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

Kuros reports 73% increase in MagnetOs sales in first nine months of 2022

- **Total product sales grow to CHF 8.9 million in the first nine months of 2022**
- **Reaches major milestone of 10,000 patients treated with MagnetOs**
- **Positive first clinical data from planned randomized controlled trials**
- **Full commercial launch of MagnetOs Flex Matrix that recently received the Spine Technology Award from Orthopedics This Week**
- **With recent PIPE cash runway extended into Q2 2024**

Schlieren (Zurich), Switzerland, October 26, 2022 – Kuros Biosciences ("Kuros" or the "Company"), a leader in next generation bone graft technologies, today provided an update on its commercial activities. Direct sales of MagnetOs rose 73% in the first 9 months of 2022, from CHF 4.7 million to CHF 8.1 million, compared to the same period in 2021. Total product sales from Medical Devices came in at CHF 8.9 million in 2022 (2021: CHF 5.8 million), in the first 9 months.

MagnetOs has passed the important milestone of 10,000 patients treated, following launch in the UK in 2017, the US in 2019 and Australia and several EU countries in 2021, demonstrating its utility in real-world clinical practice as well as in controlled trial environments. In October, Kuros reported positive first data from its five planned randomized controlled trials for MagnetOs as part of Project Fusion, comparing MagnetOs Granules to the gold standard of autograft bone. Data from the prospective, multi-center, intra-patient-controlled trial showed a fusion rate for MagnetOs of 78%, compared to 42% for autograft. This compares favorably to fusion rates of 55-71% reported for other synthetic bone grafts evaluated in similar well-controlled studies of posterolateral fusion.[1,2]

Kuros has also completed a full commercial launch of MagnetOs Flex Matrix, opening an opportunity for the thousands of spine surgeons who routinely mix their bone graft of choice with bone marrow aspirate, to reap the benefits of MagnetOs' NeedleGrip™ surface technology while continuing with their routine peri-operative practice. MagnetOs Flex Matrix recently also received the Spine Technology Award from Orthopedics This Week.

In September, Kuros successfully completed a CHF 6.0 million capital increase through a private placement (PIPE), extending its operating runway into the second quarter of 2024. This covers results of the Phase 2 trial of Fibrin-PTH in spinal fusion and enables completion of preparatory work for the Phase 3 program, as well as supporting continuing clinical development and commercialization of MagnetOs.

Kuros expects products sales for the full year 2022 to grow in line with the Q3 performance.

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About MagnetOs

MagnetOs isn't like other bone grafts. It grows bone even in soft tissue thanks to its unique NeedleGrip surface technology which 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 efficient and predictable fusion. [*†‡3-5]

Indications statement

MagnetOs Flex Matrix is intended to fill bony voids or gaps of the skeletal system, i.e., posterolateral spine. In the posterolateral spine, MagnetOs Flex Matrix must be hydrated with bone marrow aspirate and used as an extender to autograft bone. The osseous defects may be surgically created or the result of traumatic injury to the bone that are not intrinsic to the stability of the bony structure. MagnetOs Flex Matrix resorbs and is replaced with bone during the healing process.

About Project Fusion

Today, nearly 1 in 5 spinal fusions fail. So, what can we do to change this situation – for the benefit of patients, surgeons and our wider society? This is the question that drives us at Kuros Biosciences. Every day our team works across three continents to unlock the hidden secrets of bone healing through our research, development & technology program: Project Fusion. To deliver the ideal bone graft, we believe you need the highest quality & quantity of scientific evidence behind it. Which is why Project Fusion brings together an unprecedented blend of scientific, preclinical and clinical studies – all aimed at making the unpredictable…predictable. For more information on

Project Fusion, visit kurosbio.com/project-fusion.

About Kuros Biosciences

Kuros Biosciences is a fast-growing leader in the development of spinal fusion biologics that ease the burden of back pain. 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 synthetic bone graft that has already been used successfully across three continents and in over 10,000 spinal fusion surgeries. The next candidate in the Kuros pipeline is Fibrin-PTH – the first drug-biologic combination for interbody spinal fusions, currently undergoing a Phase 2 clinical trial in the U.S. 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.

1. Lehr, et al. Spine. 2020; 45(14):944-951;

2. Coughlan, et al. Spine (Phila Pa 1976). 2018;1-43(15):E860-E868.

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.

**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.