Kuros Biosciences

valuationLAB Initiates Research Coverage on Kuros

June 28, 2016

Kuros Biosciences Ltd ("Kuros") today announced that independent life science research boutique valuationLAB has issued its first report on Kuros. The research analyst estimates a current risk-adjusted net present value (NPV) for the Company's late-stage development pipeline of CHF 55 per share. The valuation is based on the three most advanced programs in surgical sealants and orthobiologics. valuationLAB sees significant upside should Kuros successfully execute on its strategy to advance its other pipeline opportunities.

Schlieren (Zurich), Switzerland, June 28, 2016

valuationLAB's Senior Healthcare Analyst Bob Pooler commented: "Kuros lead projects target sizeable market opportunities in surgical sealants and orthobiologics. We expect combined peak sales for the three most advanced candidates to pass CHF 1 billion. These projects have met the primary endpoint in all the clinical trials in which they have been tested in over 400 patients."

The risk-adjusted NPV of CHF 55 per share is calculated based on an in-depth analysis of Kuros' most advanced product candidates including 1) KUR-023, a dural membrane sealant, which is expected to reach the EU and US markets in 2017 and 2020, respectively. Peak sales as an adjunct to suturing in brain and spinal surgery are estimated at CHF 100+ million; 2) KUR-111, a bone graft substitute, which is expected to be launched in 2022 and to reach peak sales of CHF 600 million, could become the new gold standard bone graft; and 3) KUR-113 for bone fracture healing, for which market launch is expected in 2022 with potential peak sales of CHF 300+ million.

In its current risk-adjusted NPV, valuationLAB does not include earlier stage pipeline projects or the legacy Cytos projects partnered to Checkmate Pharmaceuticals, Arbutus Biopharma and Pfizer, which provide significant upside potential, the latter without any further funding requirements.

Kuros' current cash position is expected to be sufficient 1) to obtain the CE mark and subsequent launch of KUR-023 in Europe; 2) to conduct a second clinical trial for KUR-023 in support of a premarket approval (PMA) application to obtain US approval; and 3) to prepare pivotal phase III development for both KUR-111 and KUR-113. According to valuationLAB, additional funds will be needed to bring KUR-111 and KUR-113 successfully to market. To finance the significant R&D costs until 2023, it is expected that Kuros will out license KUR-023 to a commercialization partner upon EU approval and both orthobiologics on successful pivotal trials in return for significant upfront, development and sales milestone payments and royalties on sales.

Upcoming milestones and key catalysts in valuationLAB's report include 1) the filing of CE marking for KUR-023 around year-end 2016 followed by approval and launch in the EU in 2017; 2) the start of a clinical trial in 2017 to support the PMA of KUR-023 for application in the US; and 3) the signing of distribution or commercialization agreements in the EU.

Harry Welten, Chief Financial Officer of Kuros, commented: "We believe this analyst report provides useful guidance to the investment community on the Kuros investment case as we execute on our strategy to advance the lead candidates and unlock the value of the pipeline for our shareholders. We endeavor to become a future leader in tissue repair and regeneration."

The full analyst research report is available from www.valuationlab.com and Kuros' website www.kuros.ch under Investors/Reports & presentations.

About valuationLAB

valuationLAB AG is an independent life science research boutique with no securities or banking services. The company does not hold any positions in the securities mentioned in its reports. Its financial analyses are based on the Directives on the Independence of Financial Research issued by the Swiss Bankers Association in January 2008. valuationLAB's aim is to translate complicated scientific/clinical data into easy-to-understand financial forecasts and valuations for investors. Valuations are based on tailor-made, detailed, bottom-up research from publicly available sources. The research report has been commissioned by Kuros Biosciences AG and prepared and issued by valuationLAB AG. The analyst views and expectations were made independently and as such do not necessarily reflect those of Kuros.

About Kuros Biosciences Ltd

Kuros Biosciences Ltd is focused on the development of innovative products for tissue repair and regeneration and is located in Schlieren (Zurich), Switzerland. The Company is listed according to the International Financial Reporting Standard on the SIX Swiss Exchange Ltd under the symbol KURN. Information regarding Kuros is available at www.kuros.ch.

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.

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