



Kuros Biosciences



Our Mission

To discover, develop and deliver innovative biologic technologies

Investor Webcast – HY1 2024 Earnings and Strategic Update
August 15, 2024

Swiss-headquartered with
operations in US and the Netherlands

Ticker: KURN
SIX Swiss Stock Exchange

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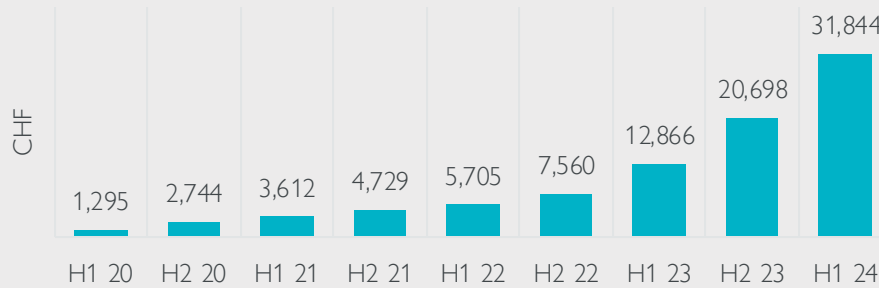
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SMID High Growth MedTech, +148% Total Revenue 1H2024



Newly positioned as pure MedTech company

- De-risked profile
- MagnetOs™ platform bolstered by recently peer-reviewed published Level I evidence
- Clear focus on commercial execution, operational enablement, and robust product pipeline



- 159% increase in revenue from direct MagnetOs sales in HY1 2024 compared to HY1 2023
- Total revenue rose by 148% from CHF 12.9M to CHF 31.8M

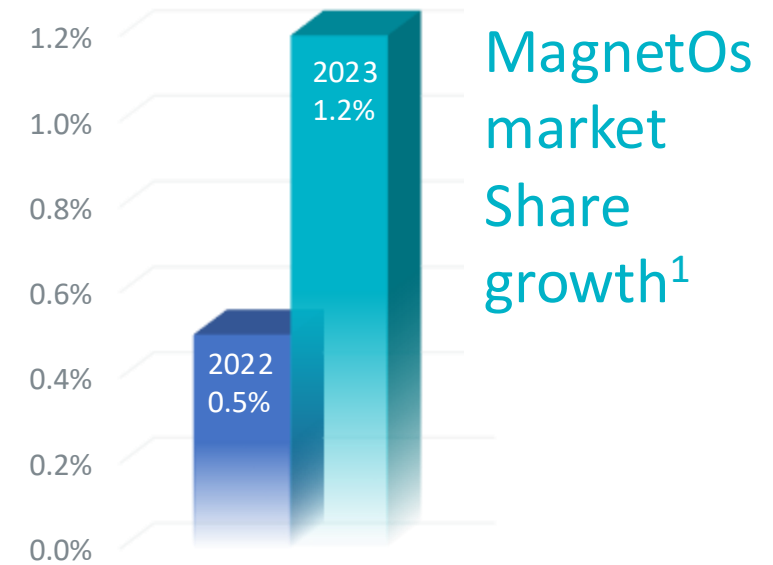


Strong financial foundation with no debt:

- CHF 4.0M Kuros Group EBITDA adjusted for Fibrin-PTH costs and share-based compensation
- ~CHF 14.3M cash, securely financed for the organic path forward
- Potential to receive \$21.3M milestone payments + up to \$142M sales milestone payments

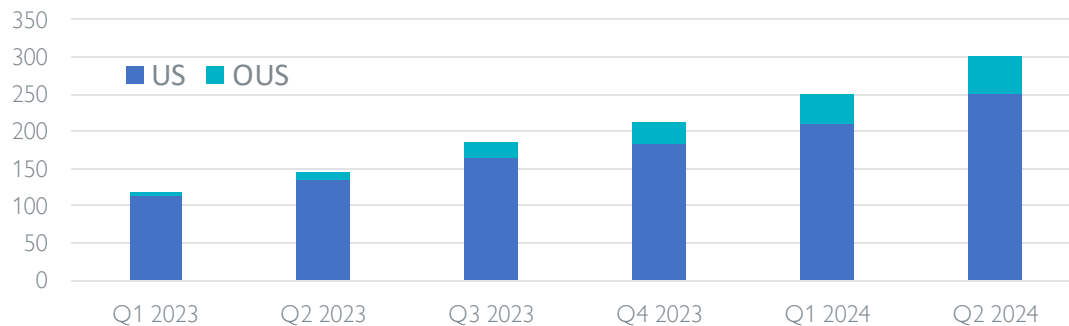
Robust market penetration

- Accelerated commercial roll-out of MagnetOs in the U.S. on track
- Unprecedented clinical efficacy data for MagnetOs published in two prestigious, peer-reviewed scientific journals
- Supported and trained over 400 surgeons through various outreach programs
- Increased independent sales agents by 25% from H2 2023 to H1 2024
- Increased international market presence by 39% from H2 2023 to H1 2024
- Investments in production capacity to meet increased demand



