Half-year results 2017

31 August 2017

Bone Therapeutics

New frontiers in orthopaedic and bone diseases

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AGENDA

- Welcome and introduction
- Key highlights and financials of H1 2017
- Clinical highlights of H1 2017
- Outlook for the remainder of 2017
- Q&A

ON THE CALL TODAY ARE:

Wim Goemaere, CFO

Thomas Lienard, CEO

SEASONED FINANCE EXECUTIVE APPOINTED CFO

September 2017

Jean-Luc Vandebroek

Chief Financial Officer

- >20y of international finance experience at major public and privately-owned corporations
- Formerly CFO at Moteo Two Wheels/Bihr (Alcopa) and Fluxys, and Corporate Director Finance Europe & US and VP Finance BeLux at Ahold Delhaize

KEY HIGHLIGHTS 2017

Pipeline

- **Significant progress** across pipeline:
  - ALLOB® Phase IIA in delayed-union fractures

    Patient recruitment completed (16 patients) for interim analysis

    Safety confirmed by Monitoring Committee
  - PREOB® Phase III in osteonecrosis

    Patient recruitment completed (44 patients) for interim analysis
- **Strengthening** of Company's **IP position:**

  Notice received from European Patent Office expressing its intention to grant key patent covering Company's allogeneic cell therapy technology

Financial

- **Cash** position at 30 June of 2017: **€12.60M** (giving runway into Q2 2018)

Corporate

- **Strengthening** of the **Board**: **Steve Swinson** elected **Chairman** of the Board, **Damian Marron** and **Dirk Dembski** appointed as Non-Executive Directors of the Board. **Michel Helbig** remains as Non-Executive Director
- **Jean-Luc Vandebroek** appointed **CFO** replacing Wim Goemaere (pp)

pp: post period

FINANCIAL HIGHLIGHTS H1 2017

(€ million)	H1 2017	H1 2016
Operating income	**1.92**	**1.95**
Operating expenses	**(8.09)**	**(7.69)**
R&D expenses	(6.43)	(6.01)
G&A expenses	(1.66)	(1.68)
Operating result	**(6.16)**	**(5.74)**
Net financial result	**(0.20)**	**(0.13)**
Net result	**(6.37)**	**(5.81)**
Net cash flow	**(7.7)**	**(7.01)**
Operating activities	(6.91)	(6.58)
Investing activities	(0.35)	(0.68)
Financing activities	(0.45)	0.26
Cash position (at 30 Jun)	**12.60**	**26.60**

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OVERVIEW CLINICAL HIGHLIGHTS H1 2017

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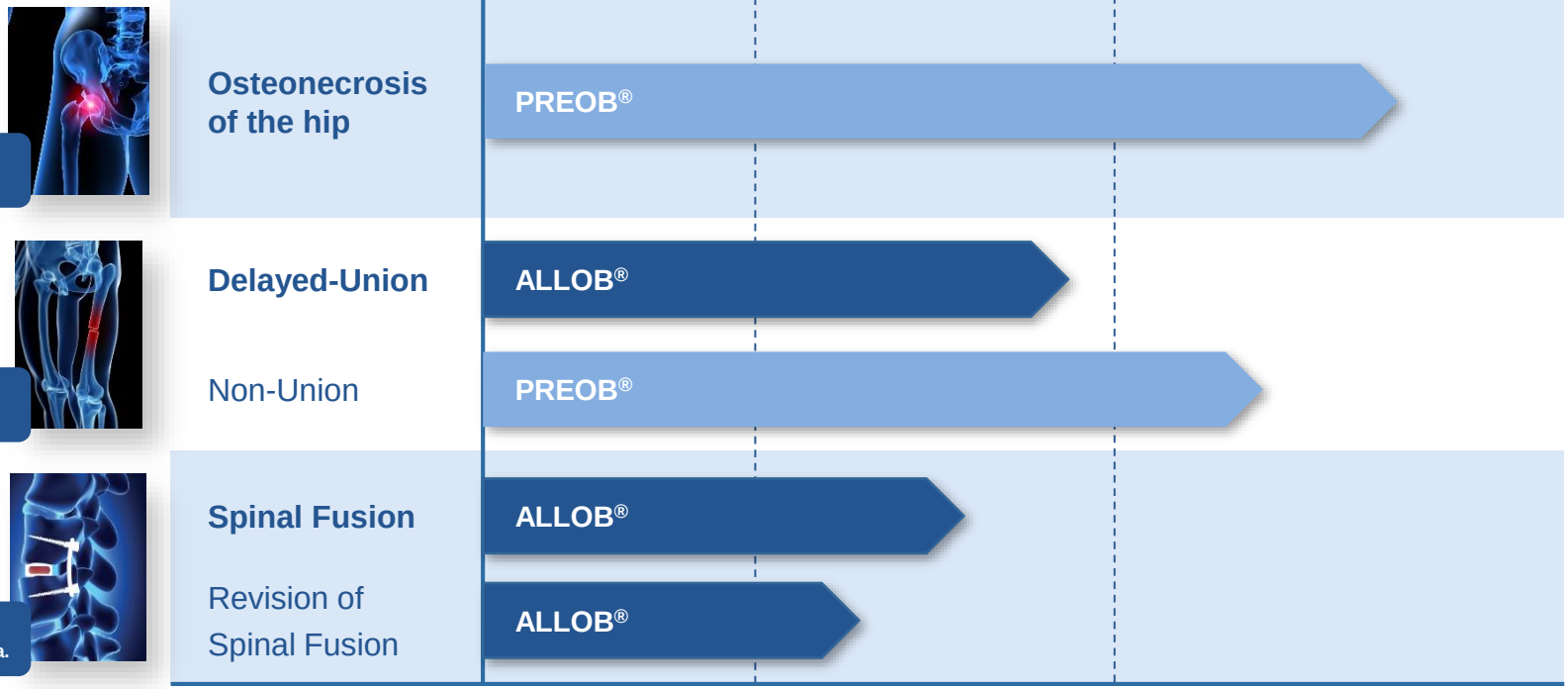
ADVANCED AND DIVERSIFIED PIPELINE



