

**Invitation to the 20<sup>th</sup> Annual Shareholders' Meeting of Kuros Biosciences Ltd on Thursday, June 14, 2018, 10.00 a.m.**

Venue: Kuros Biosciences Ltd  
Wagistrasse 25, 8952 Schlieren (Zurich/Switzerland)

Dear Shareholder

It is our pleasure to invite you to the 20<sup>th</sup> Annual Shareholders' Meeting of Kuros Biosciences Ltd to be held at Wagistrasse 25, 8952 Schlieren (Zurich/Switzerland) on June 14, 2018 at 10 a.m., followed by an apéro to which you are cordially invited.

With this invitation you receive the following documents:

- 1 This invitation with the agenda
- 2 Admission and voting card
- 3 Reply form

Please return the signed reply form with the enclosed (pre-paid) envelope to Nimbus AG Aktienregister, c/o Nimbus AG, Postfach, 8866 Ziegelbrücke prior to June 11, 2018, even if the admission and voting card is enclosed.

The Annual Report is available on our website, [www.kurosbio.com](http://www.kurosbio.com). If you wish to receive a hard or electronic copy, please contact [info@kurosbio.com](mailto:info@kurosbio.com).

## AGENDA OF THE MEETING

### 1. **Approval of the Annual Report, Annual Financial Statements, and Consolidated Financial Statements for the year 2017**

The Board of Directors proposes to approve the Annual Report, the Annual Financial Statements, and the Consolidated Financial Statements of Kuros Biosciences Ltd for the year 2017, and to take note of the Reports of the Auditors.

### 2. **Discharge of the Board of Directors and Executive Committee**

The Board of Directors proposes that the members of the Board of Directors and the Executive Committee are discharged from their liabilities for their activities in the year 2017.

### 3. **Appropriation of Annual Results**

The Board of Directors proposes that the net loss of the year 2017 in the amount of CHF 9'505'762.00 is applied against the loss brought forward of CHF 66'223'678.00 resulting in a new balance of the loss brought forward of CHF 75'729'440.00 to be carried forward to the new accounts.

### 4. **Election of the Board of Directors**

The Board of Directors proposes the re-election of Clemens van Blitterswijk as member and the election as chairman of the Board of Directors and the re-election of Christian Itin, Leanna Caron, Giacomo Di Nepi and Gerhard Ries as members of the Board of Directors and the election of Joost de Bruijn, Jason Hannon, Scott P. Bruder and Oliver Walker as new members of the Board of Directors each for the term until the next Annual Shareholders' Meeting:

- 4.a **Re-Election of Clemens van Blitterswijk as member and election as chairman of the Board of Directors**
- 4.b **Re-Election of Christian Itin as member of the Board of Directors**
- 4.c **Re-Election of Leanna Caron as member of the Board of Directors**
- 4.d **Re-Election of Giacomo Di Nepi as member of the Board of Directors**
- 4.e **Re-Election of Gerhard Ries as member of the Board of Directors**
- 4.f **Election of Joost de Bruijn as member of the Board of Directors**
- 4.g **Election of Jason Hannon as member of the Board of Directors**
- 4.h **Election of Scott P. Bruder as member of the Board of Directors**
- 4.i **Election of Oliver Walker as member of the Board of Directors**

Didier Cowling, Harry Welten and Frank-Jan van der Velden have indicated not to stand for re-election.

