March 2018 and April 2020 are included therein as they were converted on 8 October 2020*

*\*\* The convertible bonds issued by the Company in May 2020 are included therein as they are not likely to be converted by the investors because the strike price is currently significantly higher than the share price and they are redeemable at maturity.*

### **Material evolution from 30 September 2020:**

#### **a. Change in share capital**

From 30 September 2020 till the date of this Document, the total number of new shares issued represent 209,416 shares. At the date of this Document, the share capital of the Company amounts to € 6,166,383.70, represented by 12,069,287 shares, without nominal value, each representing 1/12,069,287<sup>th</sup> of the share capital.

#### **b. License agreement with Link Health and Pregene**

On 5 October 2020, Bone Therapeutics announced the signing of an exclusive license agreement with Link Health Pharma Co., Ltd and Shenzhen Pregene Biopharma Company, Ltd for the manufacturing, clinical development and commercialization of ALLOB in Greater China, Taiwan, Singapore, South Korea, and Thailand. Terms of the agreement include €55 million total in upfront and milestone payments, with €10 million expected in next 24 months as well as tiered double-digit royalties on net sales.

#### **c. Manufacturing collaboration with Catalent**

On 29 October 2020, Bone Therapeutics announced the signing of a manufacturing collaboration with Catalent, Inc. to streamline the production of ALLOB. Under the terms of the share purchase agreement, Catalent will acquire Bone Therapeutics' cell therapy manufacturing subsidiary, Skeletal Cell Therapy Support SA (SCTS), for gross proceeds of €12 million. The transaction is expected to close in November 2020, subject to conditions precedent. The equity purchase price, net of SCTS's debt (€3 million), cash adjustments, and taking into account the restructuring of some Bone Therapeutics' existing liabilities (€3 million), will generate net proceeds of approximately €6 million. The acquired manufacturing entity will continue to service the production of ALLOB for Bone Therapeutics and its partners. This enables Bone Therapeutics to focus its attention on the development of products from its differentiated MSC platform of cell and gene therapeutic targets for orthopedics and other indications. The manufacturing collaboration with Catalent will streamline and economize ALLOB's production and is estimated to result in a €2 million annual reduction of fixed costs.

Based on current developments and recently signed agreements, the Company has decided to terminate the convertible bond program issued in April 2020.

## **3.2 Working capital statement**

Taking into account the proceeds of the Private Placement which will be paid on 15 December 2020, 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 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 New Shares will be approximately € 9.3million.

The Company intends to use the net proceeds over a time horizon until end Q4 2021 for the following purposes:

- The completion of the Phase III clinical trial of its next generation intra-articular injectable JTA-004 for the treatment of patients with osteoarthritic pain in the knee. The study is currently conducted in Europe and Hong Kong. It will also prepare for a clinical study in the United States (approximately 41% of the net proceeds);
- The recruitment of patients for a Phase IIb clinical trial with its allogeneic bone cell therapy product ALLOB in patients with difficult-to-heal tibial fractures in Europe (approximately 28% of the net proceeds);
- The further development of expertise in differentiated Mesenchymal Stromal Cell (MSC) biology in order to expand its portfolio from orthopedics and bone diseases to inflammatory and other conditions (approximately 13% of the net proceeds);
- General business expenses and corporate activities (approximately 18% of the net proceeds).

The net requirement in cash is expected to amount to approximately between € 15.0 and 16.0 million in 2020 (excluding capital raise).

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**

At the current recruitment rate and assuming no further significant disruption of health care systems worldwide due to the continuing COVID-19 pandemic, Bone Therapeutics expects to complete patient enrolment in the JTA-004 phase III study to be completed before year-end. Bone Therapeutics anticipates reporting topline results on the 3-month primary endpoint and 6-month follow-up period in the second half of 2021.

The Company expects to initiate clinical trial activities and patient recruitments for the ALLOB phase IIb study in patients with difficult tibial fractures in European clinical centers before the end of the year.

As the effects of the pandemic continue to evolve globally, it is possible that both studies may encounter a delay compared to the anticipated schedule. Bone Therapeutics and partners will continue to actively and closely monitor the situation in Europe and Hong Kong is on an ongoing basis.

In November, Bone Therapeutics initiated the first discussions with the US FDA (Food and Drug Administration) in preparation for the next steps in the clinical development of JTA-004 in the US, a large, important market.

Bone Therapeutics continues to hold discussions with potential partners to explore business opportunities.

Prudent cost and cash management will remain a key priority, as already reflected in our operating expenses. The net cash used for the full year 2020 is expected to be approximately EUR 15.00-16.00 million, largely driven by external costs associated with increased clinical trial activities and costs associated with the JTA phase III and ALLOB phase IIb clinical studies. Taking into account the gross proceeds raised through the private placement in May of this year, the recoverable cash advances granted by the Walloon Region, the agreements signed with Link Health, Pregene and Catalent and the reimbursement of part of the bank loans, the Company anticipates having sufficient cash to carry out its business objectives until early Q3 2021 (this excludes the proceeds of the Private Placement itself). This assumes normal operation, as there may be further effects of the ongoing COVID-19 epidemic.

## 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 Companies 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 Companies Code (now the Belgian Code on Companies and Associations). This authorization is granted until 9 July 2021.

Since the renewal of the authorized capital by the General Meeting of Shareholders on 9 July 2018, the Board has made use of its powers as described above:

- to increase the share capital by an amount of EUR 2,040,541.52 within the framework of the authorized capital on 1 July 2019 following the private placement of 1,351,352 new shares announced on 27 June 2019;
- to increase the share capital within the framework of the placement of up to 2,500 convertible bonds approved on 30 April 2020. This capital increase was subject to the condition precedent and to the extent that convertible bonds are subscribed and subsequently converted. On the day of the issue of the convertible bonds, the capital was increased by EUR 203,302.32 within the framework of the authorised capital following the immediate subscription and conversion of 400 convertible bonds. A total of 305 additional convertible bonds were effectively subscribed for and converted prior to the Company's decision to close and terminate the placement of convertible bonds on 29 October 2020. These 305 convertible bonds resulted in additional capital increases of EUR 199,509.45 in total. ;
- (i) to increase the share capital within the framework of the issue of 1,600 convertibles bonds completed on 29 May 2020. Within the framework of the conversion of the convertible bonds (1,600), the capital will be increased by an amount equal to the number of new shares subscribed and effectively issued multiplied by the accounting par value, provided that the final issue price of the new shares to be issued exceeds the accounting par value of the existing shares of the Company (EUR 0.51 per share). Based on the agreed fixed conversion price of EUR 7.00, the share capital could therefore be increased by a maximum amount of EUR

291,428.28; and (ii) to increase the share capital within the framework of the issue of 69,978 subscription rights on 29 May 2020. Upon exercise, each beneficiary has a right to subscribe to one share of the Company, thereby resulting in a capital increase of up to EUR 35,688.78. 63,724 subscription rights have been granted to beneficiaries pursuant to a decision of the Board of Directors dated 5 May 2020.

Consequently, the Board is therefore authorized to increase the share capital of the Company within the framework of the authorized capital for a maximum amount of EUR 8,272,750.23 (excluding any issue premiums).

## **4.2 The issue of the New Shares**

On 11 December 2020, the Board of Directors conditionally increased the share capital of the Company in a maximum amount of EUR 2,248,259.31 (excluding issuance premium), using the authorised capital, through the conditional issuance of up to 4,408,881 new shares at a subscription price of no less than the accounting par value (*pair comptable*) (i.e. EUR 0.51 (rounded)), subject to and to the extent of subscription of these new shares in the framework of the Private Placement. On 11 December 2020, 4,408,881 New Shares were placed with investors under the Private Placement.

On or about 15 December 2020, 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 11 December 2020, 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.

