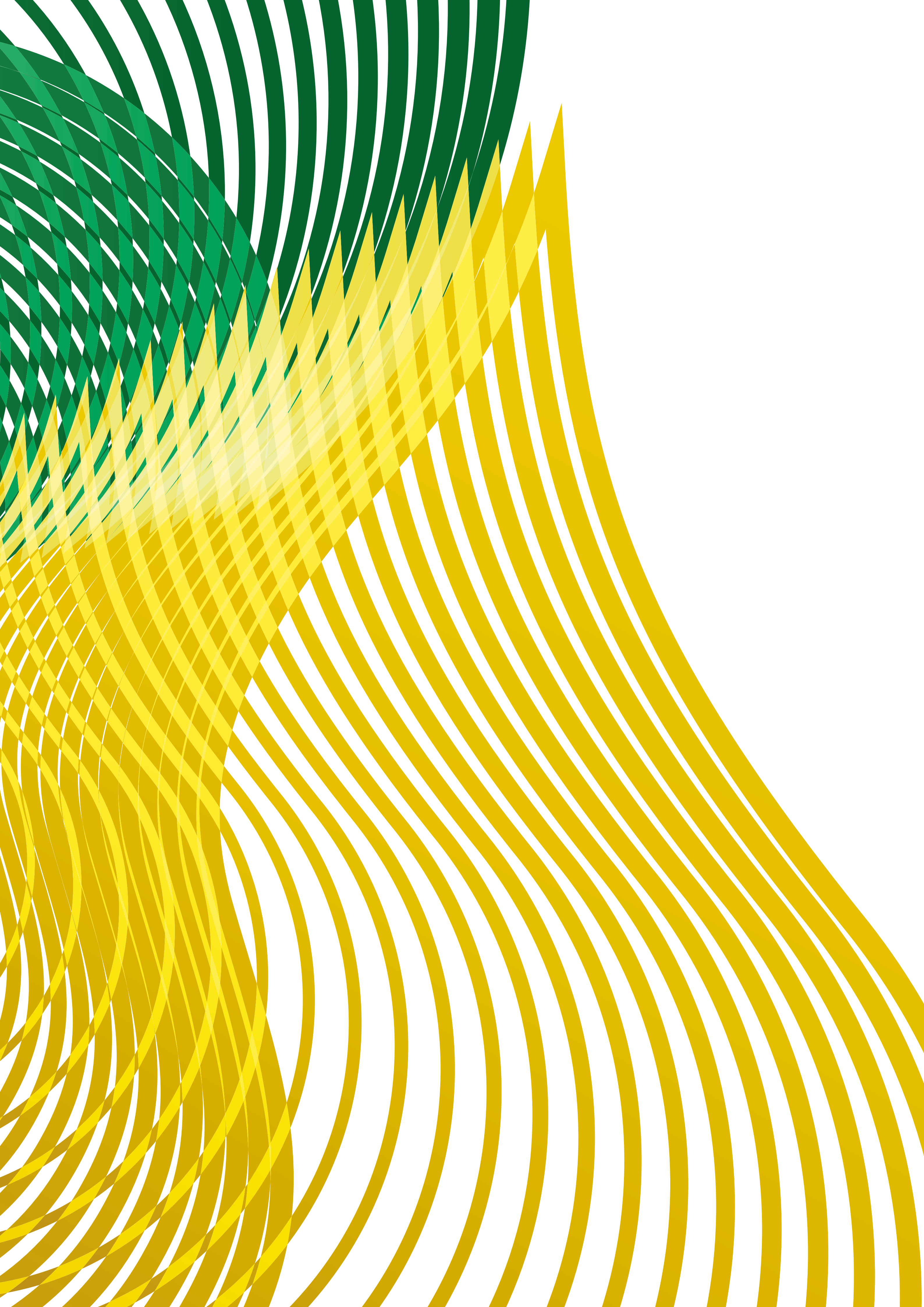
Accelerating into 2026

Annual Report 2025

Kuros Biosciences



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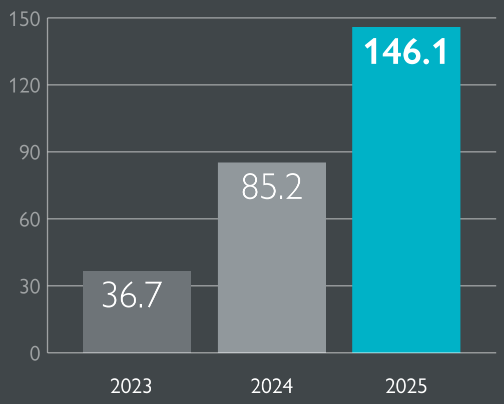
Crunching the numbers

