Ad hoc announcement pursuant to Article 53 of the SIX listing rules

Kuros reports 149% increase in direct MagnetOs sales and exceeds cash flow breakeven in the first nine months of 2024

Financial Highlights

- Direct MagnetOs™ sales rose by 149% to CHF 50.6 million in the first nine months of 2024, from CHF 20.4 million in the same period in 2023
- Total Kuros Medical Devices segment sales accelerated to CHF 51.1 million in Q3 2024 from CHF 21.3 million in Q3 2023 year to date
- Kuros Medical Devices segment EBITDA increased to CHF 13.3 million in the first nine months compared to CHF 3.8 million in the same period in 2023, representing an EBITDA margin of 26%
- Total Group EBITDA arrived at CHF 1.4 million while adjusted EBITDA totaled at CHF 5.8 million, reflecting an adjusted EBITDA margin of 11%
- Cash and cash equivalents amounted to CHF 15.8 million, compared to CHF 14.3 million as of June 30, 2024; funds available (including trade and other receivables) totaled CHF 26.8 million as of September 30, 2024
- The Group exceeded the cash flow breakeven point for the first time

Regulatory, Commercial & Clinical Highlights

- Kuros Biosciences highlights its continued investment in Project Fusion with the activation of three U.S. sites for the PRECISE Level 1 clinical trial comparing MagnetOs Flex Matrix to a cellular based allograft in patients undergoing up to four-level instrumented posterolateral fusion (PLF)
- Kuros Biosciences expands commercial clearances for MagnetOs Granules and MagnetOs Putty in the United Arab Emirates (UAE) and Qatar, and onboards new distributors in extremities and trauma markets in Australia and the United Kingdom (UK)

Outlook

- For the remainder of the second half of 2024, Kuros expects a similar seasonal sales pattern as in previous years, corresponding to around 57% to 60% of total annual sales

Schlieren (Zurich), Switzerland, October 10, 2024 – Kuros Biosciences ("Kuros"), a leader in advanced bone healing technologies, today announced its financial performance for the first nine months of 2024. Revenue from direct MagnetOs product sales rose 149% in the first nine months of 2024, to CHF 50.6 million from CHF 20.4 million, compared to the same period in 2023. Total revenue from medical devices product sales reached CHF 51.1 million, compared to CHF 21.3 million in 2023. Kuros Medical Devices segment achieved a positive EBITDA of CHF 13.3 million in the first nine months of 2024 compared to CHF 3.8 million in the same period in 2023. The Group arrived at an EBITDA of CHF 1.4 million and an adjusted EBITDA of CHF 5.8 million.

With a cash and cash equivalent of CHF 15.8 million, compared to CHF 14.3 million as of June 30, 2024, the Group has exceeded the cash flow breakeven point for the first time.

Building on its MAXA Level 1 clinical study recently published in Spine, which demonstrated nearly double the fusion rate for MagnetOs compared to autograft (79% vs. 47%) in challenging PLFs and found MagnetOs to be noninferior and even indicated superiority, Kuros Biosciences continues its investment in Project Fusion.[1] Kuros Biosciences is focused on translating evidence from in vivo and in vitro studies to proven clinical outcomes, developing a superior clinical data package to prove efficacy and superiority versus alternative bone grafts. Project Fusion includes multiple Level 1 studies and Kuros Biosciences is pleased to announce the activation of three U.S. sites that are enrolling patients for the PRECISE clinical trial.

PRECISE is a Level 1 prospective, multi-center, randomized, intra-patient controlled clinical study that will assess the performance of MagnetOs Flex Matrix compared to a cellular based allograft (CBA) in up to four-level instrumented PLF. Patients are randomized to receive MagnetOs Flex Matrix on one side of the spine and a CBA on the other side. Fusion assessment will include CT-scans and radiographs at various time points up to one year.[2]

Kuros Biosciences also reports key milestones in the international market, with expanded commercial clearances for MagnetOs Granules and MagnetOs Putty in the UAE and Qatar. Additionally, Kuros onboarded new international partners beyond the spine market in Australia and the UK, broadening access to its technologies.

Chris Fair, Chief Executive Officer of Kuros Biosciences, said: "We are excited to report continued momentum in our business, with overachievement of our revenue targets for the period and for the first time, exceeding our cash flow breakeven in the first nine months of 2024." Mr. Fair continued, "We look forward to finishing the year strong and setting up the foundation for 2025, where we anticipate incremental growth from new markets and new non-spine opportunities, which are all internally funded by our sustainable cash flow generating business. Kuros is well positioned as a premier advanced bone healing company serving the musculoskeletal community, and we can continue to expand without the need for dilutive financing."

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About MagnetOs

MagnetOs is a bone graft like no other: thanks to its NeedleGrip™ surface technology, it grows bone even in soft tissues. This surface technology provides traction for our body's vitally important 'pro-healing' immune cells (M2 macrophages). This in turn, unlocks previously untapped potential to stimulate stem cells – and form new bone throughout the graft. The growing body of science behind NeedleGrip is called osteoimmunology. But for surgeons and their patients it means one thing: a more predictable fusion. [*,†,‡3-7]

Indications statement
Please refer to the instructions for use for your local region for a full list of indications, contraindications, warnings, and precautions.

About Kuros Biosciences
Kuros Biosciences is on a mission to discover, develop and deliver innovative biologic fusion technologies. With locations in the United States, Switzerland and the Netherlands, the company is listed on the SIX Swiss Exchange. The company's first commercial product, MagnetOs™, is a unique advanced bone graft that has already been used across three continents in 25,000 fusion surgeries. For more information on the company, its products and pipeline, visit kurosbio.com.

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.

**Results from in vivo laboratory testing may not be predictive of clinical experience in humans. For important safety and intended use information please visit kurosbio.com.*
†MagnetOs is not cleared by the FDA or TGA as an osteoinductive bone graft.
‡MagnetOs has been proven to generate more predictable fusions than two commercially available alternatives in an ovine model of posterolateral fusion.

1. *Stempels, et al. Spine. 2024;49(19):1323-1331.*
2. *U.S. National Library of Medicine. (n.d.). ClinicalTrials.gov Identifier: NCT05037968. ClinicalTrials.gov. https://clinicaltrials.gov/study/NCT05037968*
3. *Van Dijk, et al. eCM. 2021; 41:756-73.*
4. *Duan, et al. eCM. 2019; 37:60-73.*
5. *Van Dijk, et al. Clin Spine Surg. 2020;33(6): E276-E287.*
6. *Van Dijk, et al. JOR Spine. 2018; e1039.*
7. *Van Dijk, et al. J Biomed Mater Res. Part B: Appl Biomater.*