In the framework of the Private Placement, the corporate officers and each member of the board of directors of the Company holding shares or other securities of the Company have separately undertaken, not to transfer or encumber such shares and securities for a period of 90 days as of 11 December 2020, subject to customary exceptions.

The Company is not aware of any other lock-up arrangements signed by its shareholders 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 9,920,000.

The portion of the issue price per New Share up to the accounting par value of EUR 0.51 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 3.7 of the Registration Document and Risk Factor 1.4 "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 Companies 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 Companies 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**

**Important Notice** - Prospective investors are warned that the tax legislation of the investor's jurisdiction or of Belgium (being the Issuer's country of incorporation) might have an impact on the income received from the New Shares.

The following is a summary of the principal Belgian tax consequences for investors relating to the acquisition, the ownership and disposal of the New 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. The foregoing is particularly relevant since the new Belgian government in place as from September 30, 2020 announced a "wide-ranging tax reform". Investors should appreciate that, as a result of evolutions in law or practice, the eventual tax consequences may be different from what is stated below.

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 (tax) advisers regarding the tax consequences of an investment in the New 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 (including the New 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 (*gestort kapitaal/capital libéré*). 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 (including the New 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 (i.e. the liquidation bonus) will in principle 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.

#### 4.9.1.1 Resident individuals

For Belgian resident individuals who acquire and hold the New 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 bracket of dividend income up to the amount of EUR 812 per year (amount applicable for income year 2020). For the avoidance of doubt, all reported dividends (not only dividends distributed on the New 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 (including the New 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 (per bracket) personal income tax rates (from 25% 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 Belgian resident companies, the dividend withholding tax does not fully discharge the corporate income tax liability. 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 ordinary corporate income tax rate of 25% (the ordinary rate of 25% is applicable as of tax year 2021 in relation to a taxable period starting at the earliest on January 1, 2020). Subject to certain conditions, a reduced corporate income tax rate of 20% (the reduced rate of 20% is applicable as of tax year 2021 in relation to a taxable period starting at the earliest on 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 bracket of EUR 100,000 taxable profits.

Belgian resident companies can generally (subject to certain limitations) 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 ("subject-to-tax" condition), 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 1992 ("**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 at the latest upon the attribution or payment of the dividend with an *ad hoc* tax 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 which was temporarily withheld 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 (see above section 4.9.1.2 "Resident companies"). 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 in the meaning of Parent-Subsidiary Directive, will, under certain conditions, 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 non-resident company must provide the Company or its paying agent with an *ad hoc* tax 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, which was temporarily withheld, will be passed on to the non-resident company.

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 an *ad hoc* tax 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 an *ad hoc* tax 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 attributed to Belgian non-resident individuals who do not use the shares (including the New Shares) in the exercise of a professional activity, may be exempt from Belgian non-resident individual income tax up to the amount of EUR 812 (amount applicable for income year 2020) 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 812 (amount applicable for income year 2020) 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 (including the New Shares) as a private investment, capital gains realised upon the transfer of the shares are generally not subject to Belgian income tax and capital losses are, however, not tax deductible.

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 (including the New 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 (including the New Shares) provided that all the Conditions for the application of the Dividend Received Deduction regime are met: (i) the Article 203 ITC "subject-to-tax" Condition is satisfied, (ii) the shares have been held in full legal ownership for an uninterrupted period of at least one year and (iii) it holds a participation of at least 10% in the capital of the company or at least EUR 2,500,000 of investment value in capital.

If one or more of the Conditions for the application of the Dividend Received Deduction regime 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 of 25% (as of tax year 2021 in relation to a taxable period starting at the earliest on January 1, 2020). The ordinary corporate income tax rate can be further reduced to 20% on the first bracket of 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). However, the income received by Belgian resident companies upon a redemption of shares in accordance with the Belgian Company Code could be treated as a capital gain on shares (taxed in accordance with the rules described above) if certain conditions are fulfilled.

Capital losses on Company's shares incurred by resident companies (both non-SMEs and SMEs) 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.

However, in general, capital gains realised by Belgian resident OFPs upon redemption of the shares or upon liquidation of the Company will, in principle, be subject to the same taxation regime as dividends (see above).

#### 4.9.2.4 Other resident legal entities

Capital gains realised upon transfer of the Company's shares (including the New 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% (i.e. 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 transactions) 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 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 (tax) advisers.

## 4.10 Taxation in France

**Important Notice** - Prospective investors are warned that the tax legislation of the investor's jurisdiction or of Belgium (being the Issuer's country of incorporation) might have an impact on the income received from the New Shares.

### 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 tax<sup>1</sup>.

When the paying agent is established outside France, the 12.8% withholding tax is only due by persons belonging to a fiscal household with a fiscal income above €75,000, for taxpayers filing a joint return and above €50,000 for other taxpayers during the penultimate year preceding the payment of the dividends. In this case, the dividend is reported and the 12.8% withholding tax is paid either by :

- the taxpayer himself; or
- the person who ensures the payment of the income when that person:
  - o 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
  - o 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
Below €10,064	0 %
From €10,064 to €25,659	14 %

<sup>1</sup> Although, since the Finance Act for 2019, early withdrawals from a PEA are subject to the 12.8% flat tax.

From €25,659 to €73,369	30 %
From €73,369 to €157,806	41 %
From €157,806	45 %

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. However, the social levies are still levied on the gross amount of the dividends. 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 2020, the standard rate of corporate income tax is set at 28% (article 219 I of the French Tax Code).

The CIT rate has been gradually declining since 2019 as follows :

Turnover (EUR)	Taxable income (EUR)	CIT rate (%)			
		Fiscal year open on :			
		2019	2020	2021	2022
Up to €7,63M	Up to €38,120	15%	15%	15%	15%
	€38,120 to €500,000	28%	28%	26.5%	25%
	Over €500,000	31%			



Between €7,63M and €250M	Up to €500,000	28%	28%	26.5%	25%
	Over €500,000	31%			
From €250M	Up to €500,000	28%	28%	27.5%	25%
	Over €500,000	33.1/3%			

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% 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 shares<sup>2</sup> of the Company may be eligible to the PEA (personal equity plan) or PEA PME-ETI (personal plan for equity of small and medium sized companies<sup>3</sup>).

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. Regardless of the date of withdrawal, social levies are due at the rate of 17.2% 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, and to the social surtax 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 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.

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<sup>2</sup> May be held in a PEA shares issued by a company (i) having its registered office 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.

<sup>3</sup> 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: the market capitalisation must be less than €1 billion or must have been less than €1 billion at the end of at least one of the four financial years preceding the financial year taken into account to assess the eligibility of the securities of the issuing company.

## **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 3, paragraph 3 of the Prospectus Regulation 2017/1129. No public offering of the New Shares will be made and no one has taken any action that would, or is intended to, permit an public 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 15 December 2020.

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 since the IPO

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.

On 1 July 2019, the share capital was increased by contribution in cash in the amount of € 2,040,541.52 with issuance of 1,351,352 shares. The new shares were issued at a price of € 3.70 per share (of which 1.51 in share capital and 1.29 of share premium). The aggregate issuance premium amounted to € 2,959,458.48. Following the capital increase, the share capital of the Company amounted to € 15,540,605.03, represented by 10,303,323 shares.

On 10 July 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 € 74,778.22 with issuance of 49,522 shares. The aggregate share premium for this transaction amounts to € 112,714.93.

On 21 August 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 € 141,867.52 with issuance of 93,952 shares. The aggregate share premium for this transaction amounts to € 188,111.67.

On 11 September 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 € 50,132 with issuance of 33,200 shares. The aggregate share premium for this transaction amounts to € 67,361.39.

On 11 September 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 € 50,132 with issuance of 33,200 shares. The aggregate share premium for this transaction amounts to € 67,361.39.

On 14 November 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 € 212,440.39 with issuance of 140,689 shares. The aggregate share premium for this transaction amounts to € 227,544.30.

