Kuros ends transformational year with first MagnetOs sales, lead clinical program on track, and successful capital raise

December 17, 2018

- **Successfully raised CHF 16.1 million from existing and new investors**
- **Funding secured for fibrin-PTH Phase II in spinal fusion, a huge commercial opportunity**
- **First sales of MagnetOs in US and Europe, commercial roll-out on track**
- **New CFO and CMO bring solid financial and clinical experience to management**

Schlieren (Zurich), Switzerland, December 17, 2018 – Kuros Biosciences (SIX: KURN) has completed a transformational year, having realized first sales of its MagnetOs bone graft substitute in the U.S. and Europe and raised capital to support the roll-out of MagnetOs, and fund the Phase II clinical trial of fibrin-PTH (KUR-113) in spinal fusion.

Kuros raised gross proceeds of CHF 16.1 million from a capital increase on December 13, which will enable it to advance its pipeline, in particular the Phase II clinical study of its proprietary KUR-113 product in spinal fusion, and to progress commercialization of MagnetOs in the U.S. and selected geographies in Europe.

The Phase II study of KUR-113 is scheduled to start enrolling patients in Q2 2019 with an anticipated interim readout by the second half of 2020.

The Kuros team has also been strengthened with two new appointments. Michael Grau joined as Chief Financial Officer, bringing extensive experience in corporate financing and auditing in private and public companies and a strong operational background. Pascal Longlade, M.D., joined as Chief Medical Officer, bringing more than 20 years international experience in clinical research and development with leading pharmaceutical, biotech and medical device companies.

Joost de Bruijn, Ph.D., Chief Executive Officer of Kuros, said: “We have made excellent progress on our new course in 2018 and have a strong team in place to take the company forward. The recent capital raise adds to those solid foundations and allows us to build on that success. The first sales of MagnetOs are a realization of the hard work and dedication the Kuros team has put in and we are now focusing on the commercial roll-out, which is proceeding well. On top of that, we are pushing on with the exciting Fibrin-PTH program. Largely de-risked in successful trauma trials, it targets an important medical need in spinal fusion, which represents a significant commercial opportunity.”

About MagnetOs

MagnetOs promotes local bone formation equivalent to current gold standard, autograft. A substantial number of clinically relevant and predictive studies have demonstrated its equivalence to the current gold standard (patient’s own bone, which may not be available in sufficient quantities and/or involves morbidity, costs and pain associated with its harvesting from another healthy site of the patient’s body). MagnetOs is a bone graft comprising biphasic calcium phosphate with an advanced submicron surface topography that directs bone formation after implantation. With its unique submicron surface topography, MagnetOs preferentially directs early wound healing toward the bone-forming pathway, resulting in an osteoinductive claim in Europe. MagnetOs is available as granules and as a putty formulation.

US indications statement

MagnetOs is an implant intended to fill bony voids or gaps of the skeletal system, i.e., posterolateral spine. MagnetOs must be used with autograft as a bone graft extender in the posterolateral spine. These osseous defects may be surgically created or the result of traumatic injury to the bone and are not intrinsic to the stability of the bony structure.

EU indications statement

MagnetOs is intended for use as bone void filler for voids and gaps that are not intrinsic to the stability of the bony structure. MagnetOs is indicated for use in the treatment of surgically created osseous defects or osseous defects resulting from traumatic injury to the bone. MagnetOs is intended to be packed into bony voids or gaps of the skeletal system (i.e. extremities, spine, cranial, mandible, maxilla and pelvis) and may be combined with autogenous bone. MagnetOs should not be used to treat large defects that in the surgeon’s opinion would fail to heal spontaneously. In load bearing situations, MagnetOs is to be used in conjunction with internal or external fixation devices.

About Kuros Biosciences AG

Kuros Biosciences (SIX:KURN) is focused on the development of innovative products for bone regeneration and is located in Schlieren (Zurich), Switzerland and Bilthoven, The Netherlands. Visit www.kurosbio.com for additional information on Kuros, its

people, science and product pipeline.

Forward Looking Statements

This media release contains certain forward-looking statements that involve risks and uncertainties that could cause actual results to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. You are urged to consider statements that include the words "will" or "expect" or the negative of those words or other similar words to be uncertain and forward-looking. Factors that may cause actual results to differ materially from any future results expressed or implied by any forward-looking statements include scientific, business, economic and financial factors, Against the background of these uncertainties, readers should not rely on forward-looking statements. The Company assumes no responsibility for updating forward-looking statements or adapting them to future events or developments.

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