

BASIC INFORMATION ON THE ISSUER AND ON THE SECURITIES

This document contains basic information on the issuer and on the securities. This basic information document is not marketing material; it contains information that the issuer is required to provide by law. We recommend familiarising yourself with this document so that as an investor you can make informed investment decisions and understand the risks involved.

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The Offer Shares offered in the Offering (as defined below) are offered for subscription under the terms and conditions of the Offering. This document shall not be construed as an offer to sell or a request to tender for acquiring or subscribing to company securities in countries where such an offer or tender would be unlawful. The Offer Shares shall not be offered, sold, resold, transferred or delivered, whether directly or indirectly, to the USA, Australia, South Africa, Hong Kong, Japan, Canada, Singapore or any other country where offering said shares would be prohibited. Prospective investors should familiarise themselves with applicable restrictions and comply with them.

BASIC INFORMATION

Name of Issuer	BBS-Bioactive Bone Substitutes Oyj ("BBS" or "the Company")
Securities offered	BBS offers a maximum of 8,298,870 new shares in the Company ("Offer Shares") for subscription as per the pre-emptive subscription right of shareholders ("Offering").
Maximum amount of funds to be raised	EUR 2,406,672.30
Purpose of funds to be raised	<p>The Company anticipates that the net proceeds raised through the Offering will be used for executing the Company's business plan, strengthening working capital and investments, and managing and repaying loans, including but not limited to the following items:</p> <ol style="list-style-type: none"> 1. The principal purpose of the proceeds to be raised is the successful completion of the ongoing application process for the CE marking for BBS' bone implant ARTEBONE® Paste. The funds will also be used for product development, patent portfolio maintenance and production development, and also for the FDA approval application process for gaining marketing authorisation for ARTEBONE® Paste on the US market. The FDA approval application process will be continued after the CE marking approval has been completed. 2. For initiating the commercialisation of ARTEBONE® Paste, including sales and marketing asset recruitment and training, preparation of marketing materials as well as assessing and contacting initial potential customers. 3. For the payment of principal instalments and interest of EUR 0.7 million in loans that are due in the next eight months. <p>The estimate of how the proceeds are intended to be used is based on the assumption that the Offering will be subscribed in full.</p> <p>The estimated portions of the use of proceeds may differ depending on the amount of funds raised and the development of business operations. If the Offering is not subscribed in full, it may not be possible to carry out the planned actions in full, and cost-cutting measures will need to be introduced, which in turn may delay the start of production, marketing, and sales.</p> <p>If the Offering is fully subscribed, according to the Company's management's estimate, the Company's working capital will be sufficient for approximately 8 months. The company</p>

	can influence the sufficiency of the working capital by acquiring additional equity or debt capital or measures to save the Company's expenses.
Name of multilateral trading system	The Subscription Rights, Temporary Shares and Offer Shares will be applied for trading on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Oy.
Company advisors	<p>Certified advisor Nordic Certified Adviser AB Stureplan 15 111 45 Stockholm, Sweden</p> <p>Financial advisor for the Offering Aalto Capital Partners Oy Mikonkatu 15A FI-00100 Helsinki, Finland</p> <p>Legal advisor in Finland Smartius Oy Kauppurienkatu 11 B 51 90100 Oulu</p>