On 12 December 2019, (i) the share premiums assimilated for tax purposes to the Company's paid-up capital were reduced from €3,902,658.51 to €0.00 and (ii) the share capital was decreased by an incorporation of losses of an amount of € 10,592,225.97 without any reduction of shares. Following the capital reduction, the share capital of the Company amounted to 5,427,597.19, represented by 10,620,686 shares.

On 18 December 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 € 26,116.08 with issuance of 51,208 shares. The aggregate share premium for this transaction amounts to € 136,378.31.

On 29 January 2020, 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 € 80,699.85 with issuance of 158,235 shares. The aggregate share premium for this transaction amounts to € 451,774.60.

On 26 February 2020, 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 € 61,311.18 with issuance of 120,218 shares. The aggregate share premium for this transaction amounts to € 393,671.85.

On 25 March 2020, 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 € 79,532.64 with issuance of 156,064 shares. The aggregate share premium for this transaction amounts to € 320,397.19.

On 30 April 2020, as a result of the immediate conversion of the convertible bonds placed via a private placement announced on 29 April 2020, the share capital was increased by € 203,302.32 with issuance of 398,632 shares. The aggregate share premium for this transaction amounts to € 796,697.15.

On 7 May 2020, 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 € 80,629.47 with issuance of 158,097 shares. The aggregate share premium for this transaction amounts to € 306,864.56.

On 21 August 2020, as a result of the conversion of the convertible bonds placed via a private placement announced on 29 April 2020, the share capital was increased by € 100,332.81 with issuance of 196,731 shares. The aggregate share premium for this transaction amounts to € 312,154.16.

On 8 October 2020, as a result of the conversion of the convertible bonds placed via a private placement announced on 29 April 2020, the share capital was increased by € 106,802.16 with issuance of 209,416 shares. The aggregate share premium for this transaction amounts to € 280,691.85.

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
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 convertible bonds	115,591	3.35 (average issue price)	174,542.41	13,285,492.51	8,809,871
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
01/07/2019	Capital increase	1,351,352	3.70 (average issue price)	5,000,000	15,540,605.03	10,303,323
10/07/2019	Capital increase / conversion convertible bonds	49,522	3.78 (average issue price)	187,493.15	15,615,383.25	10,352,845
21/08/2019	Capital increase / conversion convertible bonds	93,952	3.51 (average issue price)	329,979.19	15,757,250.77	10,446,797
11/09/2019	Capital increase / conversion convertible bonds	33,200	3.54 (average issue price)	117,493.39	15,807,382.77	10,479,997
14/11/2019	Capital increase / conversion convertible bonds	140,689	3.13 (average issue price)	439,984.69	16,019,823.16	10,620,686
12/12/2019	Incorporation of losses	None	Not applicable	10,592,225.97	5,427,597.19	10,620,686
18/12/2019	Capital increase / conversion convertible bonds	51,208	3.17 (average issue price)	162,494.39	5,453,713.27	10,671,894
29/01/2020	Capital increase / conversion convertible bonds	158,235	3.37 (average issue price)	80,699.85	5,534,413.12	10,830,129
26/02/2020	Capital increase / conversion convertible bonds	120,218	3.78 (average issue price)	61,311.18	5,595,724.30	10,950,347

25/03/2020	Capital increase / conversion convertible bonds	156.064	2.56 (average issue price)	79,592.64	5,675,316.94	11.106.411
30/04/2020	Capital increase / conversion convertible bonds	398.632	2.51 (average issue price)	203,302.32	5,878,619.26	11.505.043
07/05/2020	Capital increase / conversion convertible bonds	158.097	2.45 (average issue price)	80,629.47	5,959,248.73	11.663.140
21/08/2020	Capital increase / conversion convertible bonds	196,731	2.10 (average issue price)	100,332.81	6,059,581.54	11,859,871
08/10/2020	Capital increase / conversion convertible bonds	209,416	1.85 (average issue price)	106,802.16	6,166,383.70	12,069,287

## 6.2 Financial consequences for the existing shareholders

Immediately prior to the Private Placement the share capital of the Company amounted to € 6,166,383.70, represented by 12,069,287 shares, without nominal value, each representing 1/12,069,287th 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 2,248,529.31 (excluding issuance premium) through the issuance of 4,408,881 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 8,414,913.01, represented by 16,478,168 shares, without nominal value, each representing 1/16,478,168th of the share capital.

In addition, as per 29 October 2020<sup>4</sup>:

- There are 133,055 granted and outstanding subscription rights, 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 133,055 new shares in the Company in case all 133,055 Outstanding Subscription Rights are exercised;
- There are 1,600 outstanding CBs issued following the private placement announced on 7 May 2020. Using the predetermined conversion price of EUR 7.00, the 1,600 CBs can be converted into 571,428 new shares in the Company in case all CBs are converted.

Taken together, there are in total 133,055 Outstanding Subscription Rights and 1,600 CBs outstanding. Leaving these aside and only taking into account the number of shares that were outstanding immediately prior to the Private Placement, the issue of 4,408,881 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) 26.8%.

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, Bond Warrants and CBs subscription commitments and conversion of all CBs is taken into account, the issue of 4,408,881 New Shares at the occasion of the Private Placement will result in a dilution of up to (rounded-off) 25.7%.

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.

<sup>4</sup> Date of the decision taken by the Board of Director to terminate the convertible bond program issued in April 2020.



## 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 11 December 2020, 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 10 December 2020 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.

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

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.

Please also see Section 7.3 and 7.4 for the Company's 2019 full year results as announced on 11 March 2020 and the Company's 2020 half year results as announced on 26 August 2020.

#### **This section shall be included in section 1 "Risk factors"**

##### **1.0 Risk factor related to the ongoing COVID-19 pandemic**

***The spread of COVID-19 and the resulting government-imposed containment measures could have a significant adverse effect on Bone Therapeutics' business activities and financial condition and lead to potential delay in its clinical trial activities***

On March 11, 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide.

In Belgium, the pandemic has resulted in government-imposed containment measures intended to stop the spread of the virus which could temporarily require again most or all employees of the Company to work remotely, suspend all non-essential travel worldwide for its employees and discourage/forbid employee attendance at industry events and in-person work-related meetings. Such measures could have a significant negative impact on the Company's business activities, financial condition and process of its clinical trial activities.

Given the rapidly expanding nature of the COVID-19 pandemic, the Company believes that there is a substantial risk that its business operations and financial condition may be significantly adversely affected.

The impacts of COVID-19 on the Company's business activities and financial condition include, but are not limited to, the following:

- During the first wave of the global COVID-19 pandemic, Bone Therapeutics decided to reduce the recruitment activities in the pivotal JTA-004 phase III clinical study targeting osteoarthritic knee pain and the ALLOB phase IIb study in patients with difficult tibial fractures in Europe and Hong Kong to a minimum in order to support healthcare systems in the respective trial countries enabling them to concentrate on treating COVID-19 patients whilst necessary. The recruitment of the JTA-004 phase III was reinitiated mid-May

2020 following the gradual lifting of the containment measures. The ALLOB phase IIb has encountered a more substantial delay in a few regulatory approvals. The recruitment of this last study is expected to start before the end of 2020 if the conditions allow.

- Although the Company's laboratory facilities remain operational, the Company had and may have to temporarily implement again staggered laboratory shifts and work-from-home policies for non-essential staff members which may lead to a potential delay.

The global stock markets have also experienced, and may continue to experience, significant declines as a result of the COVID-19 pandemic. The Company's share price reached a low of €1.9 on 2 October 2020, compared to €3.7 at the beginning of the year.