Hospital penetration

Number of hospitals ordering MagnetOs



References 1. US market data

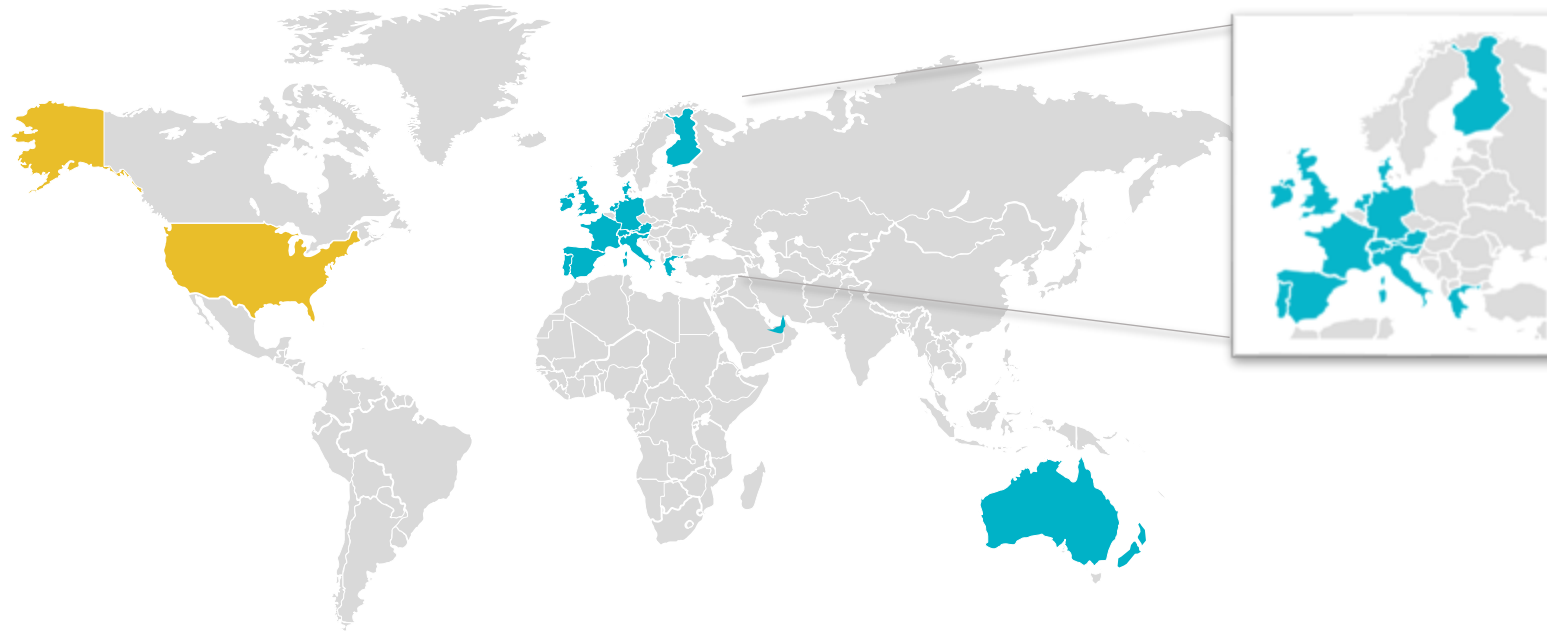
Surgeon utilization

2.4%

US orthopedic surgeons & neurosurgeons currently using MagnetOs
Significant potential for continued growth¹

Targeted commercial footprint expansion

Driving significant growth outside of the US



United States

- Kuros commercial team spans 50 states
- Supported by growing network of independent sales agents
- Sales in all major metropolitan areas
- Accounts include prestigious names across the country from HSS in New York to UCSD in California

International

- MagnetOs commercialized in 16 countries and cleared in 22 with additional launches imminent
- Strong revenue growth, on track to commercialize in 25 countries by end 2024

Clinical and technological differentiation driving continued, rapid growth

Global addressable market \$3.9B

Pivotal Level 1 clinical trial published in major journal: *Spine*

- MagnetOs outperformed autograft, even “indicating superiority” as described by the authors despite study being statistically powered for noninferiority (as fusion results so different)

FDA clearances allow for expanded promotion in spinal fusion

- Entire MagnetOs portfolio now cleared in U.S for interbody use, providing significantly increased market opportunity^{1,2,3,4}
 - ~50% of an estimated 1.7 million annual US spinal fusion procedures use interbody cages^{5,6}
- New FDA ‘standalone’ clearances for multiple formulations meaningfully differentiates MagnetOs from competition and further demonstrates efficacy without the need for local bone^{2,3,4}

Non-spine strategy & expanded FDA clearances increase potential

- Non-spine opportunity for MagnetOs increases addressable market to \$3.9B with no additional investment requirements and adjacent sales channel

Spine
Articles & Issues ▾ Collections ▾ Infographics ▾ For Authors ▾ Journal Info ▾