RISKS

Principal risks related to the Company and its sector	<p>1. Risks related to the development phase, financial position and funding of BBS</p> <ul style="list-style-type: none"> • As at the date of this basic information document, the working capital of the Company is insufficient to cover the Company's current needs and its need for working capital over the next 12 months from the date of this basic information document and even though the Offering would be fully subscribed the Company may need additional working capital financing during the next 12 months • The business operations of BBS are at a development phase involving uncertainty factors in respect of the business operations becoming a profitable concern. The Company does not have an established business. • In all likelihood, the Company will require further equity and/or debt financing after the Offering in order to execute its business plan, and there is no certainty of the availability of such financing • The Company is dependent on its ability to recruit and retain key personnel • The return on capitalised development costs and intellectual property rights may prove to be less than expected • It is uncertain whether confirmed losses could be offset <p>2. Risks related to BBS product development and product approval</p> <ul style="list-style-type: none"> • There are risks involved with the granting of a CE marking and FDA approval for the BBS product which may cause significant additional costs and delays • BBS product development operations and the related clinical studies are dependent on the performance of third parties <p>3. Risks related to the manufacturing and commercialisation of BBS products</p> <ul style="list-style-type: none"> • There are risks involved in the manufacture, life span and production repeatability of the BBS extract and implant. These may cause significant additional costs. • Commercial production of BBS products is dependent on the performance of third parties • Even if the extract and implant were brought to market, BBS may not be able to establish the extensive sales network required, and the products themselves will not necessarily be accepted by end users on the market • Product pricing and replaceability may not turn out as planned <p>4. Other risks related to BBS business operations</p> <ul style="list-style-type: none"> • The current intellectual property rights held by BBS are not necessarily sufficient for protecting the Company's products effectively
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	<ul style="list-style-type: none"> • BBS may find itself infringing the intellectual property rights of third parties, or claims may be filed against the Company in respect of infringement of intellectual property rights • Worldwide extraordinary circumstances may have a decisively negative effect on BBS business operations • Political or financial instability in certain countries may have a negative effect on BBS business operations <p>5. Risks related to the business sector and regulation of BBS</p> <ul style="list-style-type: none"> • The competition situation in the sector and the resulting pressure to cut prices, together with the existence of competing products, may have a negative effect on the profitability and market shares of BBS in the future • BBS may face product liability and product safety claims, which may have a negative effect on its business operations
Principal risks related to the security	<p>Offering risks</p> <ul style="list-style-type: none"> • The Offering may fail to raise the proposed funds in full, and if the funds raised with the Offering are substantially less than expected, this will affect the Company’s potential for using this income as planned • Shareholders’ ownership will be diluted if the shareholders do not exercise their Subscription Rights, and the Subscription Rights may lose their value • Not all foreign shareholders may be able to exercise their Subscription Rights <p>Risks related to Company shares</p> <ul style="list-style-type: none"> • An active public market for the Company’s shares, Subscription Rights and Temporary Shares may not develop • The market price of the shares and Subscription Rights may fluctuate considerably, and the price of the shares could fall below the Subscription Price • Shareholding is limited to a small group • It is uncertain how much BBS will be able to pay out in dividends, if at all, for any given financial year • Holders of Company shares registered in custodial nominee accounts may not be able to exercise their voting rights • Future issues or sales of Company shares or of special rights entitling to Company shares may have a negative effect on the market price of the shares and dilute ownership • The investor can lose all or part of the invested capital and may not get any return on the investment

INFORMATION ON THE ISSUER

Company name, domicile and registered head office	The name of the Company is BBS-Bioactive Bone Substitutes Oyj. The domicile of the Company is Oulu, and its registered office is at Kiviharjunlenkki 6, FI-90220 Oulu, Finland.
Date and country of registration	The Company was entered in the Trade Register maintained by the Finnish Patent and Registration Office on 6 th of February 1991.
Legal form and applicable law	The Company is a public limited liability company incorporated under and governed by Finnish law.
Board of Directors and management team	<p>Board of Directors</p> <p>Chairman: Jalovaara Pekka</p> <p>Principal duties outside the Company:</p> <ul style="list-style-type: none"> • Bio Bones Oy, member of the Board of Directors <p>Member: Andriano Kirk</p>

Principal duties outside the Company: -

Member:

Halonen Jarmo

Principal duties outside the Company:

- Bio Bones Oy, member of the Board of Directors
- Elecster Oyj, member of the Board of Directors
- A/S Eesti Elecster, member of the Board of Directors
- Elecster (Tianjin) Dairy Machinery Ltd, member of the Board of Directors
- Elecster (Tianjin) Aseptic Packaging Co. Ltd, member of the Board of Directors
- Sandudd Oy, member of the Board of Directors
- Finvac Automation Ltd Oy, chair of the Board of Directors and Managing Director
- Okuli Oy, member of the Board of Directors and Managing Director
- Finvenla Oy, member of the Board of Directors and Managing Director

Member:

Nevalainen Seppo

Principal duties outside the Company:

- Bio Bones Oy, member of the Board of Directors

Member:

Gregor Siebert

Principal duties outside the Company:

- Evolve Partners – Biofin Consulting GmbH, Partner

Management team

CEO:

Juliusz Rakowski

Principal duties outside the Company: -

Financial Manager:

Annastiina Kauppinen

Principal duties outside the Company: -

Production Director:

Kimmo Tyni

Principal duties outside the Company: -

Director of Quality, Medicinal product manufacturing facility's Accountable Director (QP):

Merja Haikola

Principal duties outside the Company: -

Quality control laboratory manager:

Mikko Viitanen

Principal duties outside the Company: -

	Shares	Option Rights	Holding and votes (fully diluted), %
Members of the Board of Directors			
Jarmo Halonen	82,491	15,000	0,45 %
Pekka Jalovaara	654,050	899,000	7,12 %
Seppo Nevalainen		15,000	0,07 %
Kirk Adriano		15,000	0,07 %