The extent to which COVID-19 affects the Company's business activities and financial condition in the longer term will ultimately depend on future developments, which are highly uncertain and cannot be predicted at present, including the duration of the pandemic, additional information that may emerge concerning the severity of COVID-19 and ongoing actions to contain COVID-19. However, potential prolonged closures or other business disruptions may negatively affect its operations and the operations of its agents, contractors, consultants or collaborators, which could have a material adverse impact its business activities and financial condition.

**This section replaces section 3.2 “Securities issued by the Company” and section 3.3 “Overview funding”**

### **3.2 Securities issued by the Company**

At the date of this document, the Company's capital amounts to € 6,166,383.70, represented by 12,069,287 ordinary shares without nominal value.

The total of exercisable attributed warrants is 133,055, which give right to subscribe to an equal number of shares.

The Company has also issued 1,600 convertible bonds with a total nominal value of € 4,000,000.

### **3.3 Overview funding**

Up to the date of this document, the Company has been able to fund its operations with a long-term perspective through the following funding instruments:

- € 91.00 million in net proceeds from private equity placements in the Company;
- € 2.51 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 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);
- € 7.5 million via the Bond Issuance;
- € 3.42 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 Region on the SCTS building.

**This table replaces the table in Section 5.2.1 “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 or renewal of mandate	End of mandate	Nature of mandate	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	2023	Independent	Calle Estrelas 5, 28224 Pozuelo De Alarcon - Madrid – Spain
mC4Tx SRL, with as permanent representative Miguel Forte	Managing Director	2020	2023	Executive	Rue du Moulin 12, 1330 Rixensart, Belgium
Castanea Management SARL with as permanent representative Damian Marron	Director	2020	2023	Independent	401 Chemin du Val Martin, 06560 Valbonne, France
ClearSteer Consulting LLC with as permanent representative Gloria Matthews	Director	2020	2023	Independent	880 Roswell Rd, Suite 430, Roswell, GA 30075, United States
Jean-Paul Prieels	Director	2017	2021	Independent	Avenue Louise 32-46, 1050 Brussels, Belgium
Finsys Management SRL with as permanent representative Jean-Luc Vandebroek	Managing Director	2018	2022	Executive	Rue Charles Plisnier 25, 1420 Braine l’Alleud, Belgium

**This section replaces the section 4.10.9 “Licence Agreement between the Company and Asahi Kasei Corporation”**

The Company entered into a license agreement in 2017 with Asahi Kasei Corporation, one of Japan’s leading industrial companies.

Under the agreement, Asahi Kasei was granted an exclusive right to develop, register and commercialize the Company’s autologous bone cell therapy product, PREOB, for the treatment of osteonecrosis of the hip with the potential for other orthopedic and bone applications in Japan.

According to the agreement, Asahi Kasei paid to the Company an upfront non-refundable license fee of € 1,670,000 and with potential additional payments by Asahi Kasei of up to € 7,500,000 upon the achievement of certain development and commercial milestones and potential tiered royalties payable by Asahi Kasei calculated based on annual net sales of PREOB in Japan.

Following the discontinuation of the PREOB Phase III study in osteonecrosis in 2018, the Company and Asahi Kasei agreed to formally end the PREOB licensing agreement in December 2019.

**This table replaces table in Section 5.2.3 “Activity report” of the Registration Document:**

In 2019, the Board of Directors met 10 times discuss and decide on specific matters. Below is the detail of the attendance:

BOARD OF DIRECTORS	Number of attendances <sup>5</sup>
Innoste SA, represented by M. Jean Stéphane	10/10
Prof. Roland Baron	3/4
Claudia D’Augusta	9/10
Marc Alexander Initiative & Advisory GmbH represented by M. Dirk Dembski	4/4
Wagram Invest SA, represented by M. Michel Helbig de Balzac, Chairman	4/4
Thomas Lienard SRL, represented by M. Thomas Lienard	10/10
Castanea Management Limited, represented by M. Damian Marron	10/10
Gloria Matthews	6/6
M. Jean-Paul Prieels	10/10
Finsys Management SRL, represented by Jean-Luc Vandebroek	10/10

**This section replaces different sections in Section 5.6.2 “Remuneration policy” of the Registration Document:**

**5.6.2.1 Director’s remuneration**

The remuneration package for the Non-Executive Directors consists of a fixed annual fee of € 20,000 for the Non-Executive Directors and € 40,000 for the Chairman. Such fee is supplemented (i) with a fixed annual fee of € 5,000 for members of the Audit Committee to be increased by € 5,000 for the Chairman of the Committee and (ii) with a fixed annual fee of € 5,000 for members of the Nomination and Remuneration Committee, to be increased by € 5,000 for the Chairman of the Committee. Any changes to these fees will be submitted to the shareholders’ meeting for approval. The Executive Directors will not receive any specific remuneration in consideration for their membership of the Board of Directors.

The total remuneration for the Independent Directors for 2019 amounts to € 172,500. The table below provides an overview of the remuneration per Independent Directors.

Non-Executive Directors	Remuneration (EUR)
Innoste SA, with as permanent representative Jean Stéphane	50,000
Claudia D’Augusta	27,500
Castanea Management Limited with as permanent representative Damian Marron	25,000
Jean-Paul Prieels	22,500
Wagram Invest SA with permanent representative Michel Helbig de Balzac	15,000
Marc Alexander Initiative & Advisory GmbH with permanent representative Dirk Dembski	12,500
Gloria Matthews	10,000
Roland Baron	10,000

On an individual basis, a remuneration of € 12,000 was paid to Mr. Roland Baron for his role of Chief Scientific Officer consultant for the Company.

All Directors are entitled to a reimbursement of out-of-pocket expenses actually incurred as a result of participation in meetings of the Board of Directors.

<sup>5</sup> Number of attendances compared to maximum number of attendances considering time of appointment and conflicts of interest. All Directors who were not present, were excused.

There are no loans outstanding from the Company to the members of the Board of Directors. There are no employment or service agreements that provide for notice periods or indemnities between the Company and Non-Executive Directors.

Also, any agreement, entered into or extended on or after 3 May 2010, between the Company and a Non-Executive Director, which would provide for a variable remuneration, must be submitted for approval to the next annual shareholders' meeting.

The table below provides an overview of significant positions of shares held directly or indirectly at the date of the Document by the Non-Executive Members of the Board of Directors:

Non-Executive Directors	Shares	
	Number	%*
Innoste SA, with as permanent representative Jean Stéphane	47,038	0.39%
<i>* calculated as the percentage of all outstanding shares and warrants (12,202,342 which is 12,069,287 shares and 133,055 warrants) at the date of the Document</i>		

The table below provides an overview of significant positions of warrants held directly or indirectly at the date of the Document by the Non-Executive Members of the Board of Directors:

Non-Executive Directors	Warrants	
	Number	%*
Innoste SA, with as permanent representative Jean Stéphane	6,666	0.06%
Castanea Management Limited with as permanent representative Damian Marron	666	0.01%
<i>* calculated as the percentage of all outstanding shares and warrants (12,202,342 which is 12,069,287 shares and 133,055 warrants) at the date of the Document</i>		

#### 5.6.2.2 Remuneration of the CEO and the other Executive Directors and the Executive Committee

##### Remuneration policy

In accordance with Article 3:6 of the Belgian Code of Companies and Associations, this remuneration report includes the amount of the remuneration of, and any other benefits granted to, the Company's CEO, on a broken-down basis.

In the financial year 2019, Bone Therapeutics paid a total remuneration of € 328,000 to Thomas Lienard SRL in his capacity of CEO. This includes:

- A fixed remuneration of € 277,000;
- A variable component of € 35,000 in relation to the realisation of objectives for 2019
- Other of € 16,000 (car and group insurance)

The Executive Committee (excluding the CEO) in place during 2019 was as follows:

- Finsys Management SRL, represented by Jean-Luc Vandebroek, CFO;
- Benoit Moreaux SRL, represented by Benoit Moreaux from 1 February 2019;
- Zam Consulting SRL, represented by Olivier Godeaux from 18 February 2019;
- B. Champluvier Management and Consulting Services (BCMCS) SRL, represented by Benoit Champluvier, CTMO, until 5 February 2019;
- Guy Heynen, CCRO, until 31 January 2019;

- Yves Geysels, Director of Clinical Operations, until 31 January 2019;
- Lebon Regulatory Science Strategy, represented by Linda Lebon, CRO.