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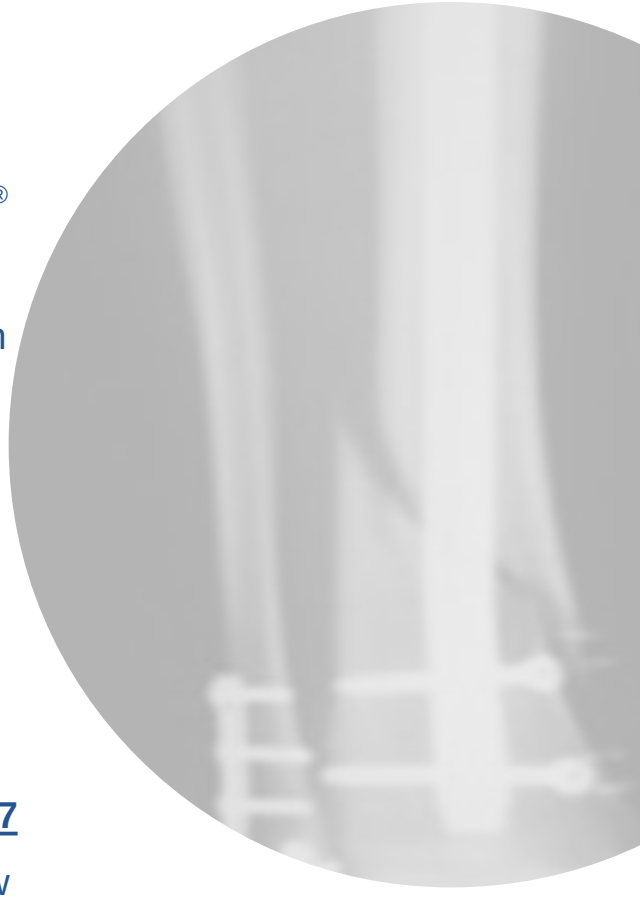
DELAYED UNION – PROMISING RESULTS FOR ALLOB® PHASE IIA

STATUS

- Phase I/IIA trial ongoing – Continuous follow-up of safety and efficacy
- All patients received one single injection of ALLOB® at bone defect site
- 7 out of 8 first patients met primary endpoints within 6 months
- **Recruitment** 16 patients for **interim analysis completed** (9 March 2017)
- Safety Monitoring Committee confirms safety of treatment for the 16 patients (14 March 2017)



NEXT STEPS

- **Interim data analysis** planned for **September 2017**
- Positive efficacy data at interim analysis could allow to accelerate into next stage of clinical development