RANDOMIZED TRIAL

Efficacy of Biphasic Calcium Phosphate Ceramic With a Needle-shaped Surface Topography Versus Autograft in Instrumented Posterolateral Spinal Fusion: A Randomized Trial

Stempels, Hilde W. MSc^a; Lehr, A. Mechteld PhD^a; Delawi, Diyar MD, PhD^b; Hoebink, Eric A. MD^c; Wiljouw, Inge A.A.A. MSc^c; Kempen, Diederik H.R. MD, PhD^d; van Susante, Job L.C. MD, PhD^d; Kruyt, Moyo C. MD, PhD^d; on behalf of the Dutch Clinical Spine Research Group

Author Information ⓘ

Spine (J);10.1097/BRS.00000000000005075, June 17, 2024. | DOI: 10.1097/BRS.00000000000005075 ©

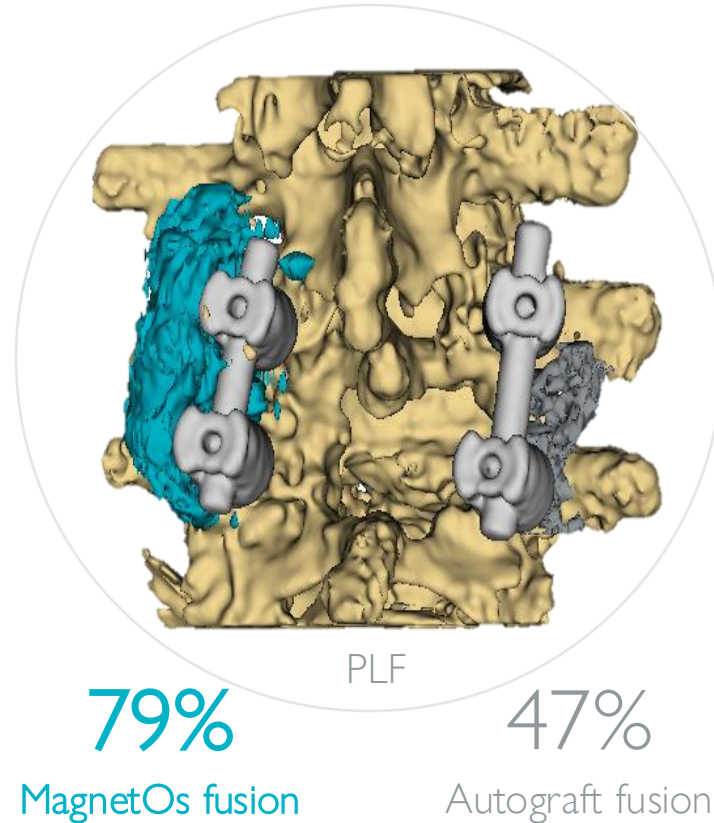
79% MagnetOs fusion | 47% Autograft fusion

References: 1. Magnetos Flex Matrix IFU 2. MagnetOs Easypack Putty IFU 3. MagnetOs Granules IFU 4. MagnetOs Putty IFU 5. iData Research, How Many Spinal Fusions are Performed Each Year in the United States? <https://idataresearch.com/how-many-instrumented-spinal-fusions-are-performed-each-year-in-the-united-states/>, accessed November 2023. 6. AcuityMD, procedure numbers estimated by CPT code Q4 2022-Q3 2023

MagnetOs outperformance vs. autograft published in *Spine*

Study powered to demonstrate noninferiority, authors describe
“indicated superiority”

- Compared MagnetOs Granules (standalone) to autograft (at least 50% bone harvested from the iliac crest) for posterolateral fusion (PLF)
- 91-patient (128 segment), randomized, intra-patient controlled, observer-blinded, multi-center clinical trial*
- 19% smokers (and 35% ex-smokers)
- Patients requiring up to four-level instrumented posterolateral fusion (T10 – S2) were included
- Lumbar/thoracolumbar fusion was assessed by CT-scan 12 months after surgery
- Patients were randomized to have MagnetOs implanted on one side of the spine and the gold standard autograft on the other side



MagnetOs demonstrated:

73%

higher fusion rate¹

relative to autograft in the challenging posterolateral space (79% vs. 47%)

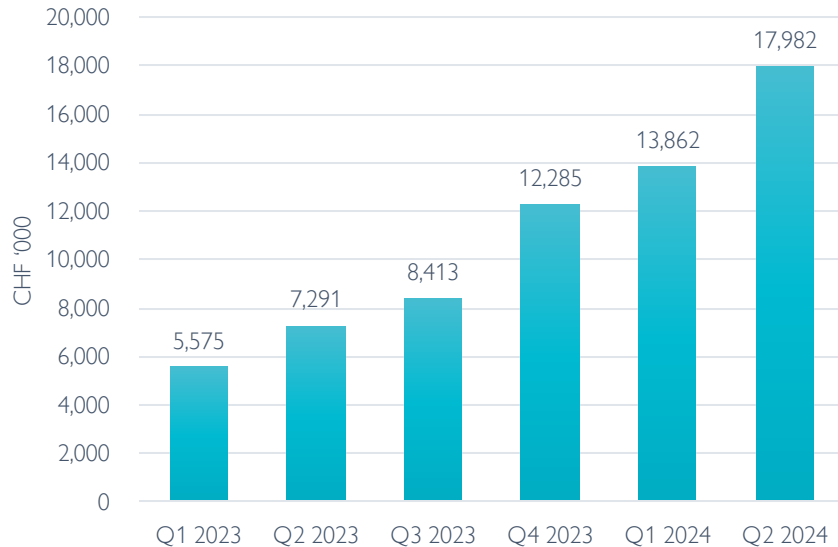
247%

higher fusion rate²

relative to autograft in difficult-to-treat patient population of smokers (74% vs. 30%)