	Gregor Siebert			
	Management team			
	Juliusz Rakowski	25,000		0.11 %
	Merja Haikola		15,000	0,07 %
	Mikko Viitanen	-	21,000	0,10 %
	Management team and Board of Directors total	761,541	980,000	7,98 %
	The work address of the members of the Board of Directors is: Kiviharjunlenkki 6, FI-90220 Oulu, Finland.			
Auditor	Auditing firm Ernst & Young Oy, business ID 2204039-6, Korkeavuorenkatu 32-34, 00130 Helsinki. Principal auditor: Jari Karppinen, Authorised Public Accountant (KHT)			
Group structure	The BBS Group consists of the parent company (BBS-Bioactive Bone Substitutes Oyj) and one fully owned subsidiary (Bio Bones Oy) (“BBS Group”). Bio Bones Oy owns the production facility property in Reisjärvi. Bio Bones Oy does not engage in any other business operations.			
Sphere of operations as per the Articles of Association	Under section 2 of the Articles of Association, the line of business of BBS is to engage in medical and dental research and treatment activities, to maintain a research and treatment facility, to broker related services, and to import, buy, sell, rent and manufacture machinery, devices, equipment and pharmaceutical preparations related to the above. Medical activities to commercialise artificial bone products and business activities trading in artificial bone and licensed manufacturing rights thereof.			
Register in which the Issuer is entered, business ID and contact details for registered office	Trade Register, Finland, business ID 0866451-4. The registered office and street address of the Company is at Kiviharjunlenkki 6, FI-90220 Oulu, Finland.			
Locations where the documents referred to in the basic information document may be viewed	The information referred to in this basic information document is available on the Company website at www.bbs-artebone.fi .			
Significant recent events	<p>2 January 2024: Kimmo Tyni was appointed as Production Director at BBS.</p> <p>31 January 2024: The Board of Directors of the Company decided on the issue of 1,000,000 shares without consideration to the Company itself. After the share issue, the Company held 1,000,000 treasury shares.</p> <p>21 February 2024: On 21 February 2024, BBS announced that it had signed the drawdown of an advance of EUR 500,000 pursuant to the terms and conditions of the Financing Agreement between BBS and RiverFort Global Opportunities PCC Limited (“RiverFort”), signed and announced on 30 September 2021. BBS settled the transaction fee of EUR 45,000 by the transfer of 74,915 treasury shares to Riverfort at the price of EUR 0.6007 per share. The reference price as agreed in the terms and conditions of the original agreement is the average of the daily VWAP for each of the five (5) consecutive trading days prior to the date of the advance. Following the drawdown of the advance, BBS will issue 416,195 warrants to RiverFort (with a subscription price of EUR 0.8410, which is 140% of the Reference Price) and a term of 48 months from grant).</p> <p>The following share conversions have been carried out in 2024 in connection with the Financing Agreement between BBS and RiverFort:</p>			