The total fees paid to the members of the Executive Committee (excl. the CEO) amounted to € 1,056,000 in 2019 (full company costs but excluding VAT and stock-based compensation).

This includes:

- A fixed remuneration of € 857,000
- A variable component of € 157,000 in relation to the realisation of objectives for 2019
- Other of € 42,000 (car and group insurance)

Currently, all members of the Executive Committee are engaged on the basis of a service agreement. The contracts with all members of the Executive Committee can be terminated at any time, subject to certain pre-agreed notice periods not exceeding 12 months, which may, at the discretion of the Company, be replaced by a corresponding compensatory payment.

The table below provides an overview of the shares and warrants held by the members of the Executive Committee at the date of the Document.

Managers	Shares		Warrants	
	Number	%	Number	%*
mC4Tx SRL	-	-	69,331	0.58%
Finsys Management SRL	2,880	0.02%	36,000	0.30%
* calculated as the percentage of all outstanding shares and warrants (12,202,342 which is 12,069,287 shares and 133,055 warrants) at the date of the Document				

All the warrants mentioned above have been accepted.

### **This section replaces Section 7.3 “Warrant Plans” of the Registration Document:**

#### ***7.3.1 Warrant plans issued***

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). At the date of the Document, 87,998 subscription rights have been granted and accepted. The Ordinary General Meeting of 10 June 2020 took note of the number of Plan A subscription rights still available for granting, i.e. 25,761 subscription rights and decided to cancel the said residual subscription rights.

On 28 May 2020, the Board of directors of the Company created and approved a plan which consisted in the issue of 69,978 subscription rights for employees, management members and Directors (plan 2020).

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

Plan	Total
CEO	51,724
CFO	36,000
Consultant	4,000

Board members	7,998
Former CTMO	5,333
Former CEO	28,000
<b>Total</b>	<b>133,055</b>

The ordinary general meeting of shareholders of 10 June 2020 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, up to a maximum of 0.93% of the number of shares existing at the time of the issue of the said subscription rights, and this until the ordinary general meeting of shareholders to be held in 2021 and deciding on the annual accounts relating to the financial year ending 31 December 2020. After this meeting, this authorization will be increased again to a maximum annual amount of 0.6% of the number of existing shares at the time of the issue of the said subscription rights.

**This table replaces table in Section 7.4 “Convertible Bonds and related warrants” of the Registration Document:**

Summary of the situation at the beginning of the transaction and as of the date of the Document:

Initial financing round (7 March 2018)		Transactions until 30 October 2020		Situation on 30 October 2020	
# CBs purchased	389	# CB converted	7,538	# CBs outstanding	0
# warrants attached	7,391	# warrants exercised	7,151	# warrants outstanding	0
Total # CBs (Issued or to be issued)	7,780			Total # CBs remaining (Issued or to be issued)	0
Total proceeds committed	19,450,000 €	Proceeds obtained	18,850,000 €	Proceeds remaining	0 €

### 7.3 Overview of press releases

This section contains an overview of press releases issued by the Company since 17 December 2019, 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 (<http://www.bonetherapeutics.com/en/press-releases>), where these press releases are publicly available.

List of press releases issued by the Company since 17 December 2019:

- Press release of 19 December 2019: Bone Therapeutics announces the appointment of Dr. Miguel Forte as CEO to lead the Company into the next phase of development
- Press release of 20 December 2019: Bone Therapeutics advances JTA-004 into pivotal Phase III study
- Press release of 30 December 2019: Bone Therapeutics: Information on the total number of voting rights and shares (December 2019)
- Press release of 9 January 2020: Bone Therapeutics announces attendance at the 38th Annual J.P. Morgan Healthcare Conference
- Press release of 22 January 2020: Bone Therapeutics announces 2020 business outlook and reports year-end 2019 cash position
- Press release of 31 January 2020: Bone Therapeutics: Information on the total number of voting rights and shares (January 2020)
- Press release of 11 February 2020: Bone Therapeutics to present preclinical data on the osteogenic properties of ALLOB in bone repair at the Annual Meeting of the Orthopaedic Research Society (ORS)
- Press release of 28 February 2020: Bone Therapeutics: Information on the total number of voting rights and shares (February 2020)
- Press release of 11 March 2020: Bone Therapeutics announces 2019 full year results

- Press release of 23 March 2020: Bone Therapeutics receives Clinical Trial Application (CTA) approval for next clinical studies of its two lead candidates
- Press release of 25 March 2020: Bone Therapeutics appoints Stefanos Theoharis as Chief Business Officer
- Press release of 3 April 2020: Bone Therapeutics: Information on the total number of voting rights and shares (March 2020)
- Press release of 29 April 2020: Bone Therapeutics secures EUR 11.0 million financing
- Press release of 6 May 2020: Bone Therapeutics Provides First Quarter 2020 Business Update
- Press release of 7 May 2020: Bone Therapeutics raises additional EUR 4.0 million, with total of EUR 15.0 million committed, providing runway into Q2 2021
- Press release of 11 May 2020: Bone Therapeutics to host Annual Ordinary General Meeting on 10 June 2020
- Press release of 18 May 2020: Bone Therapeutics treats first patients in pivotal JTA-004 phase III knee osteoarthritis study
- Press release of 29 May 2020: Bone Therapeutics: Information on the total number of voting rights and shares (May 2020)
- Press release of 29 May 2020: Transparency notification received from S.R.I.W. SA and Sofipôle SA
- Press release of 11 June 2020: Bone Therapeutics announces Annual General Meeting results and confirms outlook for 2020
- Press release of 13 August 2020: Bone Therapeutics receives EUR 1.0 million to advance ongoing JTA-004 phase III knee osteoarthritis study
- Press release of 20 August 2020: Bone Therapeutics announces expansion of its pipeline supported by funding from the Walloon Region
- Press release of 26 August 2020: Bone Therapeutics reports half year 2020 results
- Press release of 9 September 2020: Bone Therapeutics: Information on the total number of voting rights and shares (August 2020)
- Press release of 5 October 2020: Bone Therapeutics, Link Health and Pregene to develop and commercialize the ALLOB allogeneic bone cell therapy platform in China and Southeast Asia
- Press release of 12 October 2020: Bone Therapeutics to present at 2020 Virtual Cell & Gene Meeting on the Mesa
- Press release of 14 October 2020: Bone Therapeutics' allogeneic cell therapy product, ALLOB, shows 90% fusion rate at 24 months in Phase IIa study in lumbar spinal fusion
- Press release of 20 October 2020: Bone Therapeutics reaches 50% treated patients in ongoing JTA-004 Phase III pivotal knee osteoarthritis study
- Press release of 23 October 2020: Transparency notification received from S.R.I.W. SA and Sofipôle SA
- Press release of 23 October 2020: Bone Therapeutics: Information on the total number of voting rights and shares (October 2020)
- Press release of 29 October 2020: Bone Therapeutics and Catalent sign agreements to streamline production of the allogeneic cell therapy product, ALLOB
- Press release of 30 October 2020: Bone Therapeutics Provides Third Quarter 2020 Business Update
- Press release of 10 November 2020: Bone Therapeutics and its collaborators Cerhum, 3D-Side, mSKIL and IREC awarded €3 million in funding under the framework of BioWin, the health cluster of Wallonia, to develop personalized, tissue engineered bone implants
- Press release of 16 November 2020: Bone Therapeutics announces completion of the acquisition of its cell therapy manufacturing subsidiary SCTS by Catalent
- Press release of 11 December 2020: Bone Therapeutics announces pricing of private placement

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 2020: Bone Therapeutics announces 2020 business outlook and reports year-end 2019 cash position
- Press release of 11 March 2020: Bone Therapeutics announces 2019 full year results
- Press release of 20 August 2020: Bone Therapeutics reports half year 2020 results ([Half year report H1 2020](#))
- Press release of 30 October 2020: Bone Therapeutics Provides Third Quarter 2020 Business Update



### **7.3.1 22 January 2020 press release: Bone Therapeutics announces 2020 business outlook and reports year-end 2019 cash position**

On 22 January 2020, Bone Therapeutics provides its business outlook for 2020 and reports its cash position for the year ending December 31, 2019.