**Joost de Bruijn** PhD, is currently Chief Executive Officer of Kuros Biosciences Ltd. Dr. de Bruijn founded Xpand Biotechnology BV in 2005 and remained Chief Executive Officer of Xpand after the acquisition by Kuros in early 2017. Dr. de Bruijn also holds the positions of Professor of Biomaterials at Queen Mary University of London, UK (since 2004) and Professor of Regenerative Medicine and Entrepreneurship at Twente University, The Netherlands (since 2011). In 2007, he founded Progentix Orthobiology that signed an exclusive development agreement with NuVasive in 2009 for a novel family of calcium phosphate synthetic bone substitutes. Prior to founding Xpand he was Research Director Bone at IsoTis for seven years, during which he specialized in bone issue engineering technologies that were brought to clinical application. Dr. de Bruijn has more than 20 years' experience in academia and the life science industry. He published 165 papers in peer-reviewed journals and is the inventor of 24 patent families. Dr. de Bruijn is scientific

editor and reviewer for numerous international biomaterials, tissue engineering and regenerative medicine journals. He received his PhD from Leiden University in 1993.

**Jason Hannon** is currently the Chief Executive Officer and a Director of Mainstay Medical, which is focused on bringing to market ReActiv8®, an implantable neurostimulation system to treat disabling Chronic Low Back Pain. Mr. Hannon has extensive experience in the healthcare and medical devices industry, particularly related to commercialization of new products, penetration of new markets, product innovation, strategic and financial planning, raising capital, regulatory and clinical management, and the building of a high-performance culture. Mr. Hannon previously served as President and Chief Operating Officer of NuVasive (NASDAQ:NUVA), a medical device company focused on the spine market. He helped grow NuVasive from a small U.S.-centric business with a handful of products into the third largest spine company in the world, operating in over 40 countries. During his 12 years at the company, and prior to becoming COO, Mr. Hannon led the international business, was responsible for business development and strategy, and also served as general counsel. Mr. Hannon has a JD degree from Stanford University Law School and a BA degree from the University of California, Berkeley.

**Scott P. Bruder**, MD, PhD, is an insightful and energetic healthcare leader with a 25-plus year history of bridging basic science, clinical medicine, and industrial development expertise to deliver innovative, commercially successful products that improve patients' lives around the world. Experience in medical devices, diagnostics, biotechnology, and life science research tools fortify an expansive analytical skill set for this resilient, poised and influential C-Suite executive. An award-winning scientist and clinician, equally comfortable in the laboratory, at the lectern, in the Boardroom or on Capitol Hill, he delivers impactful results by inspiring multi-disciplinary teams to be collaborative, rigorous and decisive. This seasoned Senior Executive, University Professor, and FDA Advisory Committee Member provides a unique bench-to-bedside perspective on unmet needs, development strategy and the path to commercialization.

**Oliver Walker** is a finance Executive with more than 20 years of experience in international companies, both listed and privately-held, and was active in high growth industries and mature industries alike. Amongst other senior positions he was previously CFO of several leading Life Science companies, including Sivantos (Singapore), Nobel Biocare, Sonova, and Stratec (all Switzerland). His experience covers all aspects of finance including M&A, capital market transactions, treasury, reporting and fundraising. Oliver Walker has an MSC in Business Administration & Economics at the University of Berne.

## **5. Election of the Auditors**

The Board of Directors proposes to re-elect PricewaterhouseCoopers Ltd, Basel, as auditors of Kuros Biosciences Ltd for a term of office of one year.

## **6. Compensation for the Members of the Board of Directors and the Executive Committee**

The Board of Directors proposes to hold the following separate votes on the non-performance related and the variable compensation of the Board of Directors and the Executive Committee:

### **6.a Vote on Total Non-Performance-Related Compensation for Members of the Board of Directors for the period up to the next Annual Shareholders' Meeting**

The Board of Directors proposes that shareholders approve the total maximum amount of non-performance-related compensation for the members of the Board of Directors for the period up to the next Annual Shareholders' Meeting, i.e. CHF 390'500.00.

**6.b      Vote on Options for Members of the Board of Directors until the next Annual Shareholders' Meeting**

The Board of Directors proposes that shareholders approve the grant of a maximum number of 20'000 options for the members of the Board of Directors for the period up to the next Annual Shareholders' Meeting with a duration of five years, a regular vesting of twelve months, a full vesting upon change of control and a strike of CHF 10.20 with a current maximum value of all options of CHF 46'400.00.