	<ul style="list-style-type: none"> - 11 March 2024: The conversion of a proportion of EUR 54,202 of the convertible notes at a conversion price of EUR 0.44784 per share. The conversion was executed by transferring a total of 121,030 treasury shares to RiverFort. - 9 April 2024: The conversion of a proportion of EUR 80,000 of the convertible notes at a conversion price of EUR 0.40527 per share. The conversion was executed by transferring a total of 197,399 treasury shares to RiverFort. - 23 April 2024: The conversion of a proportion of EUR 100,000 of the convertible notes at a conversion price of EUR 0.42561 per share. The conversion was executed by transferring a total of 234,956 treasury shares to RiverFort. - 21 May 2024: The conversion of a proportion of EUR 50,000 of the convertible notes at a conversion price of EUR 0.32247 per share. The conversion was executed by transferring a total of 155,053 treasury shares to RiverFort. - 4 June 2024: The conversion of a proportion of EUR 70,000 of the convertible notes at a conversion price of EUR 0.32634 per share. The conversion was executed by transferring a total of 214,500 treasury shares to RiverFort. - 19 July 2024: The conversion of a proportion of EUR 50,000 of the convertible notes at a conversion price of EUR 0.28521 per share. The conversion was executed by transferring a total of 175,309 treasury shares to RiverFort. - 16 August 2024: The conversion of a proportion of EUR 75,942.20 of the convertible notes at a conversion price of EUR 0.27432 per share. The conversion was executed by transferring a total of 276,838 treasury shares to RiverFort. <p>25 April 2024: Annastiina Kauppinen was appointed as Financial Manager at BBS.</p> <p>5 May 2024: BBS updated the status of the CE marking process. Based on the available information, BBS estimates that the CE marking process will not be completed by the end of Q2/2024 as previously estimated. The marketing authorisation process is at a stage where BBS has provided the authorities with the information required for product registration. At this final stage of the process, BBS will no longer provide an exact estimate of the time for completion of the marketing authorisation process, as the Company itself is no longer able to influence the processing schedules of the authorities.</p> <p>13 June 2024: The Annual General Meeting decided to authorise the Board of Directors to decide, in one or more instalments, on share issues and the issuance of option rights and other special rights entitling to shares as referred to in chapter 10, section 1 of the Finnish Limited Liability Companies Act as follows: The maximum number of shares to be issued pursuant to the authorisation shall not exceed 11,000,000 shares. The Board of Directors decides on all terms and conditions for issuing shares, options and other special rights entitling to shares. The authorisation is valid until 13 June 2029, and it revokes the authorisation granted by the Extraordinary General Meeting on 23 October 2023 as it enters into force. The Annual General Meeting also decided to adopt the Board of Directors' proposal on the establishment of option programme 1/2024 for the Company's key personnel and the Board of Directors.</p> <p>4 June 2024: Claims for BBS's complementary patent application for "A METHOD FOR PREPARING A BONE PROTEIN PREPARATION AND A BONE PROTEIN PREPARATION" related to the ARTEBONE® product and its use in the treatment method were approved in the United States.</p>
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	<p>2 July 2024: The Company announced that the Board of Directors had decided to issue 450,000 shares without consideration to the Company itself. After the share issue, the Company held 452,147 treasury shares.</p> <p>9 August 2024: BBS published a half year report and estimated that it will receive the decision of the Notified Body on the approval of its first product's CE marking soon, once the Notified Body has completed its work. The Company does not give a precise estimate of the schedule, as the Notified Body takes its time and does not provide related schedule forecasts. Commercialisation actions have been initiated, and the Company is ready to start sales once the final CE marking is approved.</p> <p>The Company's releases are available on the Company's website at https://www.bbs-artebone.fi/investors/releases/.</p>
<p>Description of business operations</p>	<p>BBS-Bioactive Bone Substitutes Oyj is a biomedical technology company that develops medical devices and implants for orthopedic surgery. BBS was established in 2003 as an ancillary company for a research project at the University of Oulu, the purpose of which was to develop and market a bone implant product to promote bone healing. This implant consists of reindeer bone proteins, which contain efficient bone growth factors with potential on the bone substitute market. The purpose of the product developed is to fill the gap in the market between existing bone substitutes such as demineralised bone matrix (DBM) and synthetic bone substitutes (TCP, hydroxyapatite) on the one hand and synthetic proteins on the other.</p>
<p>Further information on the intended use of the funds being raised</p>	<p>BBS is applying for the CE marking for its first product, ARTEBONE® Paste bone implant. ARTEBONE® has had a complex and challenging approval process. It is a new and innovative bone substitute, which is always considered to be risky from the authorities' perspective, and proving its functionality is also more laborious than for a simpler product. At the beginning of product development, the authority classified ARTEBONE® as a medicinal product due to its bone protein extract content, so product development was advanced as a medicinal product for about five years. However, it turned out that obtaining funding for a Finnish company located in a remote area for drug development was challenging, and hundreds of millions of extra funds would have been needed. Furthermore, it became apparent that ARTEBONE® might be approved as a medical device. Numerous negotiations were held with the authorities on this issue, and the authorities eventually accepted this alternative product registration route. However, the authorities did not have guidance for classifying a corresponding product combining a medical device and a drug. The aforementioned classification guidance was only received in 2018 from the European Commission concerning products on the borderline between a medical device and a drug (Manual on Borderline and Classification in the Community Regulatory Framework for Medical Devices, Version 1.19 (04-2018) 4.22), where ARTEBONE® is described as an example of a combination of osteoconductive ceramic (TCP) and osteoinductive medicinal substance. It also describes how ARTEBONE® can be approved in the medical device class III, which is the route the Company has followed in the registration.</p> <p>In March 2022, the background work was completed, and the CE mark application documentation (European marketing authorisation application) was submitted to the medical device evaluator (BSI) located in Amsterdam. The submission of the marketing authorisation application took place at a time when there had been a significant change in the approval bureaucracy with the new regulation MDR 2017/745 for medical devices coming into force. All old products also had to seek approval under the new regulation, causing massive backlogs for the authorities, and also prolonging the approval process for ARTEBONE®. The official classification decision was received in May 2023, confirming the Company's vision of ARTEBONE®'s product classification in medical device class III.</p> <p>The first phase of the ISO 13485 quality management system inspection, which covers product manufacturing and ensures patient safety, i.e., the pre-inspection, began in November 2022. A separate microbiological inspection was held in February 2023, and the final inspection of the microbiological section was conducted in January 2024.</p>

Extensive phase 2 inspections began in March 2023, and the final inspection was conducted in August 2023. Fimea’s GMP inspection (“Good Manufacturing Practice”; a standard compliant with pharmaceutical industry quality requirements) took place in May 2023.

The quality system certificate was obtained in November 2023. Periodic inspection for the GMP certificate from Fimea, i.e., the pharmaceutical manufacturing license, was conducted in June 2023. The certificates require continuous periodic inspections every 1–3 years.