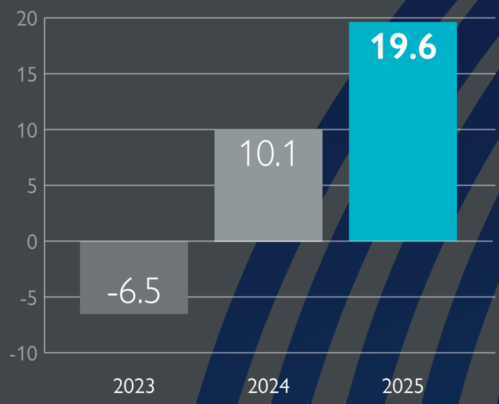
Product sales

USD **146.1**M



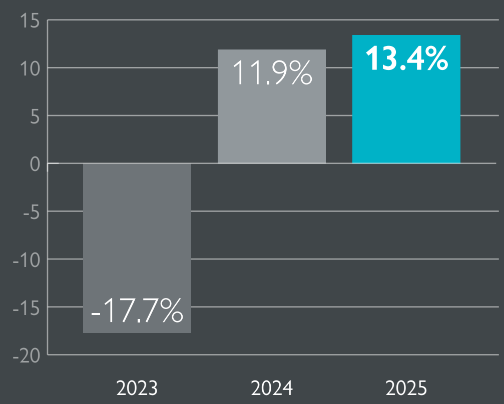
Adjusted EBITDA

USD **19.6**M



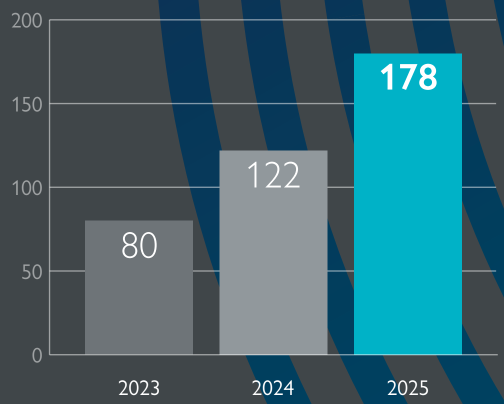
Adjusted EBITDA margin

13.4%



Number of employees

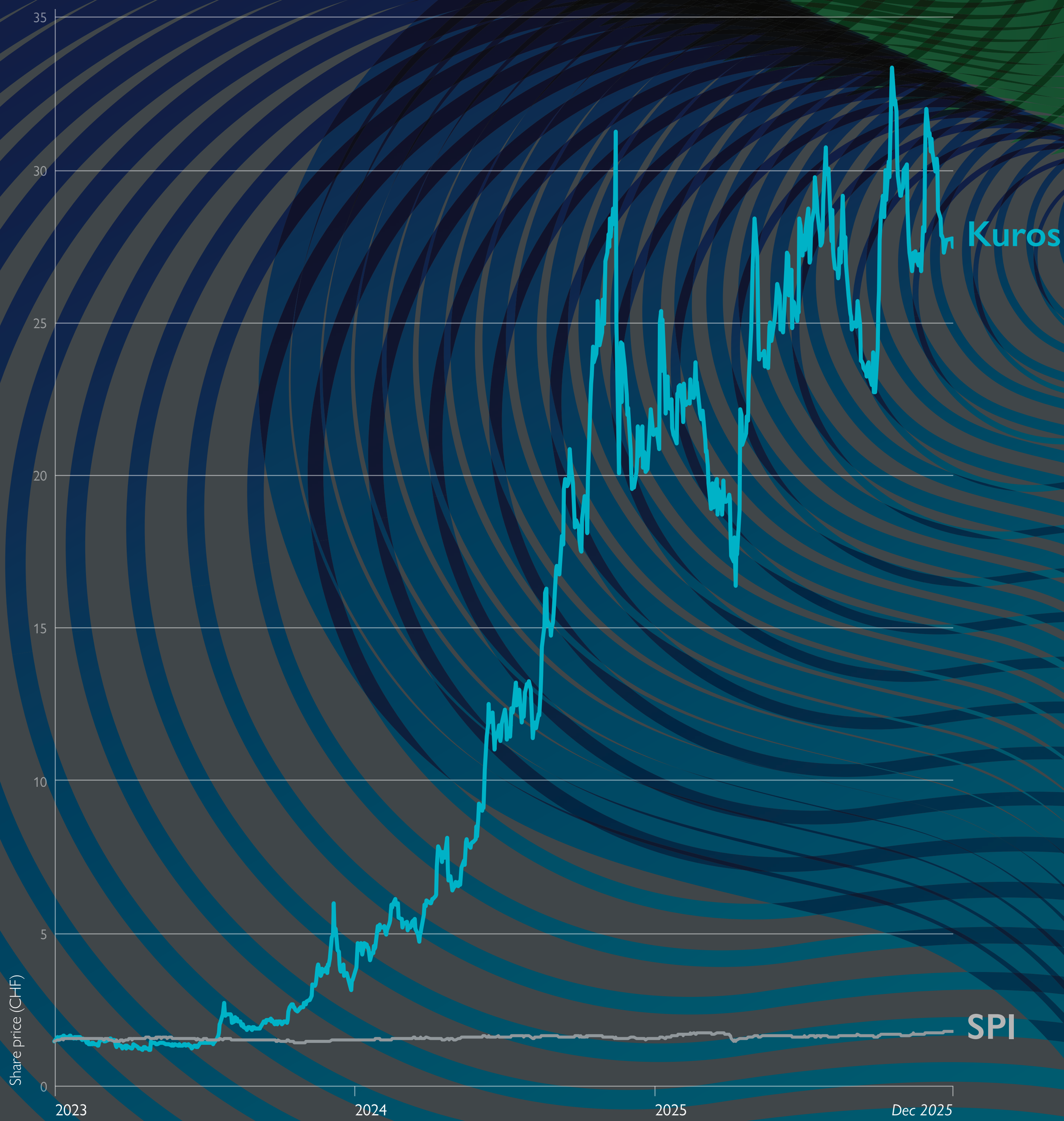
178



We've come a long way in the past three years…

Stock chart

Kuros vs Swiss Performance Index (SPI)



Kuros Biosciences

Letter to shareholders

Dear Shareholders,

We are pleased to report that 2025 was another landmark year for Kuros, marked by the successful implementation of our dedicated organic growth strategy. Over the past five years, Kuros has evolved from a promising start-up into a leading independent biologics company in the global musculoskeletal community.

Commercial momentum remained strong, with significant sales growth and market expansion. This was complemented by a major financial milestone as Kuros achieved its first-ever net profit, demonstrating continued financial discipline.

Operational infrastructure improvements throughout the year enhanced efficiency, scalability, and resilience, positioning the company for sustained success in a rapidly evolving healthcare landscape. Kuros is functionally prepared to meet the demands of its next phase of expansion, with operational leverage expected to be fully realized beginning in 2027.

We also made substantial advances in clinical evidence generation and regulatory milestones, reinforcing our commitment to innovation, quality, and global market access, while strengthening our reputation for clinical credibility.

Strong financial performance and first-time profitability

Kuros delivered strong financial results in 2025. Total Medical Device sales reached USD 146.1 million, representing 72% year-on-year growth, while Direct MagnetOs™ sales increased by 71% to USD 143.9 million, reflecting continued surgeon adoption and expanding clinical relevance.

Kuros achieved operating profitability, delivering adjusted EBITDA of USD 19.6 million and, for the first time in its history, closed the year with a net profit of USD 2.6 million.

After surpassing the cash flow break-even point last year, the company has continued to fund its organic growth independently. Following further investments in expansion and net working capital, supported by strong operational cash flow generation, cash and cash equivalents remained at USD 19.8 million.

These results reflect the trust of our surgeon partners, the commitment of our employees, and the continued support of our shareholders. During the year, we also transitioned our reporting currency from CHF to USD, aligning our financial reporting with our primary market and business activities.

Strategic and commercial progress
In 2025, we expanded our reach beyond the spine market and initiated commercial efforts in the USD 1.3 billion global extremities market.* With an established team dedicated to this segment, we are building the foundation for long-term success through targeted surgeon and distributor engagement, focused training, and increased brand visibility across key scientific meetings and digital channels.

A major milestone was the enrollment of the first patients in ASTRA (Ankle Subtalar arThrodesis Randomized Assessment), our global, prospective, randomized Level I clinical trial in foot and ankle fusion. ASTRA represents an important step in expanding MagnetOs bone graft into new indications and strengthening our clinical evidence base in extremities.

Our commercial momentum was further strengthened through the continuation of our strategic sales agency agreement in the U.S. with the Medtronic Cranial & Spinal division. This collaboration has supported broader access to MagnetOs and continued surgeon adoption, alongside Kuros' direct and independent distributor network growth, which progressed at a comparable pace.

We also expanded our spine portfolio with the launch of the MagnetOs MIS Delivery System, designed to support the growing adoption of minimally invasive spine procedures. Building on the established science supporting MagnetOs and its proprietary NeedleGrip™ surface technology, the system enhances surgical efficiency and handling, while remaining supported by robust clinical evidence.[1] This launch represents an important step in expanding Kuros' addressable market and advancing our strategy to deliver differentiated, evidence-backed solutions.

Regulatory progress also advanced meaningfully during the year. Kuros achieved European Union Medical Device Regulation (MDR) certification for MagnetOs, ensuring continued availability and strengthening our regulatory position across international markets. In addition, we secured multiple large U.S. Integrated Delivery Network (IDN) health system approvals, a critical step in supporting access and adoption at scale.

Operationally, Kuros continued to invest in scale and sustainability. Following the doubling of manufacturing capacity in Bilthoven, the Netherlands in 2024, we initiated construction of a new U.S. headquarters and manufacturing facility in the Atlanta, Georgia area, which is expected to begin operations in the second half of 2026. The site is designed to strengthen U.S. operations, increase scaled production, support closer engagement with our key U.S. market, and reduce supply chain complexity, contributing to a lower environmental footprint over time.

As Kuros has scaled beyond USD 100 million in sales, we have accelerated the transformation of our operational backbone, investing in digital infrastructure to support our next stage of growth. Key initiatives include the rollout of sophisticated Enterprise Resource Planning (ERP) and Material Resource Planning (MRP) platforms to enhance global supply chain efficiency, forecasting accuracy, and commercial execution.

Governance and investor engagement continued to evolve alongside the business. The Board was strengthened with the appointment of an additional independent director, and Kuros hosted its inaugural Capital Markets Day, deepening engagement with the investor community and reinforcing confidence in the company's long-term strategy.

Outlook

Looking ahead to 2026, Kuros enters the year with strong momentum and a clear focus. We anticipate continued sales growth of at least 35% and an adjusted EBITDA margin of around 14% in 2026. Our ambition by 2028 is sales of USD 300 to 330 million and an adjusted EBITDA margin of at least 20%. This is supported by expanding commercial execution, a growing clinical evidence base, an increased manufacturing capacity, and a strengthened organization.

Thank you

On behalf of the Board and management team, we thank you for your continued trust and partnership. The progress achieved in 2025 positions Kuros to accelerate further in 2026, as we continue building a company prepared to lead the future of musculoskeletal biologics.

Best wishes to you all.

Chris Fair
Chief Executive Officer
Kuros Biosciences

Prof. Dr. Clemens van Blitterswijk
Chairman of the Board
Kuros Biosciences

Growing up, **growing stronger**

With Chris Fair, Kuros Chief Executive Officer, and Daniel Geiger, Chief Financial Officer

Q. In your 2024 Letter to Shareholders you said that Kuros would continue striving to exceed expectations in the year ahead. Did you exceed expectations?

Chris Fair: The short answer is yes. When looking at our business in totality, we have achieved what we set out to do – from growing revenue to achieving profitability for the first time to increasing capability and personnel to maintaining a leadership position in our community. Our company now has a compelling combination of exceptionally high growth, increased profitability and zero debt. The foundation for this has undoubtedly been laid by the various structural initiatives introduced to create operational leverage and economies of scale, which will continue in 2026 and beyond.

Q. What is your key takeaway for shareholders?

Daniel Geiger: Our business has been de-risked, a foundation has been set, and from here we can accelerate our growth. We are entering new markets and global geographies to unlock new opportunities, while simultaneously building and consolidating the strong platform we need for future growth.

For example, we're transitioning from a labor-intensive, highly manual model to a more automated, digitalized, and scalable way of working that enables us to be more efficient and increase productivity. In 2025, we started planting these seeds and we expect to see them bear fruit in 2026 and beyond – especially as we continue to digitize the value chain, further automate the point-of-sale interface and leverage new technologies, such as Artificial Intelligence (AI).

Chris Fair
Chief Executive Officer
Kuros Biosciences

Daniel Geiger
Chief Financial Officer
Kuros Biosciences

Q. Can you each describe your proudest moment of 2025?

Chris: We are here to deliver value for shareholders of course, but the guiding principle of Kuros is to improve patients' lives – and this is what drives all of us at this company. I am therefore extremely proud that, considering our steep sales growth of USD 60.7 million and the operational initiatives mentioned by Daniel, we did not miss a single surgery in 2025. Every surgeon who wanted their patient to receive MagnetOs bone graft received it.

Daniel: I agree. As a testament to our cross-functional team's efforts, the structural improvements implemented throughout the value chain have reinforced the company and will continue to enhance our resilience. On top, it's our outstanding clinical and research and development capability that really makes me proud – and further creates an all-important differentiation for MagnetOs in our markets. We have invested heavily here, along with surgeon engagement programs like our Kuros Insights eXchange (KIX) events where peer discussions strengthen clinical understanding and practice.