Strong growth forms a solid financial foundation

Revenue from product sales

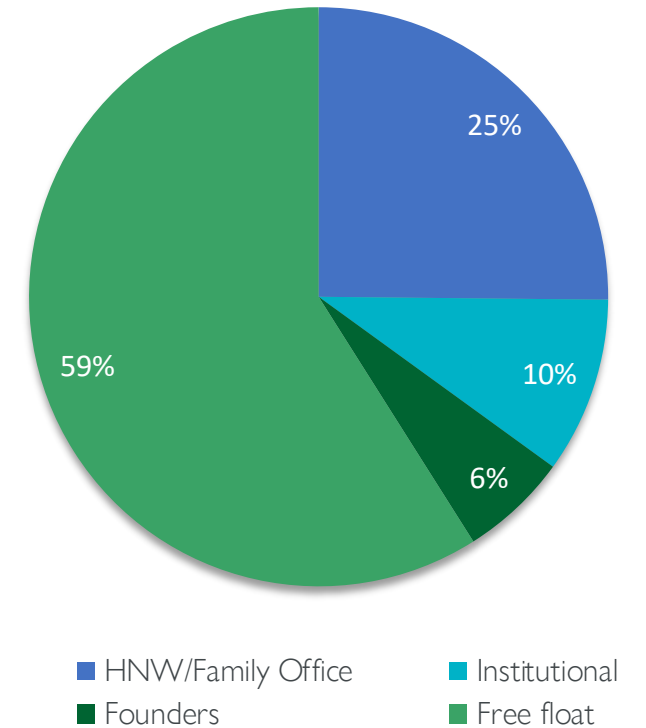


Consistent and significant growth in revenue from product sales reported over the past 6 quarters