**6.c      Vote on Total Non-Performance-Related Compensation for Members of the Executive Committee up to June 2019**

The Board of Directors proposes that shareholders approve the total maximum amount of non-performance-related cash compensation for members of the Executive Committee (five positions) for the period up to June 30, 2019 of CHF 1'660'191.00 (cash base compensation plus social security costs).

**6.d      Vote on Total Variable Compensation for Members of the Executive Committee for the calendar year 2018**

The Board of Directors proposes that shareholders approve a maximum amount of CHF 556'337.00 (cash compensation plus social security costs) of variable compensation for the members of the Executive Committee (five positions) for the calendar year 2018.

**6.e      Vote on Options for Members of the Executive Committee for the calendar year 2018**

The Board of Directors proposes that shareholders approve the grant of a maximum number of 155'000 options for the members of the Executive Committee for the calendar year 2018 with a duration of five years, a regular vesting of four years, a full vesting upon change of control and a strike of CHF 10.20 with a current maximum value of all options of CHF 359'600.00.

**7.      Election of Compensation Committee**

The Board of Directors proposes to re-elect Gerhard Ries and Leanna Caron as the members of the compensation committee, each for the term until the next Annual Shareholders' Meeting.

**7.a      Re-Election of Gerhard Ries as member of the compensation committee**

**7.b      Re-Election of Leanna Caron as member of the compensation committee**

**8.      Election of the Independent Proxy**

The Board of Directors proposes for election as independent proxy for a one-year term of office: Andreas G. Keller, attorney-at-law, Gehrenholzpark 2g, CH-8055 Zurich.

## 9. Increase and Adjustment of Authorized Share Capital

The Board of Directors proposes the following resolution:

The Authorized Share Capital shall be increased from currently 1'441'055 to 4'116'464 registered shares with a nominal value of CHF 1.00 each, corresponding to 50% of the currently issued share capital. Article 3d para. 1 of the Articles of Association is amended and shall henceforth read as follows:

<b>Art. 3d Authorized Share Capital</b>  The Board of Directors is authorized, at any time until June 13, 2020 to increase the share capital by a maximum of CHF 4'116'464.00 through the issuance of a maximum of 4'116'464 registered shares, to be fully paid up, with a nominal value of CHF 1.00 each. Increases by underwriting, by affiliated companies as well as partial increases are permissible. The issue price, the time of dividend entitlement, and the type of contribution will be determined by the Board of Directors. Upon acquisition, the new shares will be subject to the transfer restrictions pursuant to Art. 4 of the Articles of Association.	<b>Art. 3d Genehmigtes Aktienkapital</b>  Der Verwaltungsrat ist ermächtigt, jederzeit bis zum 13. Juni 2020, das Aktienkapital im Maximalbetrag von CHF 4'116'464.00 durch Ausgabe von höchstens 4'116'464 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 1.00 zu erhöhen. Erhöhungen auf dem Wege der Festübernahme, durch Gruppengesellschaften sowie Erhöhungen in Teilbeträgen sind gestattet. Der jeweilige Ausgabebetrag, der Zeitpunkt der Dividendenberechtigung und die Art der Einlagen werden vom Verwaltungsrat bestimmt. Nach dem Kauf unterliegen die neuen Namenaktien den Übertragungsbeschränkungen gemäss Art. 4 der Statuten.
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## 10. Increase and Adjustment of Conditional Share Capital for Employee Participation

The Board of Directors proposes the following resolution:

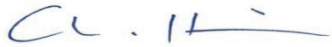
The Conditional Share Capital for Employees, Persons of Comparable Positions and Board Members shall be increased from currently 1'208'389 to 1'389'647 registered shares with a nominal value of CHF 1.00 each. Article 3e para. 1 of the Articles of Association is amended and shall henceforth read as follows:

<b>Art. 3c Conditional Capital for Employees, Persons of Comparable Positions and Board Members</b>  The share capital of the Company increases in the nominal value of up to CHF 248'389.00 by issuance of up to 248'389 fully paid-in registered Shares with a nominal value of CHF 1.00 each, subject to the exercise of options granted by the Company to employees of the Company or its subsidiaries, persons of a comparable position and Board members under the employee participation plans, in force until the end of the year 2015.  The share capital of the Company furthermore increases in the nominal value of up to CHF 1'141'258.00 by issuance of up to 1'141'258 fully paid-in registered	<b>Art. 3c Bedingtes Aktienkapital für Arbeitnehmer, Personen in vergleichbaren Positionen und Verwaltungsratsmitglieder</b>  Das Aktienkapital der Gesellschaft erhöht sich um den Nennbetrag von bis zu CHF 248'389.00 durch Ausgabe von bis zu 248'389 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 1.00, sollten die Optionsrechte, welche die Gesellschaft ihren Arbeitnehmern, den Arbeitnehmern ihrer Tochtergesellschaften, Personen in vergleichbaren Positionen und Verwaltungsratsmitgliedern unter den bis zum Ende des Jahres 2015 geltenden Mitarbeiterbeteiligungsplänen eingeräumt hat, ausgeübt werden.  Das Aktienkapital der Gesellschaft erhöht sich zusätzlich um den Nennbetrag von bis zu CHF 1'141'258.00
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<p>Shares with a nominal value of CHF 1.00 each, subject to the exercise of options granted by the Company to employees of the Company or its subsidiaries, persons of a comparable position and Board members under the employee participation plans, in force starting from the year 2016.</p>	<p>durch Ausgabe von bis zu 1'141'258 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 1.00, sollten die Optionsrechte, welche die Gesellschaft ihren Arbeitnehmern, den Arbeitnehmern ihrer Tochtergesellschaften, Personen in vergleichbaren Positionen und Verwaltungsratsmitgliedern unter den ab dem Jahr 2016 geltenden Mitarbeiterbeteiligungsplänen eingeräumt hat, ausgeübt werden.</p>
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We look forward to meeting you soon.

With best regards,

A handwritten signature in blue ink, appearing to read 'C. Itin'.

Dr. Christian Itin  
Chairman of the Board of Directors

A handwritten signature in blue ink, appearing to read 'J. de Bruijn'.

Dr. Joost de Bruijn  
Chief Executive Officer





Shareholder:

Kuros Biosciences Ltd  
Aktienregister c/o  
Nimbus AG  
Ziegelbrückstrasse 82  
8866 Ziegelbrücke  
Switzerland

## REPLY FORM

**General Assembly of Kuros Biosciences Ltd, June 14, 2018, 10.00 a.m.**

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- ☐ I will attend the General Assembly of Kuros Biosciences Ltd on June 14, 2018. Please send this reply form back.
- ☐ I will not attend the General Assembly but I authorize the independent proxy Andreas G. Keller, attorney-at-law, Gehrenholzpark 2g, CH-8055 Zurich, or another person authorized by him to represent me at the General Assembly and to cast my votes in accordance with my instructions on the back of this form. In the absence of any specific instructions on the instruction form, I hereby authorize the independent proxy to cast my votes in support of the proposals by the Board of Directors.
- ☐ I will not attend the General Assembly but will be represented by another person. Please hand the voting and admission card over to the person representing your shares together with the signed power of attorney on the back of that card. In the absence of any specific instructions on the instruction form, I hereby authorize the person representing my shares to cast my votes in support of the proposals by the Board of Directors.

### Electronic registration, proxy voting and instructions to the independent voting rights representative

You have the possibility to order an admission card or to cast a proxy voting to the independent voting rights representative electronically (online). You can register yourself under <https://kuros.shapp.ch> with your personal login details:

Login:

Password:

The registration as well as any changes to votes cast to the independent voting rights representative is possible until June 13, 2018.