Q. What are your broader plans to fuel further growth and generate demand?

Chris: There are three key commercial growth levers that we pulled in 2025 and will continue to activate even more forcefully in the future. These are: channel alliances that give us greater access to new customers (such as the Medtronic agreement signed in 2025); penetration into new markets beyond the spine, such as extremities and trauma; and our continued global expansion. In addition, our internal R&D pipeline remains strong and will deliver new products, expanding our product indications and portfolio today, while laying the groundwork for future markets.

Q. This theme of growth and transformation is coming through very strongly. Where does Kuros now stand in its Environmental, Social and Governance (ESG) journey?

Daniel: Kuros already incorporates many ESG principles into its day-to-day operations, from responsible manufacturing and product stewardship to initiatives that support our people and communities, and drive positive environmental impact. In 2025, we took the first steps toward formalizing this work. As the company grows, our ESG strategy will mature, with a dedicated roadmap to be established in 2026.

Q. We started by looking back on 2025. What can we expect in 2026?

Daniel: It's all about business transformation and operational execution. For example, the introduction of MRP across our organization will further harmonize our operations and give us greater control of our global supply chain. We doubled our production capacity in 2024 and plan to further expand in 2026. Importantly, we now have the internal financial resilience to fuel this next stage of growth independently.

We're also preparing for a major milestone with the opening of our new U.S. headquarters in Atlanta, where manufacturing is set to begin in H2 2026. Not only does this de-risk our supply chain, but it also enables us to meet the growing global demand for MagnetOs – while bringing us closer to our key U.S. market.

Q. What is the commercial outlook for 2026 and beyond?

Chris: Kuros enters 2026 with strong commercial momentum. We will lever up on the foundations set in 2025 – expanding in extremities, introducing new products such as MagnetOs for minimally invasive surgery (MIS), and creating new partnerships. In addition, we will continue to drive organic growth with new product introductions.

Q. Any final words for your shareholders?

Chris: The commercial success Kuros has achieved in the marketplace has been based on partnering with the right clinicians, with the right technology, and providing evidence that supports that work. We view our partnership with the investor community in the same light. We appreciate the support and the desire to help us build Kuros into a USD 300 million global business by 2028.

4

What you're investing in and why it matters

*At Kuros **our purpose** is to discover, develop and deliver innovative biologic technologies.*

But above all, we want to help patients live without musculoskeletal pain.

What's the problem?

Surgery and its associated pain take a physical, psychological, emotional, and often financial toll on patients.

The number one priority for all surgeons is the well-being of their patients.

MagnetOs is designed to enhance patients' quality of life by promoting predictable bone healing, enabling patients to return to their daily activities as quickly as possible.

Surgeons rely on high-quality, evidence-based data to guide their product choices – and MagnetOs is backed by robust Level I human clinical evidence.[1]

What was once unpredictable is now within surgeons' control.

A word about MagnetOs bone graft

Our MagnetOs bone graft plays a crucial role in supporting patients to live with pain-free mobility.

For those in need of skeletal bone healing, MagnetOs grows bone on its own thanks to its unique and clinically proven NeedleGrip surface technology.[†‡2-4]

The success of Kuros will ultimately be measured by one criterion above all others: Have we made a positive impact on the lives of everyday people?

In 2025 we achieved two major patient milestones:

- **100,000** surgeries with MagnetOs and counting
- **0** surgeries missed

Diary of a foot fusion

According to the latest research, approximately 79% of hindfoot fusion surgeries are successful.[5] One major reason this surgery fails for the unfortunate 21% is the additional risk and complexity that comes with underlying health conditions (comorbidities).[5]

So when Kuros European Sales Director Paul Trundle discovered that his wife Alison – a rheumatoid arthritis sufferer – required hindfoot fusion surgery, he urged both Alison and her surgeon to put their confidence in MagnetOs bone graft for this procedure…

Oct 2015: *Bad news. Today I was diagnosed with rheumatoid arthritis. Now I know why I've been experiencing so much pain in my joints. The doctor has prescribed immunosuppressants and other medications to help me cope with my condition.*

Oct 2022: *Came home to find our beloved boxer dog very unwell in the garden. In my attempts to comfort her, I slipped and hit my lower leg (fibula). Now experiencing bruising, swelling and pain.*

Nov 2022: *Still in pain, CT scan reveals no break in the leg. Hope that things improve.*

Mar 2023: *Finally get an MRI scan as the ankle has been giving way more frequently. Confirmed stress fracture in the talus – the bone that connects the ankle to my foot. I'm now in an air-cast boot.*

Jun 2023: *After 12 weeks my boot has finally come off! The bone seems to have repaired but it was a slow process. Surgeon started to discuss the real possibility of a fusion as a solution.*

Feb 2024: *I spoke too soon. The pain has gradually been increasing again, and the ankle continues to give way. The x-rays showed severe osteoarthritis and the surgeon gave me a steroid injection to ease the pain.*

Oct 2024: *I'm still experiencing pain and the joint feels unstable. I'm now back in an air-cast boot for another 12 weeks and have sought a referral to a foot and ankle specialist as this is seriously affecting my mobility and lifestyle.*

Mar 2025: *After a CT and X-ray, it is confirmed that I have severe osteoarthritis in the ankle joint. A fusion surgery with bone graft has been recommended. We asked the surgeon to use MagnetOs for the bone grafting and he agreed!*

Sep 2025: *I finally had the surgery. What is technically known as an isolated subtalar or mid-foot fusion, plus graft.*

Nov 2025: *Our surgeon is surprised and impressed with the fusion progress at six weeks. He tells us that our 'magic dust' (MagnetOs) appears to be working!*

Dec 2025: *I continue to make great progress and am out of the boot most of the time. X-rays look good and my surgeon says the fusion is sound. Best of all, I'm back to enjoying walks with my happy, lively puppy!*

A word from Alison…

"When going through a process like this, the physical pain is one thing, but it's the psychological impact that often gets forgotten. I work full time. I've been caring for elderly parents. I have children, grandchildren, and of course, a husband!

Paul and I have always enjoyed outdoor life, especially hill walking in the Lake District of the United Kingdom. Not being able to do these things has been hard, but now I can finally be optimistic about the future. How optimistic am I? Well, the newest member of our family is a boxer dog puppy. She's sure to keep me on my toes…"

5 Our strategy in action

Our strategic vision for Kuros remains unchanged:

To be a trusted global leader with an advanced orthobiologic portfolio, providing reliable, clinically proven solutions to hospitals, surgeons and their patients.

As Kuros enters its next growth phase, we have identified five strategic principles to support this ongoing transformation and keep Kuros primed for the opportunities ahead.

Principle 1

Going for growth

Three keys to fueling growth at Kuros

- ***Gaining more physician customers***
- ***Entering new musculoskeletal markets***
- ***Extending our global footprint***

Our sales and channel strategy

We continue to expand and optimize our sales capability worldwide. Our largest available market is the U.S., where our channel and distributor alliances are opening doors to more healthcare institutions and surgeons, enabling more patients to benefit from MagnetOs bone graft.

Beyond the U.S., we are supporting MagnetOs expansion into new geographic markets with partners who contribute essential local knowledge and expertise.

This approach gives Kuros greater agility and flexibility in how we go to market. For example, by reducing the overhead of a fully in-house sales force, we achieve significant financial efficiencies, further strengthened by smart management of sales margins, pricing, and commissions.

Surging surgeon relationships

Today, Kuros is one of the leading orthobiologics medical device manufacturers in surgeon engagement, with programs designed to educate, inspire, and advance clinical practice.

We maintain a strong presence at major global scientific meetings and educational forums, reaching a broad and diverse surgeon audience through podium presentations and peer-to-peer learning.

These efforts reinforce MagnetOs as a trusted, evidence-based solution in bone healing and strengthen long-term relationships with the surgical community.

Calculating the value of surgeon relationship-building

+	**1,350**	attendees at Kuros conference presentations worldwide
+	**375**	surgeons educated through hospital journal clubs and scientific symposia
+	**222**	surgeons worldwide engaged through our “Meet the Expert” sessions
+	**93**	surgeon engagements through our unique programs like the *KIX and VIP Visionaries*
+	**78**	foot and ankle surgeons engaged through bespoke events and interactions targeting new segment/market
+	**44**	scientific/clinical abstracts accepted globally by industry publications and events
=	**14%**	**U.S. spine surgeons now using MagnetOs bone graft to treat their patients**

"Meaningful surgeon relationships are built over time through credible, evidence-based education and peer-to-peer engagement. At Kuros, our approach to surgeon engagement and medical education is intentionally designed to meet surgeons where they are – through scientific exchange, real-world discussion, and practical learning formats that respect their time and clinical priorities.

By investing in platforms and programs that foster dialogue and shared learning, we aim to support informed clinical decision making while strengthening long-term relationships within the surgical community. This focus on education and engagement not only advances clinical understanding but also reinforces trust in MagnetOs as an evidence-driven solution in bone healing."