Securely financed for organic path forward

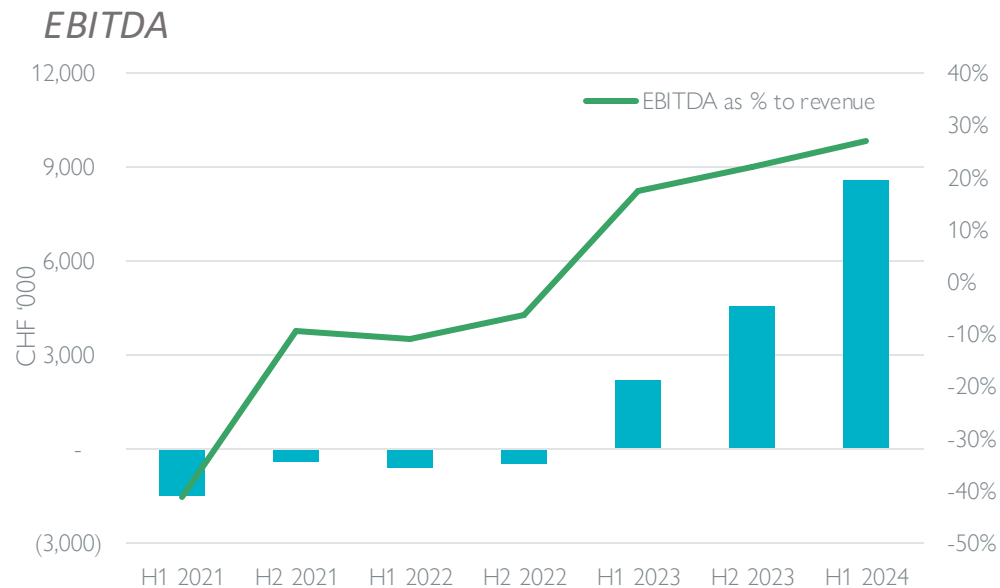
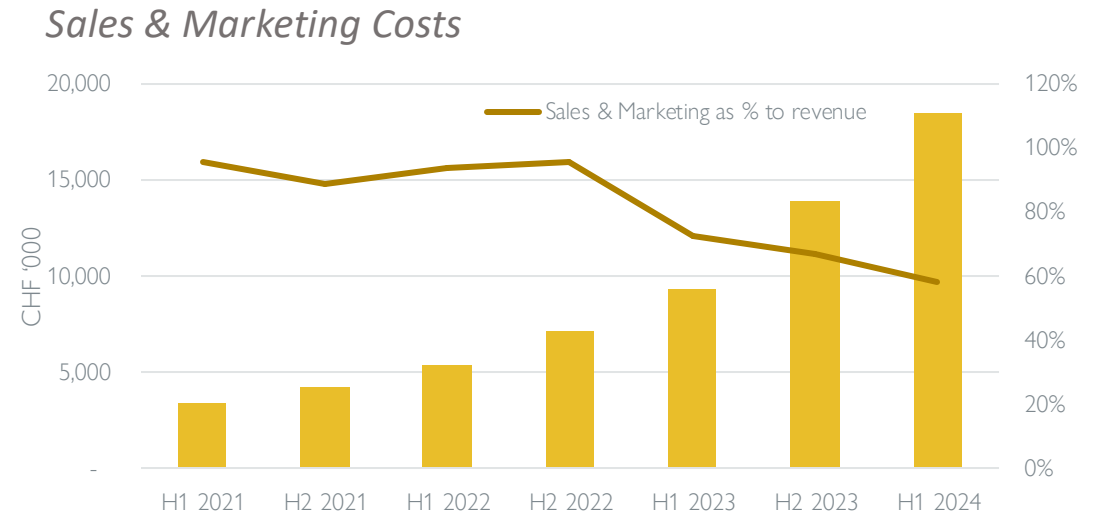
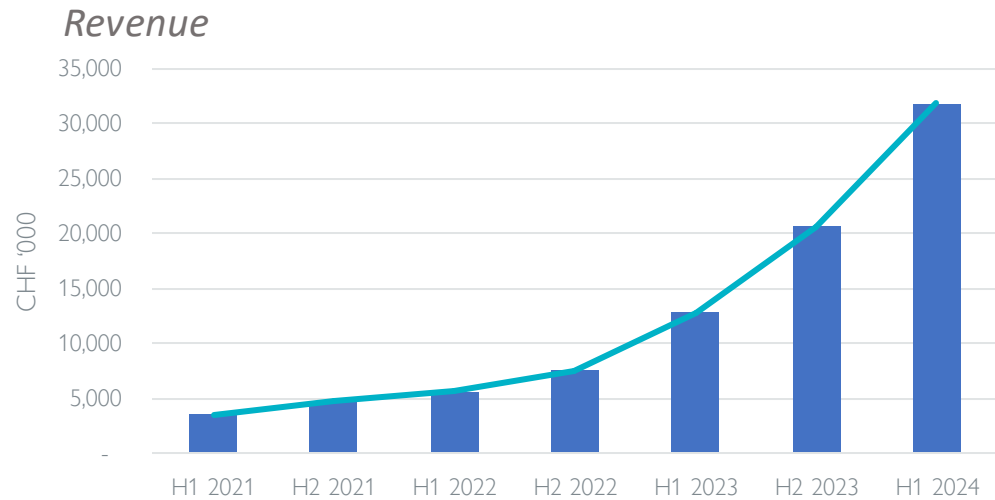
CHF '000	Jun 30, 2024
Cash and cash equivalents	14,277
Trade and other receivables	10,981
Total cash and cash equivalents, trade and other receivables	25,258

Kuros ownership



References: 1. Cash and cash equivalents TCHF 14,277 as of June 30, 2024 translated at CHF/USD 0.9092. 2. Trade and other receivables TCHF 10,980 translated as of June 30, 2024 translated at CHF/USD 0.9092

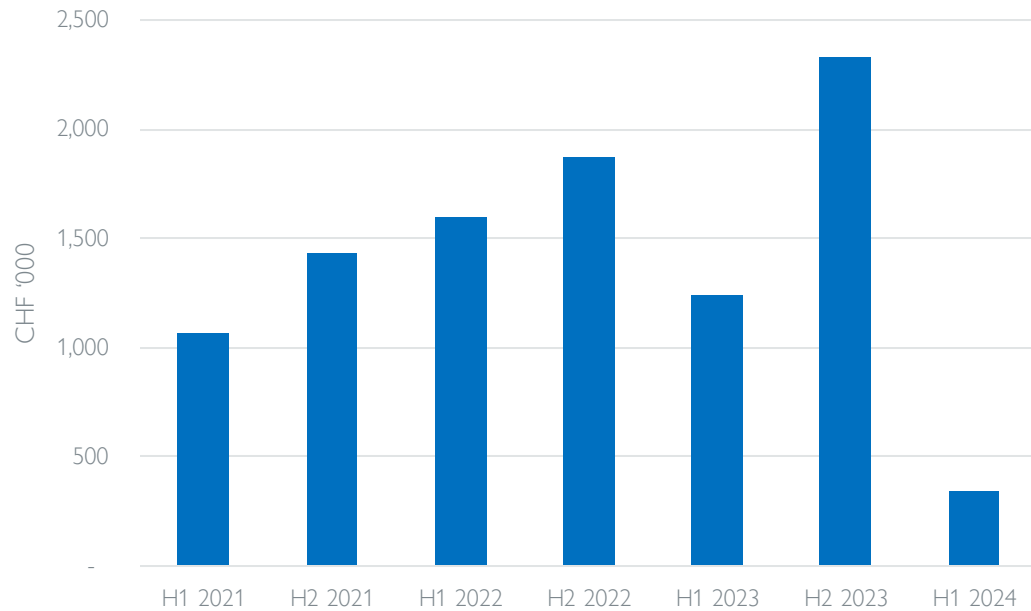
MagnetOs continued cash flow generation within Medical Devices