#### **Copy of the press release:**

##### **Outlook for 2020**

Clinical Trial Application (CTA) for the knee osteoarthritis pivotal Phase III study with the Company's enriched protein solution, JTA-004, has been submitted to regulatory authorities in 5 European countries and Hong Kong Special Administrative Region, with patient enrollment expected to start early 2020. The JTA-004 Phase III study is a placebo and active-controlled, randomized, double-blind study to evaluate the potential of a single, intra-articular injection of JTA-004 to reduce osteoarthritic pain in the knee compared to placebo or Hyland G-F 20, the leading osteoarthritis treatment on the market. The first results of the study are anticipated in the second quarter of 2021 after a follow-up period of 3 months.

The Company is initiating the CTA submission process in Europe for a Phase IIb clinical trial with its allogeneic bone cell therapy product, ALLOB, in patients with tibial fractures at risk for delayed healing, using its optimized production process. The first patients are expected to be enrolled in Q2 2020.

In the second half of 2020, the Company expects to report results from the 2-year follow-up period of the Phase IIa study with ALLOB in patients undergoing a spinal fusion procedure following the successful completion of the 12-months period for which positive results were published in July 2019. These results demonstrated that ALLOB in addition to the standard of care procedure was well-tolerated and resulted in significant clinical and radiological improvements. Miguel Forte, Chief Executive Officer of Bone Therapeutics commented: *"I am very pleased to see that we continue to make strong progress in executing on our business strategy to become a global innovator in bone related diseases. In the next coming months, we expect to run a pivotal trial with our novel protein solution, JTA-004, with the goal to provide relevant regulatory and clinical evidence about the potential of JTA-004 as a treatment option for the many patients suffering from knee osteoarthritic pain. The anticipated start of the Phase IIb study in patients with difficult to heal fractures and the 24 months results from the Phase IIa trial in patients undergoing a spinal fusion procedure, which we expect later this year, could further underscore the unique potential of ALLOB to bring much needed innovation to the treatment of severe bone disorders."*

##### **Cash position for the full year ended December 31, 2019**

The continued strong focus on cash management resulted in a net cash utilization of €11.5 million<sup>(1)</sup> for the full year 2019 which was below the Company's guidance of €12-13 million. The net cash position totaled €8.6 million<sup>(1)</sup> for the year ended December 31, 2019. The Company anticipates having sufficient cash to carry out its business objectives into Q3 2020

Following the previously announced discontinuation of the autologous cell therapy program, PREOB, end 2018, Asahi Kasei and the Company agreed to formally end the PREOB licensing agreement. As a result, Bone Therapeutics and the Walloon Region agreed to terminate the related reimbursable grant agreements under the form of Recoverable Cash Advances, thereby reducing cash reimbursements and associated interest payments that were due by the Company by € 1.4M over the next 5 years. <sup>(1)</sup> Unaudited number

##### **Financial Calendar 2020**

- 11 March – Full Year Results 2019
- 29 April – Annual Report 2019
- 6 May – Q1 2020 Business and Financial Highlights
- 10 June – Annual General Meeting 2020
- 26 August – Half Year Results 2020
- 28 October – Q3 2020 Business and Financial Highlights

The financial calendar is communicated on an indicative basis and may be subject to change.

### **7.3.2 11 March 2020 press release: Bone Therapeutics announces 2019 full year results**

On 11 March 2020, Bone Therapeutics announces its business update and full year financial results for the year ending 31 December 2019, prepared in accordance with IFRS as adopted by the European Union.

Copy of the press release:

##### **Clinical and operational highlights during 2019**

- Reported positive results for the Phase IIa study with the allogeneic off-the-shelf cell therapy platform, ALLOB in 30 patients undergoing lumbar spinal fusion procedures at 12 months post-treatment
- Renewed the GMP (Good Manufacturing Practices) certification of Bone Therapeutics' own manufacturing site for the production of human cell therapy products
- Completed the Clinical Trial Application (CTA) submission to the competent authorities to initiate the pivotal Phase III study with the enhanced protein solution, JTA-004, in patients with knee osteoarthritis
- Started the CTA submission process in Europe for a Phase IIb clinical trial with its allogeneic bone cell therapy product, ALLOB, in patients with tibial fractures at risk for delayed healing
- Asahi Kasei and Bone Therapeutics agreed to formally end the PREOB licensing agreement, following the previously announced discontinuation of the autologous cell therapy program at the end of 2018.

### **Corporate highlights 2019**

- Appointed Miguel Forte as Chief Executive Officer, Benoit Moreaux as Chief Scientific and Technology Officer and Olivier Godeaux as Chief Medical Officer
- Strengthened its Board of Directors with the appointment of Gloria Matthews, DVM, PhD, DACVS, as Independent Director.

### **Financial highlights 2019**

- Secured a total of € 8.5 million through private placement of new shares and non-dilutive subordinated bonds
- Revenues and operating income of € 4.92 million
- Operating loss for the period amounted to € 9.58 million, compared to € 11.47 million for the full year 2018.
- Lower than anticipated net cash burn of € 11.48 million vs € 12-13 million previously guided
- Year-end cash position of € 8.63 million compared to € 8.17 million year-end 2018.

### **Outlook for the remainder of 2020**

- Bone Therapeutics anticipates starting patient recruitment for the Phase III study with JTA-004, for the treatment of pain in patients with knee osteoarthritis in Q1 2020, subject to the approval of the CTA by the regulatory authorities.
- The company has started the CTA submission process in Europe for a Phase IIb clinical trial with its allogeneic bone cell therapy product, ALLOB, in patients with tibial fractures at risk for delayed healing, using its optimized production process. The company expects to enroll the first patient in Q2 2020.
- In the second half of 2020, the company expects to report results from the 2-year follow-up period of the Phase IIa study with ALLOB in patients undergoing a spinal fusion procedure.
- Good cost and cash management will remain a key priority. The net cash burn for the full year 2020 is expected to be in the range of € 15-17 million assuming normal operation as the effect of the ongoing COVID-19 epidemic cannot be excluded. The situation will be actively and closely monitored. The company anticipates having sufficient cash to carry out its business objectives into Q3 2020.
- In this context, strengthening the cash position is a key priority. The company is currently evaluating and working on different financing options and plans to raise new funds from the capital markets and/or through alternative funding strategies.

#### **7.3.3 26 August 2020 press release: Bone Therapeutics reports half year 2020 results**

On 26 August 2020, Bone Therapeutics provides a business update and its financial results for the six-month period ended 30 June 2020, prepared in accordance with IFRS as adopted by the European Union, and the outlook for the remainder of the year.

Copy of the press release:

### **Operational and Corporate Highlights**

- During the first wave of the global COVID-19 pandemic, Bone Therapeutics decided to reduce the recruitment activities of its studies to a minimum to support healthcare systems in the respective trial countries enabling them to concentrate on treating COVID-19 patients whilst necessary.