G. Joseph (Joe) Ross
Senior Vice President, Marketing
Kuros Biosciences

Entering new clinical markets

Channel alliances are driving MagnetOs sales, but so too are expanded indications, which broaden the range of conditions MagnetOs can treat.

Until 2025, MagnetOs promotion was primarily focused on the spine, the largest musculoskeletal market for bone grafting technologies. In the past year, its reach has extended into the significant and rapidly growing markets of extremities (foot & ankle), and now trauma.

By achieving regulatory clearances across numerous musculoskeletal applications, we are giving surgeons the freedom to use cleared or approved bone grafting products across a broad range of indications – without facing the risks associated with the many off-label (unapproved) alternatives on the market.

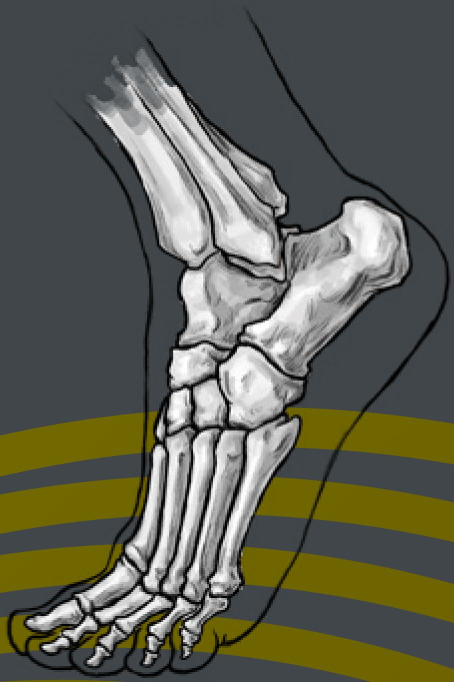
Extremities

There are 175,000 foot and ankle fusion surgeries conducted annually in the U.S. alone.[6]

Having gained market clearance for this indication in several key geographies – including the U.S. and Europe – the Kuros team spent 2025 building relationships, credibility, and the internal capabilities to be positioned for market growth driven by diabetic foot conditions and sports injuries.

In addition to gaining and strengthening relationships with strategic sales partners, we have more than tripled the surgeon user base in foot and ankle in 2025.

Meanwhile, for the first time, Kuros has a dedicated Extremities Strategic Advisory Board (ESAB) comprised of highly regarded and experienced clinicians. The ESAB provides an independent forum for evaluating ideas, discussing strategy, and receiving invaluable expert counsel.



Demonstrating our commitment

Perhaps the most significant news of the year for extremities is the upcoming ASTRA study, which enrolled its first patient in November 2025. To our knowledge, this Level I human clinical study is only the second-ever conducted in hindfoot and ankle fusion surgery – and the first Level I hindfoot fusion study in almost 15 years.

ASTRA demonstrates our deep commitment to this market by providing surgeons with the best possible clinical evidence for assessing their choice of bone grafting technology, in a clinical area where this level of proof is severely lacking among incumbent, premium-priced technologies.

Trauma

The adjacent trauma market is another segment where MagnetOs has the potential to be impactful. In 2025, we began exploring opportunities to improve clinical outcomes for surgeons and their trauma patients, resulting in several key takeaways:

- Cements are commonly used in trauma, sometimes to help stabilize fracture fragments, but other times to simply fill a bone void left behind. Unfortunately, current cement options are designed primarily to manage dead space and offer little by way of bone healing. We see significant potential to address an unmet need among surgeons for filling bony voids and growing bone. Enter the proven track record of MagnetOs.
- Furthermore, trauma patients often present with underlying comorbidities and lifestyle risk factors – such as smoking or diabetes – that surgeons have no time to address before urgent surgery. These unchecked risk factors make successful fracture healing less predictable. With demonstrated strong bone fusion rates in difficult-to-treat patient populations, including smokers, MagnetOs offers a proven resource to address these fracture healing challenges.

Oncology

Another emerging area of clinical interest for MagnetOs is its potential use in oncology-related procedures within the broader musculoskeletal field. Cancer sufferers face high surgical risk and often cannot tolerate the unknowns tied to bone grafts containing human cells or growth factors (natural proteins) – which may promote malignant cell growth.

Because MagnetOs is fully synthetic and contains no cells or added growth factors, a clinician has evaluated its use in oncology patients where appropriate. In 2025, a retrospective review of this clinician's experience with MagnetOs in oncology patients was completed, and the findings are being prepared for submission to a peer-reviewed journal for publication.

Geographic expansion

Our goal for MagnetOs is to be a technology that benefits patients across a growing range of global markets.

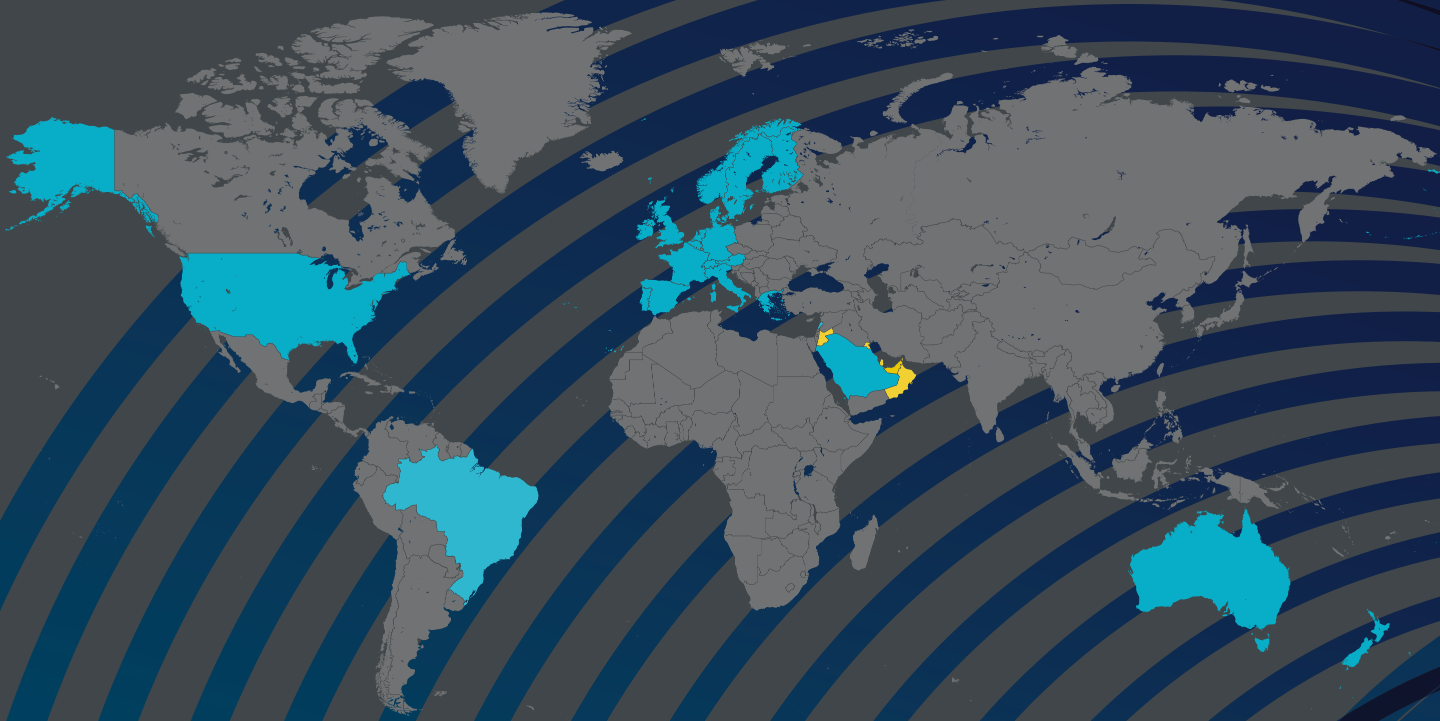
In 2025, we advanced our geographic expansion, notably in Brazil and the Middle East. Longer term, we continue to make headway gaining registration for MagnetOs in a variety of geographies, including Canada.

Regulatory registrations 2025

- Lebanon
- Brazil*
- Saudi Arabia

Ongoing registrations 2026

- Jordan
- Kuwait
- Oman
- Qatar
- United Arab Emirates



Blue: *Registration completed*
Yellow: *Ongoing registration process as of March 10, 2026*

*MagnetOs Granules and MagnetOs Putty only.

Raising the regulatory bar

The MDR sets rules that manufacturers must follow to continue selling medical devices like MagnetOs in Europe. More stringent than its predecessor (the Medical Device Directive), it governs everything from device classification and safety requirements to clinical data and post-market surveillance.

For patients, the MDR is great news, with its strong focus on safety, clinical effectiveness, and increased transparency across the entire lifecycle of a medical device.

"For Kuros, the MDR is very significant – and potentially advantageous – because it sets a higher bar for manufacturers in terms of the clinical data required to support medical devices being sold in the EU.

In this regard, we are proud to be one of a small number of pure-play biologics companies that have invested heavily in generating the clinical evidence necessary to meet these rigorous MDR requirements.