ARTEBONE® contains all three levels of product approval difficulty; it is new and innovative, it contains an animal-derived component, and it also includes a medicinal component. Therefore, the approval process is significantly more challenging and time-consuming than for a simple medical product. For example, the approval of ARTEBONE® requires an inspection by the medicinal authority and an evaluation of the clinical trial for the medicinal component, which began in November 2023. Additionally, the EDQM (European Directorate for the Quality of Medicines & HealthCare) conducts an assessment of the safety and benefit of the animal-derived component.

Currently, the authorities and BBS are working on the evaluation of the technical documents. Based on the opinion of the Company’s management, the Company has been able to meet all of the authorities’ requirements regarding the product’s functionality and safety, both in animal tests and in the clinical trial. The Company expects the CE mark soon, once the authority has completed its work. The Company cannot provide an exact timeline, as the authority takes its time and does not provide schedule forecasts.

The competitive situation for ARTEBONE® remains good. There is only one competitor on the market that applies a similar innovation, which includes a protein component in addition to TCP. This setup was the starting point for the development of ARTEBONE®. The Company aims to create a bone substitute that closely resembles natural bone, which is achieved in the ARTEBONE® product. Unlike all of the competitors, the ARTEBONE® product combines both an osteoinductive component, which initiates bone formation, and an osteoconductive component, which serves as a platform for bone formation. The majority of competing products contain only one component.

Description of financial status

The following tables present some of the Company’s unaudited financial information for the half-year periods ending 30th of June 2024 and 30th of June 2023, as well as audited financial statement details for the financial years that ended on 31st of December 2023 and 31st of December 2022. The Company’s financial statements have been prepared according to Finnish Accounting Standards (FAS). BBS has prepared consolidated financial statements according to FAS pursuant to chapter 6 section 1 of the Accounting Act for the financial years that ended on 31st of December 2023 and 31st of December 2022.

INCOME STATEMENT	1st of Jan – 30th of June 2024	1st of Jan – 30th of June 2023
EUR 1,000	(unaudited)	(unaudited)
TURNOVER	0	0
Other operating income	10	10
Materials and services	-11	1
Personnel costs	-750	-620
Depreciation and impairment	-107	-108
Other operating costs	-733	-856
OPERATING PROFIT/LOSS	-1 591	-1 574
Financing income and costs	-123	-68
PROFIT/LOSS BEFORE TAXES	-1 714	-1 642
PROFIT/LOSS FOR THE FINANCIAL YEAR	-1 714	-1 642

INCOME STATEMENT	1st of Jan – 31st of Dec 2023	1st of Jan – 31st of Dec 2022
EUR 1,000	(audited)	(audited)
TURNOVER	0	0
Other operating income	20	64
Materials and services	-4	-30
Personnel costs	-1 245	-1 315
Depreciation and impairment	-217	-225
Other operating costs	-1 921	-1 446
OPERATING PROFIT/LOSS	-3 367	-2 952
Financing income and costs	-117	-141
PROFIT/LOSS BEFORE TAXES	-3484	-3 093
PROFIT/LOSS FOR THE FINANCIAL YEAR	-3 484	-3 093
BALANCE SHEET	30th of June 2024	30th of June 2023
EUR 1,000	(unaudited)	(unaudited)
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	7 667	7 721
Tangible assets	821	942
TOTAL NON-CURRENT ASSETS	8 488	8 663
CURRENT ASSETS		
Short-term receivables	39	393
Cash in hand and at banks	850	1 671
TOTAL CURRENT ASSETS	886	2 064
TOTAL ASSETS	9 374	10 727
EQUITY AND LIABILITIES		
EQUITY		
Share capital	80	80
Share premium reserve	1 395	1395
Reserve for invested unrestricted equity	26 145	23 156
Retained earnings	-22 112	-18 629
Profit/loss for the financial year	-1 714	-1 642
TOTAL EQUITY	3 793	4 360
LIABILITIES		
Long-term liabilities	3 285	4 220
Short-term liabilities	2 295	2 146
TOTAL LIABILITIES	5 580	6 366
TOTAL EQUITY AND LIABILITIES	9 374	10 727
BALANCE SHEET	31st of Dec 2023	31st of Dec 2022
EUR 1,000	(audited)	(audited)
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	7 694	7 747
Tangible assets	901	1 024
TOTAL NON-CURRENT ASSETS	8 595	8 771

	CURRENT ASSETS		
	Short-term receivables	48	400
	Cash in hand and at banks	1 971	1 517
	TOTAL CURRENT ASSETS	2 019	1 917
	TOTAL ASSETS	10 613	10 688
	EQUITY AND LIABILITIES		
	EQUITY		
	Share capital	80	80
	Share premium reserve	1 395	1 395
	Reserve for invested unrestricted equity	25 745	21 425
	Retained earnings	-18 629	-15 536
	Profit/loss for the financial year	-3 484	-3 093
	TOTAL EQUITY	5 108	4 271
	LIABILITIES		
	Long-term liabilities	4 128	4 715
	Short-term liabilities	1 377	1 701
	TOTAL LIABILITIES	5 505	6 417
	TOTAL EQUITY AND LIABILITIES	10 613	10 688
	<p>If the Offering is fully subscribed, the Company's working capital will be sufficient for approximately 8 months, according to the Company's management's approximation. The Company can influence the adequacy of working capital by acquiring more equity or debt financing or by taking measures to save the Company's expenses.</p>		