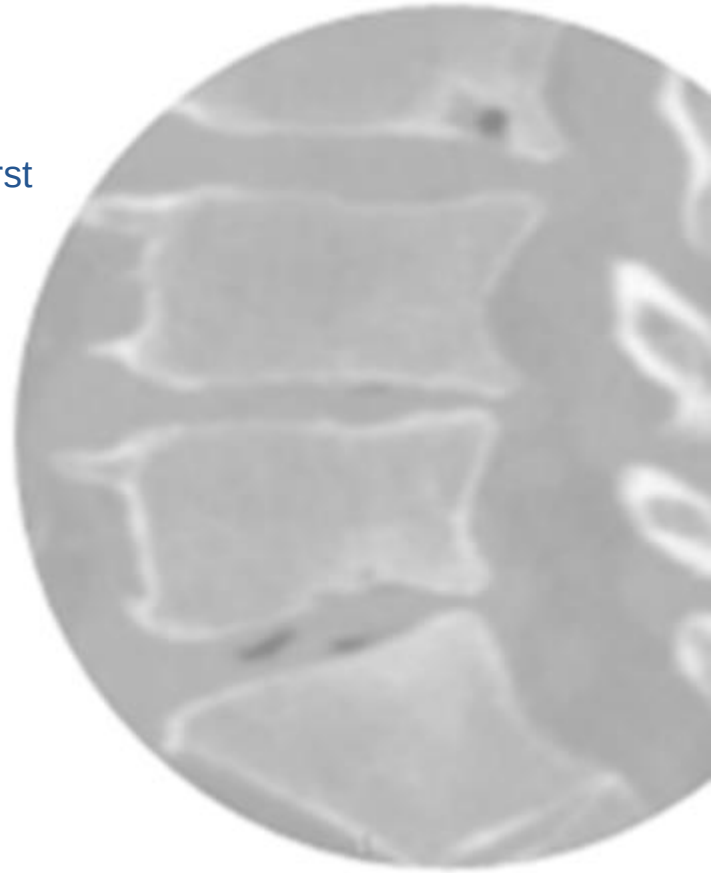
SPINAL FUSION - PROMISING RESULTS FOR ALLOB® PHASE IIA

STATUS

- Phase IIA (non-controlled) ongoing
- 16 patients treated – results from full set of 8 first patients communicated Oct. 2016
- No treatment-related safety concerns
- Trial extended to 32 patients

NEXT STEPS

- **Results** from **16 patients** expected **September 2017**



OSTEONECROSIS – BONE-FORMING CELL THERAPY PRODUCT VALIDATION

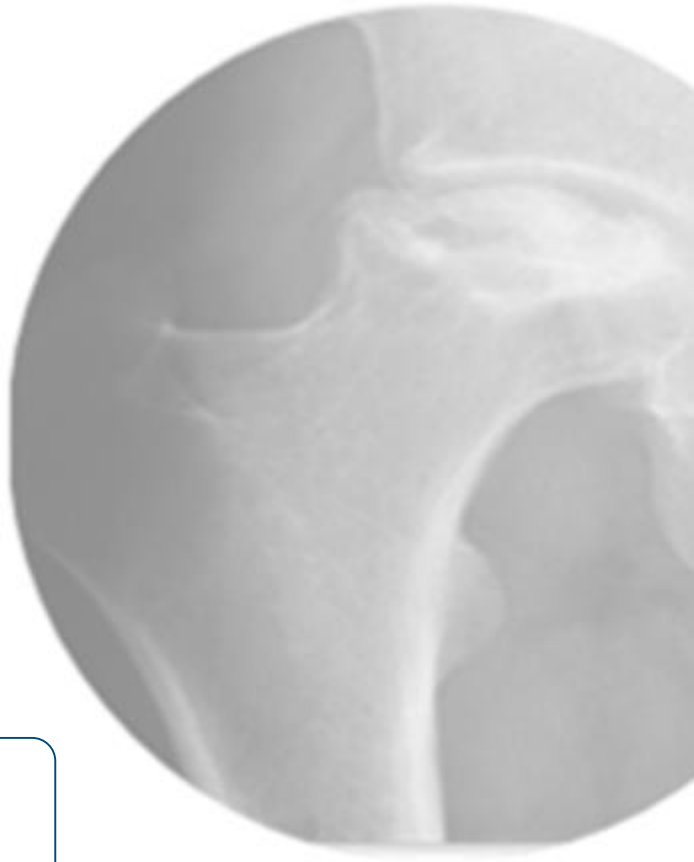
STATUS

- Most advanced clinical program (Phase III)
- Endpoint composite responder analysis:

  Absence of progression to fractural stage & clinically significant pain improvement
- Currently recruiting patients: 118 patients in 1-to-1 vs placebo
- **Recruitment** of 44 patients required for **interim analysis completed** (May 2017)

NEXT STEPS

- **DSMB report** expected in **Q3 2018** (1 year following completion 1st patient cohort)



On completion Phase III:

- ***External validation of Bone Therapeutics' bone forming cell therapy products***
- ***1st potential product to market***

