

P. P. CH-8866
Ziegelbrücke



A DIE POST
-PRIORITY



**Convocation of an Extraordinary Shareholders' Meeting of
Kuros Biosciences AG on October 5, 2020, 11.00 a.m.**

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

Dear Shareholder

We hereby convene an Extraordinary Shareholders' Meeting of Kuros Biosciences AG to be held on October 5, 2020 at 11.00 a.m. at Wagistrasse 25, 8952 Schlieren (Zurich/Switzerland).

Based on the Federal Council's Ordinance 3 on Measures against Coronavirus (COVID-19) as of June 19, 2020 ("COVID-19-Ordinance 3"), the Shareholders' Meeting will be held without an audience.

Based on art. 27 para. 1 lit. b COVID-19-Ordinance 3, voting must be exercised through the independent proxy.

Please find enclosed the agenda and the reply form for the appointment of the independent proxy.

The holding of the Shareholders' Meeting is subject to the condition that no further decrees or directives are issued by the authorities, which would make the planned holding of the Shareholders' Meeting impossible.

Thank you for your collaboration.

Please return the signed reply form with the enclosed (pre-paid) envelope to Kuros Biosciences AG, Aktienregister, c/o Nimbus AG, Postfach, 8866 Ziegelbrücke prior to September 30, 2020.

With best regards,

Prof. Dr. Clemens van Blitterswijk
Chairman of the Board of Directors

Dr. Joost de Bruijn
Chief Executive Office

AGENDA OF THE MEETING

1. Ordinary Capital Increase

The Board of Directors proposes to resolve the following capital increase:

- a. The share capital of the Company is increased by way of an ordinary increase by up to CHF 9'000'000 by issuing up to 9'000'000 fully paid-in registered shares with a nominal value of CHF 1 each; an increase of the share capital (i) by means of an underwriting or (ii) by a subsidiary in view of and related to any of the below mentioned transactions allowing an exclusion of subscription rights shall be permissible. The shares to be issued shall have no preferential rights.
- b. The Board of Directors shall be authorized to exclude the subscription right of shareholders (a) if the issue price of the new registered shares is determined by reference to the market price; or (b) for purposes of broadening the shareholder constituency of the Company in certain financial or investor markets, or for purposes of the participation of strategic partners, or (c) for purposes of granting an over-allotment option (Greenshoe) of up to 15% of the number of registered shares offered in a base-tranche in a placement or sale of registered shares to the respective initial purchaser(s) or underwriter(s); or (d) for raising of capital (including private placements) in a fast and flexible manner which probably could not be reached without the exclusion of the statutory subscription right of the existing shareholders; the Board of Directors shall also be authorized to preserve the subscription rights of the shareholders for the newly issued registered shares which may be granted directly or indirectly (e.g. by an underwritten offering followed by an offer to the then-existing shareholders of the Company), whereby the Board of Directors shall be entitled to publish the subscription price by electronic media including press release and e-mail and to limit the subscription period to one business day; the Board of Directors shall determine the details of the exercise of the subscriptions rights; subscription rights not exercised or shares for which subscription rights have not been exercised are to be sold at market conditions or may be used in another way in the interest of the Company.
- c. The issuance price of the new shares to be issued shall be determined by the Board of Directors. The Board of Directors may also determine the type of contribution.
- d. The contributions shall be made by cash, compensation or by converting of available reserves (including also the amount of the capital contribution reserve exceeding the legal requirements of the Swiss Code of Obligations for legal reserves) into share capital, provided that an audited statutory balance sheet evidences the availability of such reserves and is not older than six months at the time of the completion of the capital increase; the amount, which may be converted from the reserves into share capital for the purpose of an ordinary capital increase, may not exceed CHF 9'000'000.

For contributions by conversion of available reserves into share capital, the "legal reserves" shall be reallocated to "free statutory reserves".

- e. The new shares are entitled to dividends for the business year starting 1 January 2020.
- f. The new shares are subject to the transfer restrictions as outlined in article 4 of the Articles of Association.
- g. The stamp duty shall be paid by the Company.
- h. The Board of Directors is authorized and instructed to implement and register this capital increase with the competent commercial register within three months.

Explanation: The proposed authorization to issue up to 9 million new ordinary shares aims at raising up to around CHF 15 million. The Company intends to use the net proceeds to accelerate and advance the commercial roll-out of MagnetOs, which based on current performance is expected to become cash flow positive for the Company by the end of 2022. The proceeds shall also allow for further clinical development of Fibrin-PTH, which targets a substantial clinical need in orthopedics and neurosurgery, and potentially a significant commercial opportunity. This includes completion of the STRUCTURE clinical Phase 2 study with the first data expected to be available early 2022, comparing Fibrin-PTH versus local autograft in spine fusion, as well as preparations for Phase 3 clinical development.

Representation: Shareholders are required to exercise their voting at the extraordinary shareholders' meeting through the independent proxy, Law Office Keller Partnership, Alfred-Escher-Strasse 11, CH-8002 Zürich (please use the attached reply form). You have the possibility to issue instructions to the independent proxy electronically (online). You can register yourself under <https://kuros.shapp.ch> with your personal login details. The registration as well as any changes to the instructions to the independent proxy is possible until October 4, 2020.

Shareholder:

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

REPLY FORM

Shareholders' Meeting of Kuros Biosciences AG, October 5, 2020, 11.00 a.m.

I authorize the independent proxy Law Office Keller Partnership, Alfred-Escher-Strasse 11, CH-8002 Zurich, or another person authorized by it to represent me at the Shareholders' Meeting and to cast my votes in accordance with my instructions on the back of this form or my electronic proxy voting and instructions. In the absence of any specific instructions, I hereby authorize the independent proxy to cast my votes in support of the proposals by the Board of Directors.

Electronic proxy voting and instructions to the independent proxy

You have the possibility to issue instructions to the independent proxy 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 the instructions to the independent proxy is possible until October 4, 2020.

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 the enclosed envelope prior to September 30, 2020 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.
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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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Proposals (according to agenda):	Yes	No	Abstention
1. Ordinary Capital Increase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In the event of new agenda items, agenda items on which no instructions have been given or other proposals during the General Meeting, the independent proxy shall vote as proposed by the Board of Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>