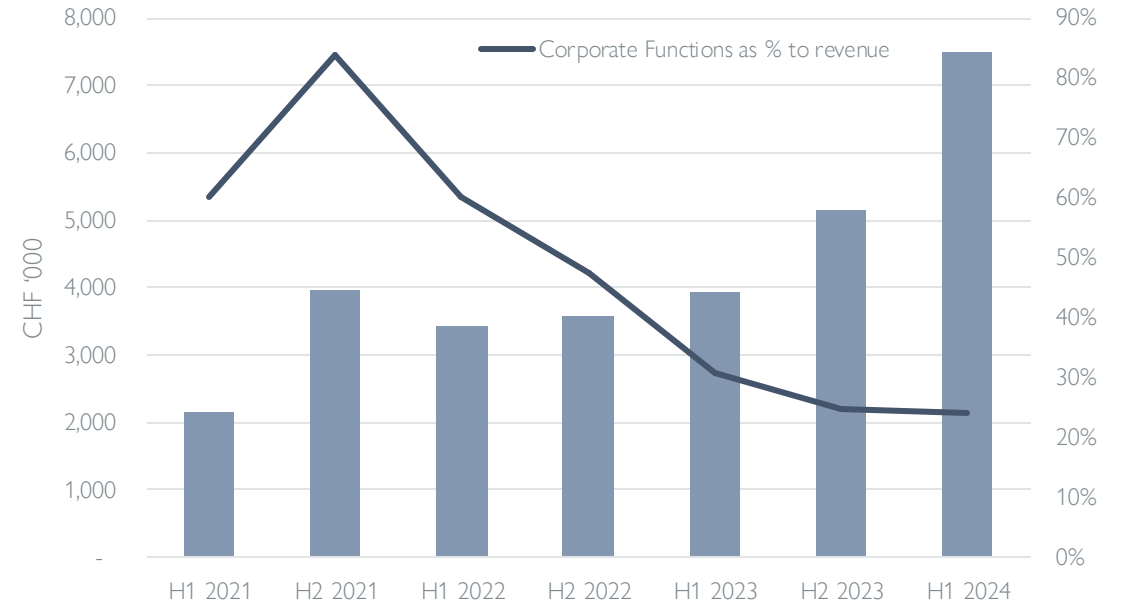
- Revenue from product sales increased by 148%, or constant currency 157%
- Sales & marketing cost : revenue ratio well below target level of 65%
- MagnetOs' stand-alone EBITDA rose to CHF 8.6 million, which corresponds to an EBITDA margin of 27%, reflects positive effect of operating leverage
- The MagnetOs segment continues to deliver positive operating cash flow, leading close to break-even at Kuros Group level