CORPORATE HIGHLIGHTS

STRENGTHENING OF THE BOARD

May 2017

Damian Marron

Non-Executive Director

- Experienced life sciences executive specialized in cell therapy, immuno-oncology and orphan diseases with a successful track record of public and venture capital financing, portfolio planning and M&A
- Formerly CEO of TxCell and Trophos, and VP Corporate Development at NiCox

May/June 2017

Steve Swinson, PhD

Chairman of the Board

- 30y international business career in leading orthopaedic and medical technology companies
- Formerly VP Spine division at Medtronic, senior management positions at General Electric and Hewlett Packard

June 2017

Dirk Dembski

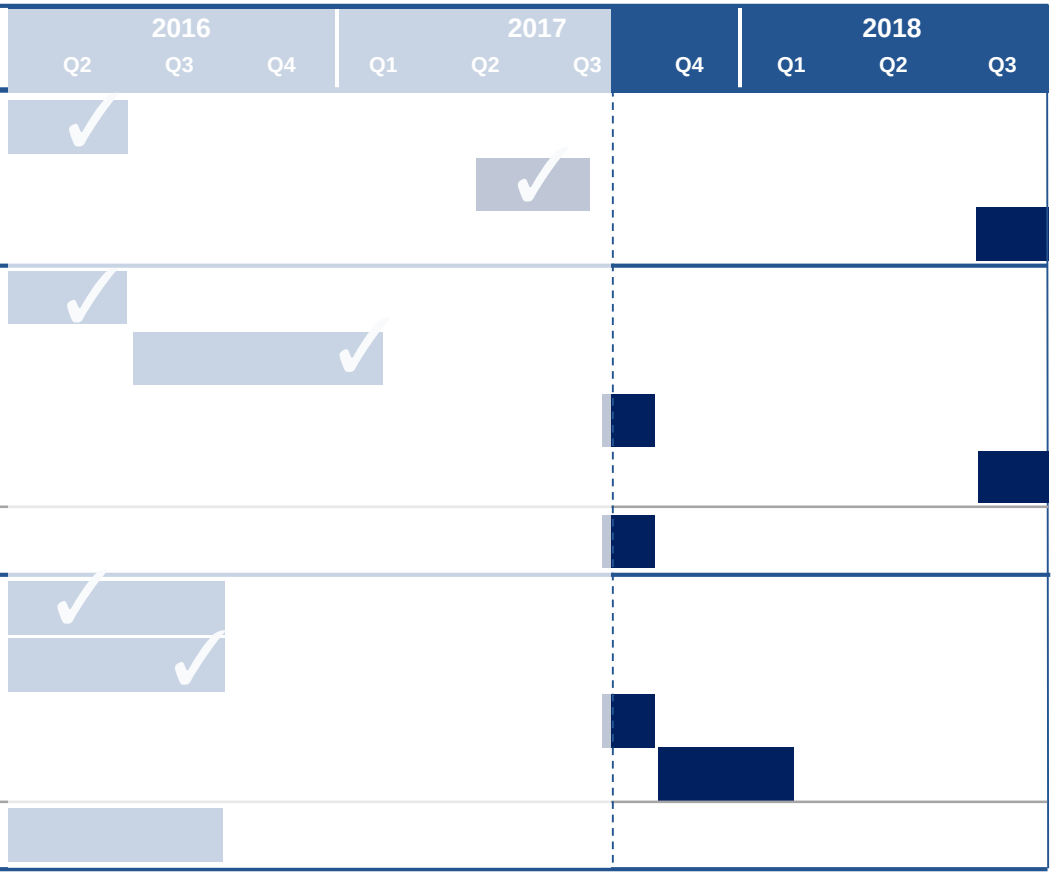
Non-Executive Director

- Experienced Sales & Marketing and Business Development executive
- Managing Director bricon Group (Naton Medical), formerly VP Sales, Marketing and Business Development at Olympus Biotech and Director of Sales & Marketing at Small Bone Innovations (Stryker)

OUTLOOK REMAINDER 2017

UPCOMING CLINICAL NEWS

Indication		*Milestones*
Osteonecrosis *(Phase III)*	**PREOB®**	Site update
		Patient update
		DSMB Report
Delayed-Union (*Phase I/II*)	**ALLOB®**	Efficacy 8 patients
		Recruitment first 16 patients
		Efficacy 16 patients – interim
		Initiation Phase IIB study *
Non-Union *(Phase IIB/III)*	PREOB®	Study status update
Spinal fusion *(Phase II)*	**ALLOB®**	Recruitment first 16 patients
		Efficacy 4-8 patients
		Efficacy 16 patients - interim
		Completion recruitment 32 pts
Revision (Phase II)	ALLOB®	Safety 4 patients