INFORMATION ON THE SECURITY AND ON THE OFFERING

Principal rights, responsibilities, restrictions and features vested in the securities	<p>The rights vested in the Company's shares are determined according to the Company's Articles of Association, the Limited Liability Companies Act (624/2006) and other current Finnish legislation.</p> <p>The Company has only one category of shares, and all shares have equal rights. Each share entitles the holder to one (1) vote at General Meetings.</p> <p>Company shareholders exercise their decision-making powers in matters concerning the Company at General Meetings. Under the Limited Liability Companies Act, every holder has the right to attend and vote at a General Meeting. A shareholder may attend and vote at a General Meeting either in person or by proxy. If the Board of Directors so decides, shareholders wishing to attend a General Meeting must register in advance for that Meeting as specified in the summons to that Meeting and no later than the date specified in that summons, which may be no earlier than ten (10) days before the date of that Meeting. Holders of nominee-registered shares who, in respect of the shares they hold, are entitled to be entered in the Company's register of shareholders maintained by Euroclear Finland Oy on the record date shall be entitled to attend a General Meeting.</p> <p>All Company shares entitle to an equal portion of dividends and other distributable funds once the shares have been entered in the Trade Register. The Company may pay out dividends once the Annual General Meeting has confirmed the Company's financial statement and decided to distribute a dividend pursuant to a proposal made by the Board of Directors. Interim dividends based on profits accrued during the current financial year may only be distributed if an Extraordinary General Meeting confirms a new, audited financial statement. Under the Limited Liability Companies</p>
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	Act, a General Meeting may authorise the Board of Directors to decide on dividend payouts or other distribution of unrestricted equity.
Total number of securities offered	<p>The maximum number of securities offered shall be 8,298,870 Offer Shares. The Company’s Board of Directors decided on the Offering on 26th of August 2024, pursuant to the authorisation given by the Extraordinary General Meeting on 13th of June 2024.</p> <p>Certain current shareholders of the Company have provided subscription undertakings, on the basis of which they have committed to subscribe for approximately 16.9 percent of the Offer Shares offered in the Offering, i.e. they have committed to participate in the Offering with 0.4 million euros.</p>
Subscription Price and how it is determined	The Subscription Price of the Offer Shares is EUR 0.29 per Offer Share (“Subscription Price”). The Subscription Price shall be recorded in full in the reserve for invested unrestricted equity. The Subscription Price includes a normal pre-emptive rights issue discount. The Subscription Price is approximately 31.60 percent lower than the closing price of the Company’s share on First North Finland on 23 rd of August 2024 (EUR 0.424).
Costs charged from investors	Account operators and custodians will charge fees according to their respective tariffs for maintaining book-entry accounts and for custody of shares.
Terms and conditions of subscription and payment	<p>BBS grants all its shareholders registered in the BBS shareholder register maintained by Euroclear Finland Oy (“Euroclear Finland”) one (1) book-entry subscription right (“Subscription Right”) per each share held on the Offering record date of 28th of August 2024. Each five (5) Subscription Rights entitle their holder to subscribe two (2) Offer Shares. Fractions of Offer Shares will not be assigned. If a Company share entitling to a Subscription Right is subject to a pledge or other such restriction, it may not be possible to exercise the Subscription Right without the consent of the pledgee or other rightsholder.</p> <p>Shareholders may participate in the Offering by subscribing Offer Shares using the Subscription Rights in their book-entry account and by paying the Subscription Price. In order to participate in the Offering, shareholders must issue a subscription assignment according to the instructions given by their respective account operators or custodians.</p> <p>Holders of purchased Subscription Rights must issue their subscription assignments according to the instructions given by their respective account managers or custodians.</p> <p>Such shareholders and other investors participating in the Offering whose Company shares or the Subscription Rights are registered in the name of a nominee shall issue their subscription assignments according to the instructions given by their nominee.</p> <p>The subscription period for the Offer Shares (“Subscription Period”) begins on 2nd of September 2024 at 10.00 Finnish time and is expected to end on 20th of September 2024 at 16.00 Finnish time.</p> <p>The Company may, at its sole discretion, extend the Subscription Period. The Subscription Period may be extended once or several times, however not past 4th of October 2024. Any extensions of the Subscription Period will be announced by way of a company release before the end of the Subscription Period.</p> <p>Subscription locations, account managers, custodians and nominees may require their customers to submit subscription orders on a certain day prior to the start of trading on the Subscription Rights or before the Subscription Period ends.</p>