I am delighted to say that we achieved official MDR certification for MagnetOs Granules and MagnetOs Putty in December 2025, ensuring that MagnetOs remains available to surgeons and their patients in this key market, while also strengthening our position in other international markets that recognize MDR as an important regulatory benchmark."

Marcel Borger
Vice President, Quality & Regulatory
Kuros Biosciences

Principle 2
Strengthening the backbone
Optimizing our operations

How will Kuros transform to support more growth?
Manual processes that were sufficient three years ago, when sales were USD 13.7 million, must now evolve into a digitalized, automated, company-wide infrastructure. This transformation is essential to support economies of scale as Kuros surpasses USD 100 million in sales and enters its next stage of maturity.

What is changing?
There are now more transactions and interactions at Kuros than ever before, both internally and with our growing number of commercial partners.

Perhaps our most significant strategic initiative, therefore, is the digitalization of our global supply chain – from order entry to fulfillment – with the latest ERP software. ERP will ensure more efficient, accurate forecasting and inventory management, freeing our people to focus on continuous process improvements and customer satisfaction.

Connecting the dots
A company-wide digital infrastructure doesn't just provide more accurate data sources for connecting the company's many operational functions. It also creates an ever-growing "data lake" that provides the crucial foundation for our next wave of transformation initiatives. This includes our continued adoption of AI to create even greater operational efficiencies.

Building for growth

Last year, Kuros doubled its production capacity. In 2026 we plan to expand our capacity yet again. This has meant optimizing our current production site in Bilthoven, the Netherlands, and building an entirely new manufacturing facility at our U.S. headquarters in Atlanta, Georgia.

"Moving to multi-site manufacturing brings several key advantages. It immediately de-risks our operation and enables us to meet the growing demand for MagnetOs in the U.S., freeing up capacity at our European facility in Bilthoven to effectively meet rising demand. These operational priorities directly support the company's strategic objectives by focusing on reliability, agility, scalability, and execution.

We already employ a streamlined process to manufacture MagnetOs. Through targeted initiatives, we delivered improvements in our processes, while maintaining strong operational control. Our people remain at the center of our success, with a continued focus on safety, capability building and engagement. In 2026, we will continue to focus on operational excellence. Watch this space."

Sjoerd Musters
Chief Operating Officer
Kuros Biosciences

“The plan is to manufacture MagnetOs from our U.S. production facility for the domestic market by H2 2026. Our primary focus is to build a state-of-the-art facility that will not only showcase our manufacturing process but most importantly, allow us to efficiently meet the company’s strategic objectives of building a more scalable manufacturing and supply chain network that will continue to meet our growing customer demand.

In terms of people, we are generating new jobs locally and creating an environment that prioritizes employee well-being. This includes social and employee support initiatives – for example, dedicated employee support spaces – and workspaces designed in line with the Americans with Disabilities Act (ADA). All in all, these are exciting times at Kuros, and we have a very big year ahead.”

Justin Junnier
Vice President of U.S. Operations
Kuros Biosciences

Principle 3

Making the case for MagnetOs bone grafts

Product & proof

When charting the progress of MagnetOs, the numbers tell the story. With growing surgeon confidence across procedures and geographies, more than 100,000 patients have now benefited from this product.

Maximizing opportunities in minimally invasive surgery

New applications represent new opportunities for MagnetOs, and there are few more promising than those in the MIS field.

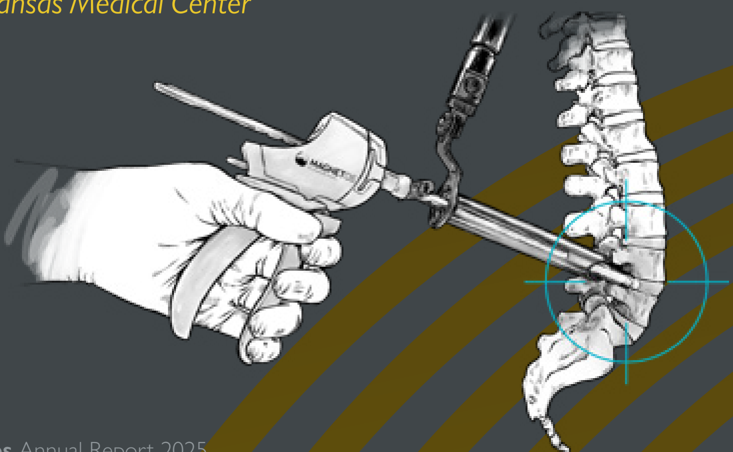
The benefits of MIS for patients and hospital systems are clear. As the name suggests, this type of surgery is typically less invasive and requires smaller incisions, often leads to shorter recovery times and hospital stays, and most importantly, can reduce pain and post-operative complications for patients.

To address this opportunity, we successfully launched the MagnetOs MIS Delivery System in the second half of 2025. This innovative fusion solution enables surgeons to deliver our MagnetOs bone graft with precision and efficiency in minimally invasive spinal procedures, using a sterile, pre-filled delivery system.

MagnetOs MIS has shown to be a major step in aligning established technology with modern MIS techniques – so much so that a second-generation system is already in development. This next system will extend access and deliver the same precision to more complex anatomies and a broader range of MIS procedures.

"Kuros Biosciences has nailed it with the MIS gun technology. It maximizes grafting coverage in the disc space for my patients that need a minimally invasive fusion and eliminates the need for traditional grafting funnels."

Justin T. Davis, MD
Assistant Professor, Department of Neurosurgery
University of Kansas Medical Center



Product development

In addition to our innovation in MIS, further MagnetOs product line extensions aimed at addressing unmet clinical needs are planned in 2026. Product development continues apace as our global commercial and research and development teams work to identify relevant opportunities – and potentially even new and different technologies – that complement our current portfolio and strategy.

Let's get clinical

In the key U.S. market, MagnetOs is classified as a Food and Drug Administration (FDA) Class II 510(k) medical device. But Kuros doesn't just meet all the necessary FDA requirements for clearance; it exceeds them.

While the FDA often relies on animal data for 510(k) clearance, we believe that surgeons and patients deserve more. This is why we continue to make significant investments in robust human clinical studies that provide a much higher level of evidence and confidence in our product.

An easy guide to clinical and preclinical research

Kuros has initiated more than 20 human clinical studies in patients (Levels I–IV), with six already completed. However, not all clinical research is equal. So how is it defined?

LEVEL I: Large, well-designed randomized controlled trials (RCTs) that are prospective, multi-center, and blinded

- ***Prospective*** = a forward-looking study that follows the patient from pre-treatment to their eventual recovery
- ***Randomized*** = patients randomly assigned to either an experimental group receiving the new drug or device, or a control group receiving a standard or different treatment (or placebo)
- ***Controlled*** = the comparison between the two groups, measuring the effect of the intervention with minimal bias from other factors
- ***Blinded*** = one or more study participants, investigators, or assessors are unaware of treatment assignment
- ***Multi-center*** = a study across multiple hospitals (and sometimes geographies)

LEVEL II: Typically, smaller or less rigorous RCTs, often with cohort studies that follow patients over time

LEVEL III: Usually include retrospective case-control studies, i.e., comparing people with a condition to similar people without it (controls)

LEVEL IV: Patient case reports based primarily on the opinions and observations of the presiding surgeon

PRECLINICAL: Medical devices are also supported by non-human evidence, including preclinical benchtop testing and/or animal studies

Our clinical strategy

Our *Project Fusion* program remains the foundation of our global preclinical and clinical research initiatives.

Project Fusion brings together an unprecedented blend of scientific, preclinical and clinical studies. It has enabled Kuros to generate a data package for MagnetOs that is superior to any other bone graft cleared for use via the same regulatory pathway.

In 2025, Kuros introduced the *Evidence Hub* to showcase and simplify access to its growing portfolio of clinical and preclinical research.[7] The public, AI-enabled platform enables transparent, data-driven evaluation of MagnetOs research by organizing studies, real-world cases, and surgeon experience to support informed clinical and value analysis discussions.

Feeding the pipeline of proof

In 2024, a landmark independent Level I human clinical trial was published comparing MagnetOs to autograft (patient's own bone) in a challenging spinal procedure known as a posterolateral fusion (PLF).[1,8]

The results showed that MagnetOs achieved nearly twice the fusion rate of autograft (79% vs. 47%), with more than double the fusion rate in the subpopulation of smokers.[§||1,9]

Having demonstrated the performance of MagnetOs versus autograft – traditionally regarded by surgeons as the gold standard for fusion in spinal procedures – our sights are now set on making the case for MagnetOs even stronger…

When quality and quantity go hand-in-hand

"We have many clinical trials completed or underway, and every one of those studies serves a specific, strategic purpose – from generating data in an early indication, to accurately positioning our product against competitors.

But it is not just about the quantity of clinical studies. The quality of the studies is also key because this is what enables Kuros to deliver on our wider goal of ensuring surgeons have the evidence they need to make the right treatment choices for their patients.

In addition to Kuros' three large randomized controlled studies, we are also supporting independent investigator-led randomized controlled studies with MagnetOs. This reflects our commitment to further validate our products clinically."