- Following the lifting of the COVID-19 lockdown measures, Bone Therapeutics initiated the recruitment of its pivotal phase III study with the next generation of viscosupplement, JTA-004, targeting osteoarthritic knee pain in mid-May 2020. The clinical trial has now been approved in all seven territories in which Clinical Trial Applications (CTA) of the study had been submitted, these being Belgium, Czech Republic, Denmark, Hong Kong, Moldavia, Poland and United Kingdom. Approximately 20% of the targeted assessable patients have been treated since the initiation of the trial.
- The phase IIb study of its allogeneic cell therapy product, ALLOB, in patients with difficult tibial fractures has received approval from regulatory authorities in the main six of the seven European countries in which the Company has applied for the study. Patient recruitment is expected to start in the second half of the year.
- In March, the company appointed Stefanos Theoharis, PhD as Chief Business Officer (CBO), further strengthening its management team. With more than 15 years of business development experience in the pharma and biotech industry, specifically in the cell and gene therapy space, Stefanos will be responsible for the company's corporate development activities and the execution of its business strategy.
- Post period, in August, Bone Therapeutics was granted EUR 1.0 million in non-dilutive funding under the form of recoverable cash advances from the Walloon Region, Belgium. This funding will provide additional financial support to advance its current phase III clinical study with JTA-004.
- Also in August, the Company received two additional grants with a total value of EUR 0.6 million from the Walloon Region for research and initial preparatory steps towards clinical development of BT-20, its new allogeneic and off-the-shelf cell therapy product, leveraging its expertise in Mesenchymal Stromal Cell (MSC) biology to expand its portfolio from orthopedics and bone diseases to inflammatory conditions. Both grants, as well as the recoverable cash advances, are subject to conditions precedent.

### **Financial Highlights for the period ended 30 June 2020**

- In April, Bone Therapeutics announced that it secured EUR 11.00 million financing. The financing operation consisted of EUR 4.75 million bridge loans, EUR 1.26 million in equity private placement (through immediate conversion of convertible bonds (CBs)) by existing shareholders and, on an as-needed basis, a EUR 4.99 million in private placement of CBs.
- Subsequently, in May, Bone Therapeutics received an additional EUR 4.00 million of financing from existing investors in the form of subordinated bonds with the option to convert. The total amount of committed gross proceeds for both funding operations amount to EUR 15.00 million.
- The structure of the financing (mainly non-dilutive) combined with an operating loss for the period led to a negative shareholders' equity of EUR 4.6 million at the end of June 2020.
- During the first six months of 2020, total operating income amounted to EUR 1.04 million, a slight decrease compared to the same period in 2019 (EUR 1.68 million).
- Operating loss for the period amounted to EUR 9.10 million, compared to EUR 5.44 million in H1 2019.
- The Company ended the first six months of 2020 with EUR 10.04 million in cash and cash equivalents. Cash used for the period amounted to EUR 8.86 million, excluding net proceeds obtained from financing activities, compared to EUR 5.12 million over the same period of 2019.

### **Outlook for the remainder of 2020**

- At the current recruitment rate, patient enrolment for the JTA-004 phase III study is on track to be completed before year-end. Bone Therapeutics anticipates reporting topline results on the 3-month primary endpoint and 6-month follow-up period in the second half of 2021.
- The Company expects to initiate clinical trial activities and patient recruitments for the ALLOB phase IIb study in patients with difficult tibial fractures in European clinical centers in the second half of 2020.
- As the evolution of the pandemic is uncertain and cannot be predicted at present, both studies may encounter a delay compared to the anticipated schedule. The situation in Europe and Hong Kong is actively and closely monitored on an ongoing basis.
- In November, Bone Therapeutics plans to initiate the first discussions with the US FDA (Food and Drug Administration) in preparation for the next steps in the clinical development of JTA-004 in the US, a large, important market.
- In the second half of 2020, the Company also expects to report results from the 2-year follow-up period of the phase IIa study with ALLOB in patients undergoing a spinal fusion procedure.
- Bone Therapeutics continues to hold discussions with potential partners to explore business opportunities. It also intends to prepare a fundraise in the second half of 2020. Existing shareholders have already taken a pre-commitment to participate.
- Good cost and cash management will remain a key priority, as already reflected in our operating expenses. Cash used for the full year 2020 is anticipated to amount to EUR 15.00-16.00 million, largely driven by

external costs associated with increased clinical trial activities and costs associated with the JTA phase III and ALLOB phase IIb clinical studies. Taking into account the total committed gross proceeds of EUR 15 million raised through the Private Placements and in bridge loans in April and May of this year, the convertible bonds and the recoverable cash advances granted by the Walloon Region, the Company anticipates having sufficient cash to carry out its business objectives into Q2 2021. This assumes normal operation, as there may be further effects of the ongoing COVID-19 epidemic. Potential delay in patient recruitment in both studies could lower the expected cash burn and extend the anticipated cash runway further into 2021.

#### **7.3.4 30 October 2020 press release: Bone Therapeutics Provide Third Quarter 2020 Business Update**

On 30 October 2020, Bone Therapeutics provides a business update for the third quarter, ending 30 September 2020.

Copy of the press release:

##### **Clinical highlights – Q3 2020 to date**

- Since the initiation of the recruitment in mid-May 2020, Bone Therapeutics has completed now over 60% of the patient recruitment in the ongoing Phase III clinical study with the improved viscosupplement, JTA-004, in patients with knee osteoarthritis.
- The Phase IIb study of Bone Therapeutics' allogeneic cell therapy product, ALLOB, in patients with difficult tibial fractures has received approval from regulatory authorities in all seven European countries in which Bone Therapeutics has applied for the study, with preparations ongoing for study initiation.
- Bone Therapeutics announced positive 24-month results for the Phase IIa study with the allogeneic cell therapy product, ALLOB, in patients undergoing lumbar spinal fusion procedures. 90% of patients showed bone fusion as well as strong clinical improvements in function and pain at 24 months follow-up period with a good product safety profile.

##### **Corporate highlights – Q3 2020 to date**

- Bone Therapeutics signed an exclusive license agreement with Link Health Pharma Co., Ltd and Shenzhen Pregene Biopharma Company, Ltd for the manufacturing, clinical development and commercialization of ALLOB in Greater China, Taiwan, Singapore, South Korea, and Thailand. Terms of the agreement include €55 million total in upfront and milestone payments, with €10 million expected in next 24 months as well as tiered double-digit royalties on net sales.
- Bone Therapeutics signed a manufacturing collaboration with Catalent, Inc. to streamline the production of ALLOB. Under the terms of the share purchase agreement, Catalent will acquire Bone Therapeutics' cell therapy manufacturing subsidiary, Skeletal Cell Therapy Support SA (SCTS), for gross proceeds of €12 million. The transaction is expected to close in November 2020, subject to conditions precedent. The equity purchase price, net of SCTS's debt (€3 million), cash adjustments, and taking into account the restructuring of some Bone Therapeutics' existing liabilities (€3 million), will generate net proceeds of approximately €6 million. The acquired manufacturing entity will continue to service the production of ALLOB for Bone Therapeutics and its partners. This enables Bone Therapeutics to focus its attention on the development of products from its differentiated MSC platform of cell and gene therapeutic targets for orthopedics and other indications.
- In August, Bone Therapeutics received in total €1.6 million in grants and non-dilutive funding from the Walloon Region, subject to conditions precedent. Bone Therapeutics will use the additional financial support to advance its current Phase III clinical study with JTA-004 as well as for research and preparation of clinical development of BT-20, a new allogeneic and off-the-shelf cell therapy product. BT-20 will enable Bone Therapeutics to expand its portfolio from orthopedics and bone diseases to inflammatory conditions.