With my / our signature, I / we also confirm to be the shareholder according to the details on the back of this form and to be able to validly sign this form.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Signature\*: \_\_\_\_\_

\* The second signature is mandatory if required by legal persons for a valid authorization.

Please return this Reply Form with enclosed envelope prior to June 11, 2018 to the address indicated on the top of this reply form, thank you. The enclosed envelope is pre-paid, so it is not necessary to add a postal stamp.

## INSTRUCTIONS FOR THE INDEPENDENT PROXY

### General Instruction

Yes No Abstention

This general instruction relates to all agenda items in the invitation. By checking Yes you support the proposal of the Board of Directors. If you wish to deviate from this for a specific agenda item, then please mark a different instruction in such agenda item below

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### Proposals (according to agenda):

Yes No Abstention

1.	Approval of the Annual Report, Annual Financial Statements, and Consolidated Financial Statements for the year 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Discharge of the Board of Directors and Executive Committee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Appropriation of Annual Results	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Election of the Board of Directors			
4.a	Re-election and election as chairman of Clemens van Blitterswijk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b	Re-election of Christian Itin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c	Re-election of Leanna Caron	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d	Re-election of Giacomo Di Nepi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e	Re-election of Gerhard Ries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.f	Election of Joost de Bruijn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.g	Election of Jason Hannon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.h	Election of Scott P. Bruder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.i	Election of Oliver Walker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Election of the Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Compensation for the Members of the Board of Directors and the Executive Management			
6.a	Vote on Total Non-Performance-Related Compensation for Members of the Board of Directors for the period up to the next Annual Shareholders' Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.b	Vote on Options for Members of the Board of Directors until the next Annual Shareholders' Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.c	Vote on Total Non-Performance-Related Compensation for Members of the Executive Committee up to June 2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.d	Vote on Total Variable Compensation for Members of the Executive Committee for the calendar year 2018	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.e	Vote on Options for Members of the Executive Committee for the calendar year 2018	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Election of the Compensation Committee			
7.a	Re-election of Gerhard Ries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.b	Re-election of Leanna Caron	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Election of the Independent Proxy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Increase and Adjustment of Authorized Share Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Increase and Adjustment of Conditional Share Capital for Employee Participation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	In the event of new agenda items or other proposals during the General Assembly the Independent Proxy shall vote as proposed by the Board of Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Admission and Voting Card / Power of Attorney for the 20<sup>th</sup> Annual Shareholders' Meeting of Kuros Biosciences Ltd  
on Thursday, June 14, 2018, 10.00 a.m.**

**If you participate personally:** Please bring this form to the Annual Shareholders' Meeting.

**If you wish that a person designated by you participates:** Please hand this form over to the person representing your shares together with the signed power of attorney on the back of this form.

**If you wish that the independent proxy votes your shares:** Please return the instruction form sent to you back to Nimbus AG (address on the instruction form) prior to June 11, 2018.

*Voting Card for the 20<sup>th</sup> Annual Shareholders' Meeting of  
Kuros Biosciences Ltd  
on Thursday, June 14, 2018, 10.00 a.m.*

YES

NO

*Abstention*

## **Grant of power of attorney to another person**

*(this form needs not be completed if you participate or if you delegate the voting to the independent proxy)*

I / We hereby authorize

Name: \_\_\_\_\_

Address: \_\_\_\_\_

or another person designated by above person, to represent me / us at Annual Shareholders' Meeting of Kuros Biosciences Ltd of June 14, 2018.

With my / our signature, I / we also confirm to be the shareholder according to the details on the back of this form and to be able to validly sign this form.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Signature\*: \_\_\_\_\_

\* The second signature is mandatory if required by legal persons for a valid authorization.

Please bring this form to the General Assembly or forward it to the person representing you.