Philippe Saudan
Senior Vice President, Quality, Regulatory and Clinical
Kuros Biosciences

New clinical studies for 2026
Three company-sponsored Level I human clinical studies will continue recruiting patients in 2026.

Two of these studies compare MagnetOs to key competitive technologies in spinal fusion, while the third compares MagnetOs to autograft once again, but this time in foot and ankle surgery – in what we believe will be only the second Level I clinical study ever conducted for a bone graft in this indication. (See panel below: "MagnetOs bone graft on trial in 2026: Three key studies.")

Major, multi-center Level I studies such as these span multiple years from initiation of recruitment to publication. We will therefore continue to augment these with smaller-scale prospective and retrospective human clinical studies, case series and preclinical studies that keep our pipeline of proof flowing.

MagnetOs bone graft on trial in 2026: *Three key studies*

ASTRA:[10] This international Level I human clinical study will involve approximately 126 patients undergoing hindfoot or ankle fusions.

Philippe: *"Successful bone fusion in complex hindfoot and ankle procedures can be challenging, as autograft (patient's own bone) needs to be harvested by a second procedure, creating a defect. With this study, we want to demonstrate the performance of MagnetOs and provide the surgeon and patient with an option not requiring the collection of autograft from healthy bone. Moreover, this study shows our commitment to serving the extremities procedure segment, backed by high quality, human clinical evidence."*

PROOF:[11] Approximately 60 U.S. patients requiring PLF spinal surgery will take part in this Level I human clinical study comparing MagnetOs Easypack Putty to Demineralized Bone Matrix (DBM) or fibers.

Philippe: *"DBM products are based on donor bone and claim to stimulate new bone growth in patients by removing calcium and minerals to leave behind collagen and crucial growth factors. However, evidence supporting the efficacy of this category is rather limited, so we are looking forward to studying this in direct comparison."*

PRECISE:[12] MagnetOs Flex Matrix will be compared to Trinity Elite® cellular-based allograft (CBA) in this Level I human clinical trial that includes 100 patients in the U.S.

Philippe: *"CBAs are a significant competing technology. They contain human stem cells from cadaveric tissue, which has resulted in interest from the surgeon community, despite the absence of high-quality human evidence. There is not a single published Level I clinical study that demonstrates the superiority of these premium-priced products."*

Principle 4
Fit for the future
People

The continued development, retention, and recruitment of talent is paramount to Kuros. This means building a resilient, future-ready workforce by developing people at all levels, strengthening leadership capability, and creating clear career development opportunities that attract and support this talent.

This is supported through initiatives such as our *Management Fundamentals* program and annual talent reviews, which reinforce a culture of growth and continuous feedback.

Our social contract
More broadly, we continue to build a company culture centered on well-being, growth, and inclusion. Our offerings include an *Employee Assistance Program (EAP)*, a company-funded Headspace (mindfulness and meditation app) subscription, and a health discount program.

This is further augmented by hybrid and part-time work arrangements that support employee work-life balance and overall quality of life.

Our commitment to inclusion has been further strengthened by the launch of floating holidays that enable our people to honor their respective cultural or religious observances.

We also launched our first Employee Resource Group – the *Women Leaders Network*, which will create opportunities for connection, development and visibility for women across the organization.

Ultimately, we view Kuros as a family. That's why family-supportive benefits are also being provided, including parental leave, adoption assistance, and caregiver support programs to ensure employees feel supported during life's most important moments.

Kuros in the community

"At Kuros, our commitment to advancing healthcare goes hand-in-hand with our responsibility to our people – and our communities and the broader world around us. We believe that meaningful progress is achieved not only through innovation, but also through the integrity, care, and inclusiveness we embed in every part of our organization.

In 2025, we deepened our engagement with the communities where we live and work. Our teams contributed to MUST Ministries (previously Ministries United in Service and Training) in Georgia (U.S.) through a meal donation and toy drive; we supported the Princess Máxima Center for Pediatric Oncology in Utrecht, the Netherlands with an iPad® donation and a special Innovation Fund contribution from our CEO and President; and we donated stuffed animals to local families through the Ronald McDonald House in Atlanta, Georgia (U.S.).

Looking ahead, we remain committed to supporting our employees and engaging locally in the communities where we work and live."

Laura Rosa
Senior Vice President, Human Resources
Kuros Biosciences

Principle 5
Governing through growth
IT, Finance & Legal

Future proofing our company goes beyond operational initiatives like supply chain management. As Kuros continues to grow, so too does our responsibility to govern the company in a responsible, ethical and fully compliant way.

We continue to put great effort into balancing growth, profitability and financing to mitigate current and future potential risks and ultimately deliver shareholder value. This is another key area where a more sophisticated and digitalized infrastructure is strengthening the company, for example by facilitating stronger internal controls across areas such as IT, legal, and finance.

Board structure, independence and oversight: One key highlight for 2025 has been the introduction of the first risk management initiative at Kuros, designed to safeguard the company through its next phase of growth.

Ethics, compliance and anti-corruption: Our Code of Conduct is being updated for 2026, including key enhancements to anti-bribery policies. And of course, we remain dedicated to our compliance commitments in all their many forms, including quality, regulatory (QA/RA), and transparent healthcare provider engagement reporting. This is yet another area where digitalization of our internal systems will make these processes more transparent and robust.

Data privacy, cybersecurity & risk management: A key milestone in 2025 was the strengthening of our data privacy policy through adoption of the General Data Protection Regulation (GDPR).

This comprehensive EU law sets strict rules for how organizations collect, process, and store individuals' personal data. Importantly, we are now applying these gold standard compliance practices across all geographies where Kuros operates.

More growth, less risk

In 2025, Kuros strengthened the expertise and diversity of its Board of Directors with the appointment of Kimberley Elting. A seasoned senior executive with more than 25 years' experience in the MedTech industry alone, Kimberley has brought a wealth of experience across a range of disciplines, including global commercialization, product development, legal, and public company governance.

One important focus for Kimberley has been the introduction of Enterprise Risk Management (ERM) to support and strengthen Kuros in its ongoing transformation journey.

"Joining the Kuros Board was not a difficult decision for me. As a MedTech veteran, I've known the company for some time, and its growth trajectory has been something of envy to most in this space. But of course, with growth comes risk. Having led major corporate risk assessment and management program initiatives in the past, I'm happy to support the introduction of this program at Kuros.

As a process, ERM is essentially where a company looks long and hard in the mirror and identifies potential risks to the enterprise across every function, assessing what measures are in place and could be put in place to mitigate those potential risks. For a medical device company like Kuros, the top priority is and should always be product safety and efficacy. But it also extends to risks presented by everything from new market entrants and employee talent retention to compliance, legal and regulatory matters, and manufacturing capacity – which, of course, is now being addressed through our new U.S. production facility.

Following an extensive internal consultation, we have now completed the initial assessment phase of our ERM. In 2026, we'll be formulating specific mitigation plans to address those risks, with dedicated "risk owners" assigned across different functions to steer this work.

Of course, risks can emerge and change at any time, which is why, having initiated ERM at Kuros, I can assure investors that it's here to stay."

Kimberley Elting
Member of the Audit and Risk Committee and
Chair of the Compensation and Nomination Committee
Kuros Biosciences Board of Directors

Doing well by doing good

Environmental, Social & Governance

Across Kuros, many ESG principles and practices are already embedded in our global business.

These include responsible manufacturing, product stewardship, community engagement, employee well-being, and targeted initiatives to reduce our carbon footprint.

These long-standing activities reflect a genuine commitment to operating responsibly, even if they have not yet been captured within a formal ESG framework.

During 2025, we began the foundational work that will inform our future ESG roadmap, including identifying priority areas and assessing where our current initiatives already align.

As Kuros continues to scale – with new structures, expanded operations, and a growing global footprint – our ESG approach will evolve in parallel, with a formal roadmap to be developed under dedicated leadership.

6 Final words from the **front line**

Patients remain at the center of everything we do at Kuros. Ultimately, our success will be determined by those who specify, use, and advocate for our product: the surgeons.

MagnetOs bone graft is now being used by surgeons in more geographies and for more indications than ever before. We fully expect this to continue in 2026, and here's why…

But does it grow bone?

"For me, the fundamental question surgeons ask of any synthetic bone graft is whether it meaningfully integrates with native bone.

In foot and ankle fusion surgery, one of the ongoing challenges we face is non-union, where bones fail to knit following surgery. A large, published study has suggested non-union rates of around 21%, and in certain patient groups such as those with diabetes, smokers, or patients who struggle with post-operative compliance that figure can be considerably higher.[5]

In these settings, bone grafts are often used to support the fusion environment. However, with a very large number of synthetic bone graft options now available, it can be difficult for surgeons to fully understand the differing characteristics and clinical implications of each product.

This is where the biologics industry has an important responsibility: to generate high-quality clinical and translational evidence that helps clinicians understand not just whether a graft supports healing, but how it behaves at the bone-graft interface.

In the case of MagnetOs, what has particularly interested me are biopsy samples taken from individual clinical cases, including spinal and foot and ankle procedures in patients with diabetes, which appear to demonstrate the presence of bony trabeculae extending across the graft interface. Seeing this type of histological finding has been encouraging and has informed my clinical interest in the material."