	<p>The account operators and custodians function as subscription locations.</p> <p>The Subscription Price of the Offer Shares subscribed in the Offering shall be paid in connection with submitting the subscription assignment according to the instructions given by the subscription location, the account operator or the custodian.</p> <p>The Board of Directors of the Company shall resolve on offering any unsubscribed Offer Shares secondarily to shareholders and other investors who have submitted a subscription application concerning the Offer Shares during the Subscription Period without Subscription Rights.</p> <p>The subscription of the Offer Shares without the Subscription Rights by a shareholder and/or another investor is performed by submitting a subscription order and by simultaneously paying the Subscription Price in accordance with the instructions provided by the subscriber’s account operator, custodian or, in the case of investors entered into the nominee register, the nominee. An incomplete or incorrect subscription order may be ignored. The subscription order is binding.</p> <p>The custodian, account operator or nominee of the shareholder and/or investor shall receive the subscription order and the payment no later than on 20th of September 2024 or at an earlier time according to the instructions given by the custodian, account operator or nominee.</p> <p>If all the Offer Shares have not been subscribed on the basis of the Subscription Rights, BBS’s Board of Directors will decide on the allocation of the Offer Shares subscribed for without the Subscription Rights as follows:</p> <ul style="list-style-type: none"> a) First to those who also have subscribed for the Offer Shares on the basis of the Subscription Rights. If the subscribers in question oversubscribe the Offering, the allocation to such subscribers will be determined in a book-entry account-specific manner in proportion to the number of the Subscription Rights used for the subscription for the Offer Shares and, if this is not possible, by drawing lots; and b) Secondly to those who have subscribed for the Offer Shares only without the Subscription Rights, and if the subscribers in question oversubscribe the Offering, the allocation to such subscribers will be determined in a book-entry account-specific manner in proportion to the number of the Offer Shares which the subscribers have subscribed for and, if this is not possible, by drawing lots. <p>BBS will confirm the approval of the subscription of the Offer Shares subscribed for without the Subscription Rights, if approved, for all investors who have submitted a subscription order to subscribe for the Offer Shares without the Subscription Rights.</p> <p>If the Offer Shares subscribed for without the Subscription Rights are not allocated in the number referred to in the subscription order, the paid Subscription Price corresponding to the Offer Shares not obtained will be refunded to the subscriber approximately on 27th of September 2024. No interest will be paid on such a payment.</p> <p>Subscriptions once made shall be binding and cannot be amended or cancelled except as specified below under <i>“Other particular terms and conditions of the Offering”</i>.</p>
<p>Approval of subscriptions and delivery of securities to investors</p>	<p>The Subscription Rights will be registered in shareholders’ book-entry accounts approximately on 29th of August 2024. The Subscription Rights can be freely assigned and they will be traded on First North Growth Market Finland (“First North Finland”) (trading symbol BONEHU0124, ISIN: FI4000577879) between 2nd of September 2024 and 17th of September 2024.</p>

	<p>The Offer Shares subscribed for in the Offering will be issued as book entries in the book-entry system of Euroclear Finland and delivered to the investors through the book-entry system of Euroclear Finland.</p> <p>After the subscription, temporary shares corresponding to the Offer Shares subscribed for based on the Subscription Rights (the “Temporary Shares”) will be entered in the subscriber’s book-entry account. This is estimated to be the next day after the subscription, in accordance with Euroclear Finland’s clearing timetable. Trading in the Temporary Shares will commence on First North Finland (trading symbol BONEHN0124, ISIN: FI4000577887) as their own special share class approximately on 2nd of September 2024.</p> <p>The Company’s Board of Directors will approve all the subscriptions made on the basis of the Subscription Rights and in accordance with the terms and conditions of this Offering and the applicable laws and regulations approximately on 24th of September 2024. In addition, the Company’s Board of Directors will approve the subscriptions made without the Subscription Rights and in accordance with the terms and conditions of the Offering applicable laws and regulations pursuant to the allocation principles presented above.</p> <p>The Temporary Shares will be combined with current shares after the Offer Shares have been registered in the Trade Register. The delivery and combination will take place approximately on 30th of September 2024 and the Offer Shares will be subject to trading together with the Company’s existing shares approximately on 1st of October 2024 on First North Finland.</p> <p>The Offer Shares subscribed for without the Subscription Rights will be delivered at the same time as the ones that have been subscribed for with the Subscription Rights, and no Temporary Shares will be delivered in respect to these.</p>
<p>Other particular terms and conditions of the Offering</p>	<p>If the basic information document prepared in connection with the Offering is supplemented due to a significant new fact, material error or material inaccuracy which may affect the evaluation of the Offer Shares or the Temporary Shares, the investors that have subscribed for Offer Shares before the publication of the supplement have the right to cancel their subscription within specific cancellation period. The duration of the cancellation period shall be at least two (2) working days from the publication of the supplement. The possible cancellation of a subscription concerns the entire subscription. The right of cancellation is conditional to the occurrence or noting of the abovementioned significant new fact, material error or material inaccuracy prior to the end of the Subscription Period or entry of the Offer Shares or the Temporary Shares subject to cancellation into subscriber’s book-entry account (whichever is first in order). If an investor wishes to cancel his or her subscription in accordance with the above-mentioned right of withdrawal, the cancellation of the subscription must be done in writing to the place of subscription where the subscription has been made.</p> <p>After the end of the cancellation period, the cancellation rights do no longer exist.</p> <p>If an investor has cancelled his or her subscription, the amount paid by the investor for the Offer Shares will be returned to the investor’s bank account stated in connection with the subscription. The money is refunded approximately within three (3) banking days of the cancellation. No interest will be paid on the refunded amount. The Company will include the cancellation instructions in a company release in connection with publication of the supplement to the basic information document. If the shareholder has sold or otherwise reassigned his/her Subscription Rights, the sale or transfer cannot be cancelled.</p>