* If interim analysis conclusive

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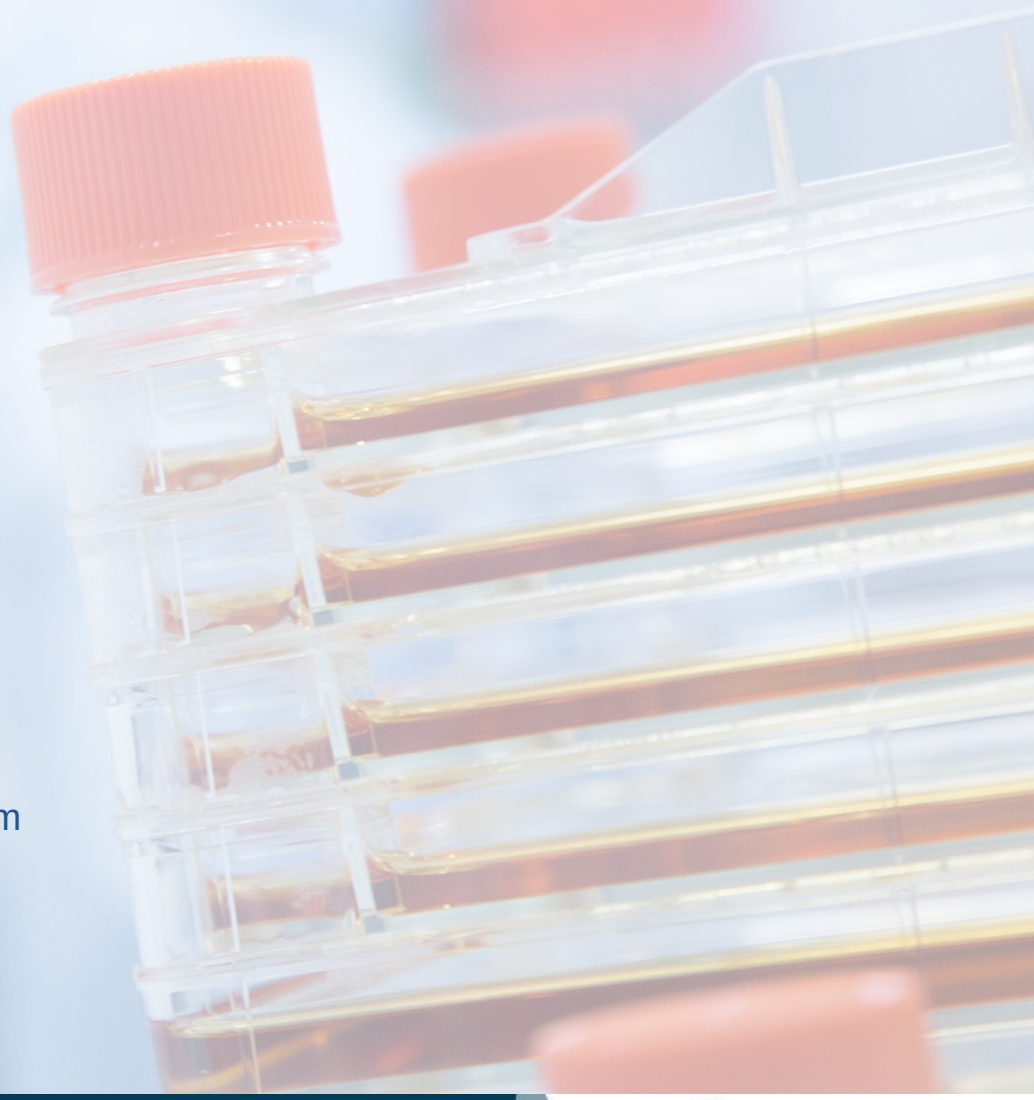
OUTLOOK H2 2017

- **Clinical results**
  - Results interim data analysis for the first 16 patients in the Phase I/IIA ALLOB® **delayed-union** trial
  - Results interim data analysis for the first 16 patients in the Phase IIA **spinal fusion** trial with ALLOB®
  - Recruitment update of the total 32 patients for ALLOB® Phase IIA **spinal fusion** trial expected year-end

- **Finance**
  - Good cash management remains a key priority
  - Strong focus on net cash burn (expected to be in the range of EUR 14-15 million for 2017)
  - Sufficient cash to carry out its strategic objectives into Q2 2018 in line with earlier guidance

Questions



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