

Kuros Biosciences Reports Full-Year 2017 Results

April 30, 2018

Kuros Biosciences reported today its Full-Year 2017 Results, and the publication of its annual report.

Financial highlights

- CHF 17.0 million cash at year-end
- CHF 16.9 million equity raise in June 2017
- Standby equity facility established in November 2017 to increase financial flexibility

Operational highlights

- Successful completion of merger with Xpand Biotechnology creating a leader in orthobiologics
- FDA approvals for MagnetOs Granules & Putty
- Prepared for U.S. launch of MagnetOs by end of June 2018
- Clinical development of Fibrin-PTH for spinal fusion on track

Schlieren (Zurich), Switzerland, April 30, 2018

2017 has been a transformative year for Kuros Biosciences, which successfully transitioned into a full-fledged orthobiologics company with scientific, clinical, and commercial excellence in bone regeneration. MagnetOs Granules and MagnetOs Putty have been cleared by the U.S. Food and Drug Administration, and the Company is gearing up for their U.S. commercial launch in 2018.

Joost de Bruijn, Chief Executive Officer, said: "During 2017 we successfully set Kuros on a new course – one that is focused on cutting-edge orthobiologics, an important commercial opportunity. Our international team has responded with verve to our ongoing commercial transition, embracing their new challenges. As a result, we are well-positioned to execute on the commercial roll-out plan for MagnetOs in the U.S. and drive forward our exciting clinical program with Fibrin-PTH in spinal fusion, which represents a huge opportunity."

Financial position

Cash and cash equivalents (including financial assets and trade and other receivables) as per December 31, 2017, amounted to CHF 17.0 million, compared with CHF 13.0 million as per December 31, 2016. The increase is mainly due to capital increases which off-set net operating cash. In 2017, Kuros received a milestone payment of TCHF 534 (TCHF 997 in 2016) from a collaboration partner. Operating costs for 2017 amounted to CHF 16.8 million, compared with CHF 22.4 million in the previous year. Research and development expenses decreases from CHF 7.9 million in 2016 to CHF 4.5 million in 2017. General and administrative expenses decreased from CHF 17.1 million in 2016 to CHF 15.2 million in 2017.

During 2017, Kuros raised CHF 16.9 million in equity, and put a CHF 30 million equity financing facility in place to provide the Company with more financial flexibility.

Key figures	2017	2016
In TCHF, IFRS		
Revenue	534	1,061
Research and development	(4,470)	(7,909)
General and administration	(15,242)	(17,070)
Other income	2,935	2,572
Net operating costs	(16,777)	(22,407)
Operating income/(loss)	(16,243)	(21,346)
Net financial income/(loss)	(350)	1,069
Net income/(loss)	(16,484)	(19,744)
Net income/(loss) per share (in CHF)	(2.32)	(3.95)
Cash and cash equivalents, financial assets	17,024	13,034

and trade and other receivables			
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Outlook

In 2018, the Company aims to capitalize on the restructuring as it executes on its renewed focus on orthobiologics. This includes setting-up a U.S. commercial infrastructure to support the U.S. launch of MagnetOs, as well as the preparation of a Phase 2 clinical study for our drug-based Fibrin-PTH product candidate KUR-113 for spinal indications.

Annual report

The annual report of Kuros Biosciences is available online at www.kuros.ch/investors/reports-presentations.html.

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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