Andrew Goldberg OBE MD FRCS (Tr&Orth)[¶]
Consultant Orthopaedic Foot and Ankle Surgeon (Adults and Children)
The Wellington Hospital, London, UK
Visiting Professor, Imperial College, London, UK
Honorary Associate Clinical Professor, University College, London, UK

My four thoughts on MagnetOs bone graft

NeedleGrip surface technology and biological response

During the development of MagnetOs, changes in surface topography were observed when the material was processed under specific sterilization conditions. These surface features appear to influence how the body initially responds to the graft. Clinically, I think of the NeedleGrip surface as a feature that may help support the body's natural fusion processes. While the precise biological pathways continue to be explored, my interpretation is that the surface characteristics play a role in how the graft interacts with the local biological environment during early healing.

Handling characteristics

From a practical surgical standpoint, handling matters. When placing a bone graft into the complex anatomy of the foot and ankle, particularly into small redundant spaces, stability of the material is important. In my experience, MagnetOs has favorable handling characteristics and tends to remain where it is placed, even during irrigation. This is a practical feature that I value and one that I have not consistently seen across all synthetic bone grafts.

Clinical evidence

As surgeons, access to high-quality, peer-reviewed evidence is essential when considering the adoption of new technologies, and what has been encouraging is that MagnetOs is supported by a growing body of clinical evidence, including Level I data. Published studies have reported positive fusion outcomes when compared with standard approaches, and this evidence base has been an important factor in my evaluation of the product.

Safety and regulatory considerations

When using human-derived graft materials, there are necessary regulatory, consent, and traceability requirements that add complexity to clinical workflows. MagnetOs does not contain human tissue and does not incorporate growth factors. From my clinical experience, I have not encountered safety concerns associated with its use, and the absence of donor tissue simplifies regulatory and logistical considerations for both surgeons and patients.

Kuros Biosciences

*Global Orthopedic Biomaterial Market, iData Research Inc. Feb, 2025. †Results from in vitro or 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. §19 of initial 100 subjects were active smokers. ||Radiographic fusion data of the smoker subgroup were not statistically analyzed as a subgroup and were not included in the peer-reviewed publication of the study. ¶Dr. Andrew Goldberg is a paid consultant of Kuros Biosciences.

References: 1. Stempels, et al. *Spine*. 2024;49(19):1323-1331. **2.** Van Dijk, et al. *eCM*. 2021;41:756-73. **3.** Van Dijk, et al. *J Immunol Regen Med*. 2023;19:100070. **4.** Duan, et al. *eCM*. 2019;37:60-73. **5.** Leslie et al. *Foot Ankle Int*. 2023;44(7):665-674. **6.** AcuityMD. Market analytics data. Accessed Jan, 2026. **7.** Kuros Biosciences. https://kurosbio.com/project-fusion/#evidence_hub. Accessed Feb, 2026. **8.** Yadav S, et al. *J. Orthop. Traum.* 2020;27(2):173-178. **9.** Van Dijk, LA. 24th SGS Annual Meeting (Swiss Society of Spinal Surgery). Basel, Switzerland. Aug, 2024. **10.** Kuros Biosurgery AG. ClinicalTrials.gov. https://clinicaltrials.gov/study/NCT07225751. Accessed Feb, 2026. **11.** Kuros Biosurgery AG. ClinicalTrials.gov. https://clinicaltrials.gov/study/NCT04679844. Accessed Feb, 2026. **12.** Kuros Biosurgery AG. ClinicalTrials.gov. https://clinicaltrials.gov/study/NCT05037968. Accessed Feb, 2026.

Corporate Governance Report **2025**

Corporate Governance Report 2025

Preface and Important Information

Kuros Biosciences AG (henceforth called “Kuros” or “Company” or, together with its subsidiaries, collectively the “Group”) is a Swiss-based MedTech company on a mission to discover, develop and deliver innovative biologic technologies serving the musculoskeletal community. Kuros is listed on SIX Swiss Exchange in the International Reporting Standard segment (ticker: KURN). The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Kuros is incorporated in Switzerland and is the ultimate parent company of the Group since January 18, 2016.

As of December 31, 2025, the total headcount of the Group amounted to 178 employees. The legal domicile of the Company headquarter is Wagistrasse 25, 8952 Schlieren, Switzerland.

The Board of Directors (“Board”) approved this Corporate Governance Report on March 9, 2026.

The information published below is in compliance with the Corporate Governance Directive (“DCG”) of the SIX. The numbering of the subsections was made based on the Annex to the DCG.

Group Structure and Shareholders (DCG 1)

Group structure (DCG 1.1)

Kuros Biosciences AG is a corporation established under Swiss corporate law with its registered office in Schlieren, Switzerland. As of December 31, 2025, the Group consists of the parent company Kuros Biosciences AG and five non-listed subsidiaries. The group structure is as follows:

Name	Place of business	Ownership and voting rights	Share capital
Kuros Biosciences B.V.	Bilthoven, The Netherlands	100%	EUR18,000
RevisiOs B.V.	Bilthoven, The Netherlands	100% (held by Kuros Biosciences B.V.)	EUR22,000
Kuros Biosciences USA Inc.	Atlanta (GA), United States	100%	USD1
Kuros US LLC	Delaware, United States	100%	—
Kuros US Royalty Fund (US) LLC	Delaware, United States	100%	—

Security number - Kuros Biosciences AG	32581411
ISIN	CH0325814116
Ticker symbol	KURN
Market capitalization on December 31, 2025	CHF 1,076.0 million

Significant shareholders (DCG 1.2)

According to disclosure notifications filed with the Company to the SIX, the following Shareholders hold more than 3% of the share capital of the Company as of December 31, 2025.

Name	Shareholding / Purchase Positions*
Optiverder BV, Delft, The Netherlands	24.8 %
BlackRock Inc.	3.4 %
UBS Fund Management (Switzerland) AG	3.0 %

* The shareholdings or purchase positions indicated in this table correspond to the amounts as disclosed on the SIX website as of December 31, 2025. Information on disclosure notifications during the year concerning significant shareholders and financial instruments may be found on the SIX website on: https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/

As of December 31, 2025, the Company held no treasury shares and had outstanding equity-based compensation awards representing 7.1% of the Company's share capital. The Company has not entered into any agreements with any shareholder regarding the voting or holding of shares. To the Company's knowledge, no shareholders are party to any shareholder agreements.

Cross-shareholdings (DCG 1.3)

There are no cross-shareholdings.

Capital Structure as of December 31, 2025 (DCG 2)

The capital structure of the Company is presented in the excerpts below from the Articles of Association (the “Articles”) dated April 14, 2025, and valid as of December 31, 2025, which are available on the Company’s website at: https://ir.kurosbio.com/corporate-governance/documents-charters

Capital (DCG 2.1)

"Art. 3a Share Capital and Shares

The share capital of the Company is CHF 3,786,888.90 and fully paid-in. It is divided into 37,868,889 registered shares with a nominal value of CHF 0.10 each.”

Conditional capital (DCG 2.2)

"Art. 3b Conditional Share Capital for Bonds or Similar Debt Instruments

[1] The share capital of the Company shall be increased by a maximum amount of CHF 180,000.00 through the issue of a maximum of 1,800,000 registered shares, payable in full, each with a nominal value of CHF 0.10 through the exercise of conversion and/or option rights granted in connection with bonds or similar instruments, issued or to be issued by the Company or by subsidiaries of the Company, including convertible debt instruments. The exercise of the option rights and the waiver of such right shall be made in writing on paper or in electronic form.

[2] Shareholders' subscription rights for these shares are excluded. Shareholders' advance subscription rights with regard to the new bonds or similar instruments may be restricted or excluded by decision of the Board of Directors in order to finance or refinance the acquisition of companies, parts of companies or holdings, or new investments planned by the Company, or in order to issue convertible bonds or similar instruments on the international capital markets or through private placement. If advance subscription rights are excluded, then (1) the instruments are to be placed at market conditions, (2) the exercise period is not to exceed ten years from the date of issue of option rights and twenty years for conversion rights and (3) the conversion or exercise price for the new shares is to be set at least in line with the market conditions prevailing at the date on which the instruments are issued. Shareholders' advance subscription rights with regard to the new bonds or similar instruments may further be restricted or excluded by decision of the Board of Directors in connection with debt financing that is not convertible into equity and which with a prevailing probability would not have been obtainable without such restriction or exclusion.

[3] The acquisition of registered shares through the exercise of conversion or option rights and any transfers of registered shares shall be subject to the restrictions specified in Article 4 of the Articles of Association.”

"Art. 3c Conditional Share Capital for Employees, Persons of comparable Positions and Board Members

[1] The share capital of the Company increases in the nominal value of up to CHF 24,838.90 by issuance of up to 248,389 fully paid-in registered Shares with a nominal value of CHF 0.10 each, subject to the exercise of options granted by the Company to employees of the Company or its subsidiaries, persons of a comparable position and Board members under the employee participation plans, in force until the end of the year 2015.