Fibrin costs reduced & company investments targeted at growth

Pharmaceuticals – Fibrin-PTH



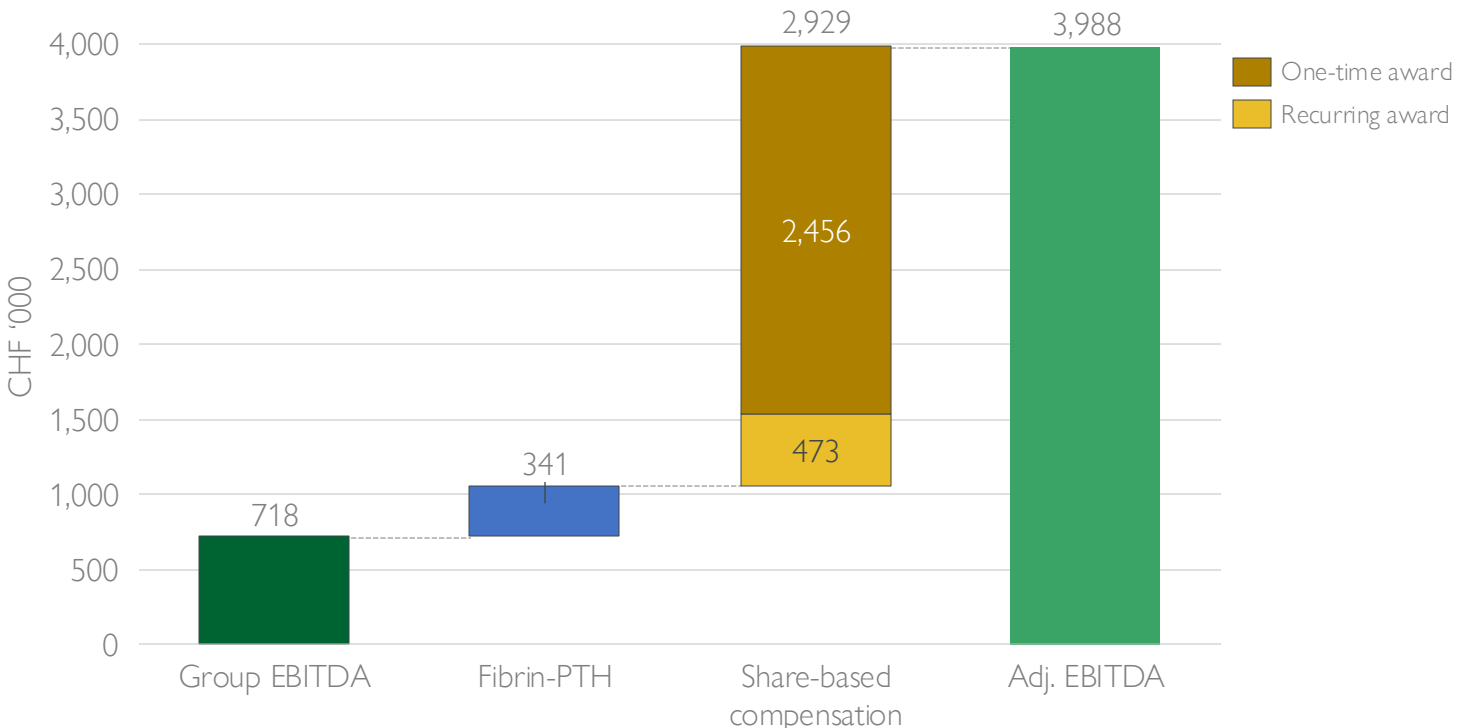
Corporate Functions



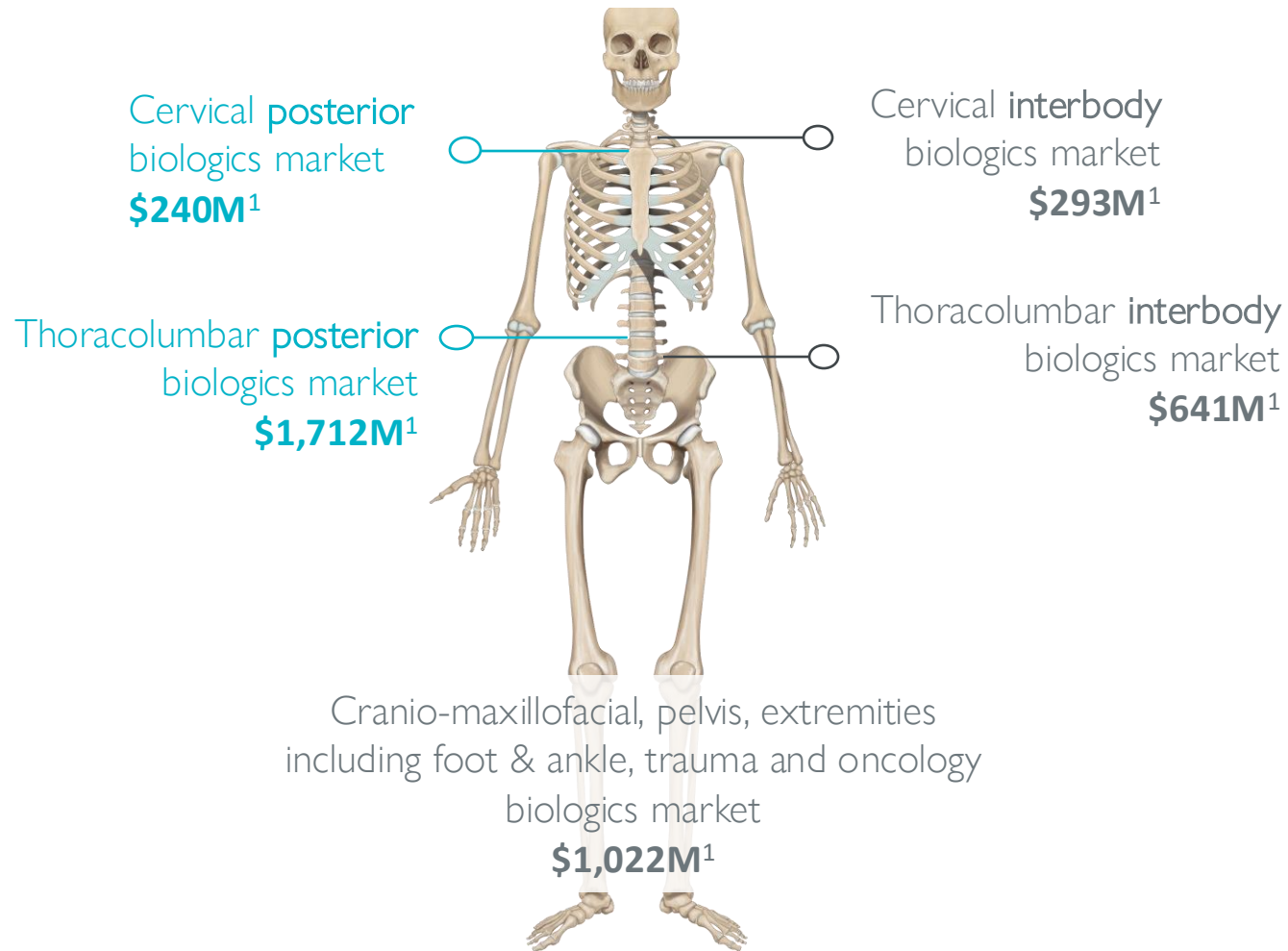
- Fibrin-PTH R&D costs decreased significantly in H1 2024 due to decision to not to proceed to phase 3
- Corporate costs (General & Administrative) and FTEs aligned with significant increase in sales volume
- To continue preparation for future growth, Kuros will scale up teams; synchronize processes, systems and data to support accelerated growth