##### **Financial highlights – Q3 2020 <sup>(1)</sup>**

- Net cash at the end of September 2020 amounted to €5.6 million.
- Prudent cost and cash management will remain a key priority for Bone Therapeutics, as already reflected in its operating expenses. The net cash burn for the full year 2020 is expected to be approximately €15-16 million. Taking into account the total committed gross proceeds raised through the Private Placements in April and May of this year, the convertible bonds, the recoverable cash advances granted by the Walloon

Region, the agreements signed with Link Health, Pregene and Catalent and the reimbursement of part of the bank loans, Bone Therapeutics anticipates having sufficient cash to carry out its business objectives until early Q3 2021. This assumes normal operation, as there may be further effects of the ongoing COVID-19 epidemic.

#### **Outlook for the remainder of 2020.**

- At the current recruitment rate, and assuming no further significant disruption of health care systems worldwide due to the continuing COVID-19 pandemic, Bone Therapeutics expects to complete patient enrollment in the Phase III JTA-004 study before year-end. Topline results are anticipated on the 3-month primary endpoint and 6-month follow-up period in the second half of 2021.
- Bone Therapeutics expects to initiate clinical trial activities and patient recruitments for the ALLOB Phase IIb study in patients with difficult tibial fractures in European clinical centers before the end of the year.
- As the effects of the pandemic continue to evolve globally, it is possible that both studies may encounter a delay compared to the anticipated schedule. Bone Therapeutics and partners will continue to actively and closely monitor the situation in Europe and Hong Kong on an ongoing basis.
- In November, Bone Therapeutics plans to initiate discussions with the US FDA (Food and Drug Administration) in preparation for the next steps in the clinical development of JTA-004 in the US, a large, important market.
- Part of the €12 million proceed received for the acquisition of Bone Therapeutics' cell therapy manufacturing subsidiary, SCTS will be used for SCTS debt payment, resulting in net proceeds of €9 million. Bone Therapeutics plans to reimburse an additional €3 million of debts, substantially reducing its debt burden while strengthening its balance sheet. The final proceeds following this operation amount to approximately €6 million. The manufacturing collaboration with Catalent will streamline and economize ALLOB's production and is estimated to result in a €2 million annual reduction of fixed costs.
- Based on current developments and recently signed agreements, the Company has decided to terminate the convertible bond program issued in April 2020.
- Bone Therapeutics continues to hold discussions with potential partners to explore business opportunities. It also intends to prepare a fundraise in Q4 of 2020. Existing shareholders have already taken a pre-commitment to participate.

<sup>(1)</sup> Unaudited numbers

## **7.4 Financial information**

This Securities Note shall also 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 2019 (in English and French), together with the related audit report thereon; and
- (ii) the condensed consolidated unaudited interim financial statements of the Company prepared in accordance with IFRS for the financial period ended 30 June 2020 (in English and French), together with the related audit report thereon.

Copies of documents incorporated by reference 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 year ended 31 December 2019 and the financial period ended 30 June 2020 in the prospectus.

The tables below include references to the relevant pages of the audited consolidated financial statements of the Company for the financial year ended 31 December 2019 and the financial period ended 30 June 2020, as set out in the annual and half-year 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 either not relevant for the investor or covered elsewhere in the prospectus.

**Audited consolidated financial statements of the Company prepared in accordance with IFRS for the financial period ended 31 December 2019, as set out in the annual report (in English and French).**

Consolidated statement of financial position	p. 65
Consolidated statement of comprehensive income	p. 66
Consolidated statement of cash flows	p. 67
Consolidated statement of changes in equity	p. 68
Notes to the consolidated financial statements	p. 69-107
Auditor's report	p. 58-64

**Condensed consolidated unaudited interim financial statements of the Company prepared in accordance with IFRS for the financial period ended 30 June 2020, as set out in the interim report (in English and French).**

Consolidated statement of financial position	p. 7
Consolidated statement of comprehensive income	p. 8
Consolidated statement of cash flows	p. 10
Consolidated statement of changes in equity	p. 9
Notes to the consolidated financial statements	p. 11-26
Auditor's report	p. 28-30

## 8 Definitions

<b>AMF</b>	means the French Financial Markets Authority ( <i>Autorité des Marchés Financiers</i> )
<b>Article 203 BITC Taxation Conditions</b>	has the meaning as set out in Section 4.9.1.2
<b>Articles of Association</b>	means the articles of association of the Company
<b>Belgian Code on Companies and Associations</b>	<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.
<b>Belgian Companies Code</b>	<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.
<b>Belgian Investor</b>	has the meaning as set out in Section 4.9.3
<b>BITC</b>	means the Belgian Income Tax Code
<b>Board of Directors</b>	means the board of directors of the Company
<b>Bond Warrants</b>	means the bond warrants accompanying each subscribed CB and entitling the holder of each Bond Warrant to subscribe to one CB
<b>Bone Therapeutics or the Company</b>	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
<b>CBs</b>	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
<b>Conditions for the application of the Dividend Received Deduction Regime</b>	has the meaning as set out in Section 4.9.1.2
<b>CRS</b>	means the Common Reporting Standard
<b>DAC2</b>	means the Directive 2014/107/EU on administrative cooperation in direct taxation adopted on December 9, 2014
<b>Dividend Received Deduction</b>	has the meaning as set out in Section 4.9.1.2
<b>Euronext Brussels</b>	means the regulated market operated by Euronext Brussels SA/NV
<b>Euronext Paris</b>	means the regulated market operated by Euronext Paris SA
<b>Executive Committee</b>	means the team consisting of the CEO, CFO, CMO, CSTO and CRO
<b>French Tax Code</b>	has the meaning as set out in Section 4.10

<b>FSMA</b>	means the Financial Services and Markets Authority in Belgium ( <i>Autorité des services et marchés financiers</i> )
<b>FTT</b>	means a common financial transaction tax
<b>GAAP</b>	means the (Belgian) Generally Accepted Accounting Principles
<b>IFRS</b>	means the International Financial Reporting Standards
<b>MCAA</b>	means the multilateral competent authority agreement signed on October 29, 2014 by 51 jurisdictions
<b>MTF</b>	means a multilateral trading facility
<b>New Shares</b>	means 4,408,881 new shares to be traded on Euronext Brussels and Euronext Paris
<b>Nomination &amp; Remuneration Committee</b>	means the nomination and remuneration committee of the Company installed by the Board of Directors.
<b>OFPs</b>	means the organisation for financing of pensions
<b>Private Placement</b>	has the meaning as set out in Section 2.1.1
<b>Prospectus</b>	has the meaning as set out in Section 2.1.1
<b>Prospectus Delegated Regulation 2019/980</b>	means the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004
<b>Prospectus Act</b>	means the Belgian Act of 11 July 2018 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> )
<b>Prospectus Regulation 2017/1129</b>	means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
<b>QIBs</b>	has the meaning as set out in Section 2.1.1
<b>Registration Document</b>	means the Company's registration document
<b>Regulation S</b>	means Regulation S under the U.S. Securities Act
<b>Relevant Member State</b>	has the meaning as set out in Section 2.1.2
<b>Securities Note</b>	means the current note prepared by Bone Therapeutics SA in relation to the admission to trading of 4,408,881 New Shares on Euronext Brussels and Euronext Paris
<b>Stock Exchange Tax Representative</b>	has the meaning as set out in Section 4.9.3
<b>Summary</b>	means the Company's summary in relation to the admission to trading of 4,408,881 New Shares on Euronext Brussels and Euronext Paris, as



	approved by the FSMA on 11 December 2020 and as subsequently notified to the AMF
<b>Takeover Decree</b>	means and the Belgian Royal Decree of April 27, 2007 on public takeover bids
<b>Takeover Directive</b>	means the Directive 2004/25/EC of the European Parliament and the Council dated 21 April 2004 on takeover bids
<b>Takeover Law</b>	means the Belgian Law of April 1, 2007 on public takeover bids
<b>U.S. Securities Act</b>	means the U.S. Securities Act of 1933, as amended