Information on management of client funds	Management of client funds shall be undertaken in accordance with the practices of the subscription locations.
Tax at source possibly to be deducted on the securities and report on whether the issuer will deduct tax at source	<p>The company is obliged to collect withholding tax in connection with the payment of the dividend, when the company pays a dividend to an investor with a limited tax liability in Finland. Currently, the amount of withholding tax in Finland is 20 percent when the income recipient is a limited taxable entity and 30 percent for all other limited taxable income recipients, unless otherwise stipulated in the applicable tax treaty.</p> <p>Withholding tax is not levied on dividends paid by the company, which are paid to a company located in a member state of the European Union referred to in Article 2 of the so-called parent-subsidiary directive (2011/96/EU), which directly owns at least 10 percent of the company's share capital.</p> <p>Withholding tax is not levied on dividends paid by the company, which are paid in Finland to a limited taxable entity, if (i) the domicile of the recipient is in the European Economic Area; (ii) Exchange of information regarding tax matters has been arranged between Finland and the country of residence of the beneficiary; (iii) the beneficiary corresponds to a Finnish entity as defined in Finnish tax legislation; (iv) the dividend would be completely tax-free when paid to the corresponding Finnish entity; and (v) the beneficiary shows that the withholding tax paid cannot in fact be credited in full in the beneficiary's state of residence. The withholding tax rate applicable without limitation to the aforementioned is currently 15 percent, under certain conditions, limited to the dividend received by the taxable entity, if the company's shares belong to the investment assets of the recipient of the dividend. Depending on the applicable tax treaty, the applicable withholding tax may also be lower than 15 percent.</p> <p>An exception to the obligation to identify the income recipient of limited taxable income has been provided for dividends payable to nominee-registered shareholders. A withholding tax of 35% is deducted from the dividend paid to the nominee-registered share, if the dividend payer or the registered custodian does not have the final beneficiary information of the dividend recipient as referred to in the Act on Taxation Procedure. Before the payment is made, the beneficiary must present to the dividend payer or registered custodian, in addition to the final beneficiary information, a statement of his domicile and other requirements for the application of the tax agreement, so that he can, if certain conditions are met, receive the dividend paid to the nominee-registered share at a lower withholding tax rate according to the applicable tax agreement. If the conditions are not met, a withholding tax of 35 percent is levied on the dividends paid to nominee-registered shares.</p> <p>A dividend recipient with a limited tax liability can apply for a refund of the overcharged withholding tax from the Tax Administration. Tax refund requires that the dividend recipient proves that he is entitled to a lower withholding tax rate under Finnish tax legislation or an applicable tax treaty. The company collects withholding tax in accordance with current legislation.</p>

OTHER INFORMATION

The information contained in this basic information document is correct as at the publication date of same and shall be updated as and when necessary throughout the validity of the Offering. This basic information document was published on 30th of August 2024 and shall remain valid until 20th of September 2024. Further information on the issuer is available free of charge on the Company website at www.bbs-artebone.fi, by phone at +358 50 552 9275 and by e-mail at pekka.jalovaara@bbs-artebone.fi.

AVAILABLE DOCUMENTS

Copies of the following documents are available on the Company website at <https://www.bbs-artebone.fi/investors/share-issue-2024-9>. Parties eligible to participate in the Offering are recommended to review the following documents:

- Basic information document
- Investor Memorandum and its supplement dated 30 August 2024
- Terms and conditions of the Offering
- The Company's unaudited half-year review for the period 1st of January – 30th of June 2024
- Audited financial statement of the Company for the financial year ending 31st of December 2023 and auditor's report
- Audited financial statement of the Company for the financial year ending 31st of December 2022 and auditor's report
- Articles of Association of the Company
- Extract from the Trade Register for the Company, valid as at the date of this basic information document.