Adjusted EBITDA margin for the Group at 12.5 %, boosted by MagnetOs

- EBITDA adjusted for Fibrin-PTH segment costs and expenses for share-based compensation
- One-time share-based compensation mainly related to the transition of responsibilities within the Executive Committee, October 2023



MagnetOs clearances broadening indications for use



2023 Global Spine Market Opportunity

~\$2.9 Billion

MagnetOs now indicated for all spinal procedures providing increased opportunity and ability to promote for use in the interbody space*

+

2023 Global Non-Spine Market Opportunity

~\$1 Billion

3 formulations now indicated outside of spine providing increased market opportunity

↓

2030 Global Spine and Non-Spine Market Opportunity

~\$5 Billion

References: 1., US market data. *When used in intervertebral body fusion procedures, MagnetOs Flex Matrix, Magnetos Granules, MagnetOs Putty and MagnetOs Easypack Putty must also be used with an intervertebral body fusion device cleared by FDA for use with a bone void filler.

Mission to discover, develop and deliver innovative biologic technologies

Medical technology company focused on next generation bone healing technologies

Developed and patented MagnetOs, an innovative and differentiated advanced bone graft substitute



- \$5B spine and non-spine global opportunity by 2030
- De-risked profile with focus on commercial execution, product pipeline development and expanded product indications
- Compelling clinical data; higher fusion rates
- 148% total revenue growth 1H2024
- Anticipated continued strong growth from U.S. commercial channel, ongoing international market expansion, and new market penetration
- Positive EBITDA and cashflow generation fueling organic growth needs and infrastructure



Strong Balance Sheet and Execution



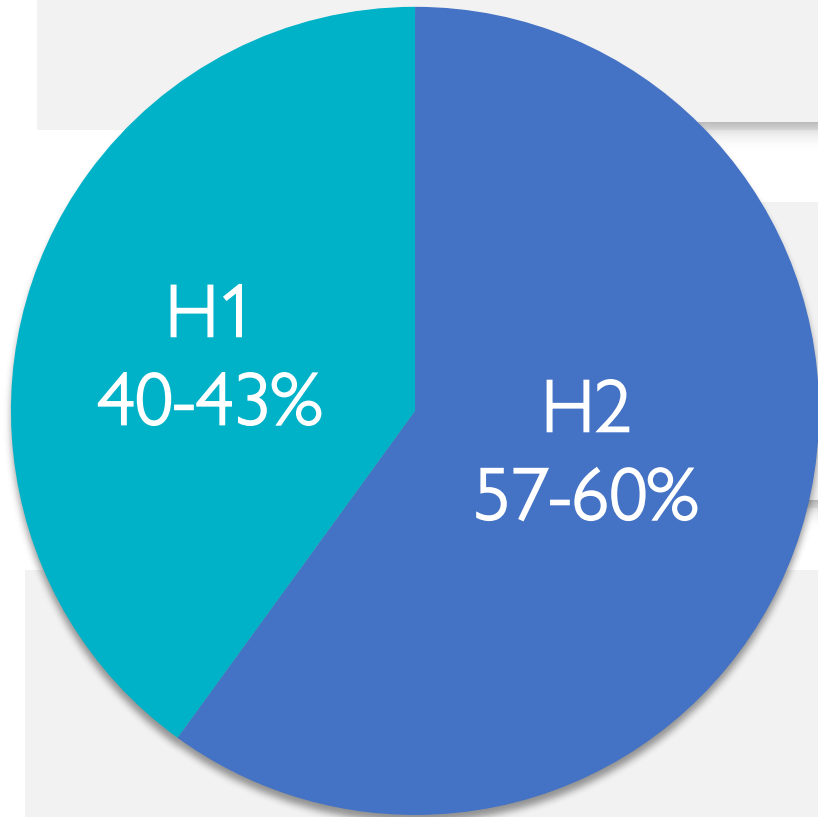
Extensive IP Protection



Experienced Board and Management Team

Outlook 2H2024 – On track for growth

2024 Annual Sales Outlook



For the **second half of 2024**, Kuros expects a similar seasonal sales pattern as in previous years, which corresponds to **around 60% of total annual sales**

The Group expects to continue generating a **positive single-digit EBITDA**, both **unadjusted** and **adjusted** for non-recurring and non-cash items

The Group expects to reach around **break even in terms of operating cash flow** for the **first time**



Kuros Biosciences

Thank you