The share capital of the Company furthermore increases in the nominal value of up to CHF 467,206.30 by issuance of up to 4,672,066 fully paid-in registered Shares with a nominal value of CHF 0.10 each, subject to the exercise of options granted by the Company to employees of the Company or its subsidiaries, persons of a comparable position and Board members under the employee participation plans, in force starting from the year 2016.

The exercise of the option rights and the waiver of such rights shall be made in writing on paper or in electronic form.

[2] The pre-emptive rights of the shareholders shall be excluded. The conditions of the grant of the options, as the amount of the issue of the shares, the time of the entitlement for dividends as well as the kind of contribution, shall be determined by the Board of Directors in the form of special rules (Stock Option Plans).

[3] The further transfer of the registered Shares acquired by the exercise of equity-awards under this article shall be subject to the restrictions of Article 4 of these Articles of Association."

Capital Band (DCG 2.2)

[1] The Company has a capital band between CHF 3,051,206.20 (lower limit) and CHF 4,522,571.50 (upper limit). The Board of Directors is authorized to increase the share capital up to the upper limit at any time and as often as required until 16 May 2028 by the issuance of fully paid-in registered shares. A capital reduction is excluded.

If the share capital increases as a result of an increase from conditional capital pursuant to Articles 3b and 3c of these Articles of Association, the upper and lower limits of the capital range shall increase in an amount corresponding to such increase in the share capital.

[2] An increase of the share capital (i) by subscription of shares based on an offer signed by a financial institution, an association, another third party or third parties, followed by an offer to the then existing shareholders of the Company as well as (ii) in partial amounts is permitted.

[3] The Board of Directors shall determine the number of shares to be issued, the date of issue, the subscription price, the method of payment, the date from which the shares entitle the holder to receive a dividend, the conditions for exercising preemptive rights and the allocation of preemptive rights that have not been exercised or withdrawn. With regard to the type of contributions to be made, the Board of Directors is authorized in particular to carry out a capital increase through cash payment, contribution in kind, offsetting payment, conversion of freely usable reserves (including profit carried forward) into share capital. The Board of Directors may allow the preemptive rights that have not been exercised to expire, or it may place with third parties such rights or registered shares, the preemptive rights of which have not been exercised, at market conditions or use them otherwise in the interest of the Company.

[4] The Board of Directors is authorized to withdraw or limit the preemptive rights of the shareholders and to allot them to third parties:

a) if the issue price of the new registered shares is determined by reference to the market price; or
b) for the acquisition of an enterprise, part of an enterprise or participation, or for the financing or refinancing of any of such acquisition, or in the event of share placement for the financing or refinancing of such placement; or
c) for purposes of broadening the shareholder constituency of the Company in certain financial or investor markets, for purposes of the participation of strategic partners, or in connection with the listing or registration of new registered shares on domestic or foreign stock exchanges; or
d) for purposes of granting an over-allotment option (Greenshoe) or an option to subscribe additional shares to the respective initial purchasers) or underwriter(s) in a placement or sale of registered shares; or
e) for raising of capital (including private placements) in a fast and flexible way, which probably could not be reached without the exclusion of the statutory pre-emptive right of the existing shareholders; or
f) for other valid grounds in the sense of article 652b para. 2 CO.

[5] The acquisition of registered shares and any transfers of registered shares shall be subject to the restrictions specified in Article 4 of the Articles of Association.

Changes in capital (DCG 2.3)

Description of changes in capital that have taken place within the last three financial years:

in TUSD, IFRS	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings/ accumulated loss	Translation Differences	Total
As of January 1, 2023	**2,928**	**161,267**	**(19)**	**20,777**	**(119,879)**	**8,768**	**73,842**
Loss for the period	—	—	—	—	(15,008)	—	**(15,008)**
Other comprehensive income	—	—	—	—	98	6,133	**6,231**
Appropriation of accumulated loss	—	(96,705)	—	—	96,705	—	**—**
Exercise of share options	24	523	—	—	—	—	**548**
Share based payment	—	—	—	1,003	—	—	**1,003**
As of December 31, 2023	**2,952**	**65,086**	**(19)**	**21,780**	**(38,084)**	**14,901**	**66,616**
As of January 1, 2024	**2,952**	**65,086**	**(19)**	**21,780**	**(38,084)**	**14,901**	**66,616**
Loss for the period	—	—	—	—	(4,835)	—	**(4,835)**
Other comprehensive income	—	—	—	—	(132)	(5,194)	**(5,326)**
Treasury shares allocated for option exercised	—	—	19	—	—	—	**19**
Appropriation of accumulated loss	—	(2,290)	—	—	2,290	—	**—**
Exercise of share options	122	2,046	—	—	—	—	**2,168**
Share based payment	—	—	—	5,779	—	—	**5,779**
As of December 31, 2024	**3,074**	**64,842**	**—**	**27,559**	**(40,761)**	**9,707**	**64,421**
As of January 1, 2025	**3,074**	**64,842**	**—**	**27,559**	**(40,761)**	**9,707**	**64,421**
Loss for the period	—	—	—	—	2,551	—	**2,551**
Other comprehensive income	—	—	—	—	422	10,699	**11,121**
Exercise of share options	155	2,030	—	—	—	—	**2,185**
Share based payment	—	—	—	4,203	—	—	**4,203**
As of December 31, 2025	**3,229**	**66,872**	**—**	**31,762**	**(37,788)**	**20,406**	**84,481**

For further information, see the consolidated statements of change in Shareholders' equity.

Shares and participation certificates (DCG 2.4)

The Company has only one class of shares, i.e., registered shares with a nominal value of CHF 0.10 each. Each share is fully paid-in and carries one vote and equal dividend rights with no privileges. The Company has no outstanding participation certificates.

The Company's shares are not certified. Shareholders are not entitled to request printing and delivery of share certificates; however, any Shareholder may at any time request the Company to issue a confirmation of its shareholding.

Dividend-right certificates (DCG 2.5)

The Company has not issued any dividend-right certificates.

Limitations on transferability and nominee registrations (DCG 2.6)

If buyers of registered shares explicitly declare in the request for registration that they have bought the registered shares in their own name and for their own account, they will be registered in the share register as Shareholders with voting rights. Article 4 of the Articles provides that shareholders may register their shares in the name of a nominee ("Nominee") and may exercise their voting rights by giving instructions to the Nominee to vote on their behalf. However, a Nominee holding more than 3% of the Company's share capital may be registered only if the identity of the beneficial owners of shares claiming 0.5% or more of the Company's share capital is disclosed.

To remove or amend the above-mentioned limitations on transferability and nominee registrations, the approval of (i) at least two-thirds of the votes represented and (ii) the majority of the represented share capital at the respective General Meeting would be required.

Convertible bonds, options and restricted share units (DCG 2.7)

As of December 31, 2025, the Company has no outstanding convertible loans.

The following table applies to all valid share options outstanding as of December 31, 2025:

Exercise price (CHF)	Options* (number)	Remaining life (years unless stated otherwise)	Exercisable options (number)
25.56	143,550	4.3	—
21.63	7,370	4.0	7,370
18.45	17,790	3.8	5,272
6.50	468,998	3.3	129,752
3.88	35,592	3.0	35,592
2.18	374,494	2.8	174,494
2.10	15,248	2.8	6,507
1.40	53,340	2.5	53,340
1.40	713,395	2.5	312,595
1.47	2,055	2.0	2,055
1.73	31,623	1.8	15,810
1.63	4,698	1.8	—
1.73	355,196	1.7	258,104
2.45	3,033	1.3	3,033
1.93	15,214	1.3	15,214
2.30	3,210	0.1	3,210
2.02	2,494	0.1	2,494
Total	**2,247,300**		**1,024,842**

* Includes all outstanding options within the Group

The total 2,247,300 outstanding options represent CHF 224,730 of nominal capital. Each option entitles the option holder to purchase one share. For further details please see note 21 to the consolidated financial statements.

The following table applies to all restricted share units (RSUs) outstanding as of December 31, 2025:

Share price at grant date (CHF)	RSUs* (number)	Remaining life (years unless stated otherwise)
25.56	21,426	3.3
22.16	3,841	2.3
6.50	114,917	1.3
7.67	10,695	1.3
22.16	3,833	1.3
7.67	10,688	1.1
2.18	1,816	0.8
7.67	10,688	0.8
7.67	10,688	0.6
1.40	187,631	0.5
2.18	1,811	0.5
2.18	1,811	0.3
7.67	10,688	0.3
22.16	3,833	0.3
2.18	19,322	0.2
7.67	114,012	0.2
7.67	10,688	0.1
2.18	1,811	0.0
Total	**540,199**	

* Includes all RSUs outstanding within the Group

The total 540,199 outstanding RSUs represent CHF 54,019.90 of nominal capital. Each RSUs entitles the RSUs holder to one share. For further details please see note 21 to the consolidated financial statements.

Board of Directors (DCG 3)

Members of the Board of Directors (DCG 3.1/3.4)

Name, Position, Nationality	Year of birth	First elected	Elected until	Compensation & Nomination Committee	Audit & Risk Committee	Research & Development Committee
Clemens van Blitterswijk, PhD Chairman, The Netherlands	1957	2017	2025	✪		▲
Albert Arp[1], MSc Member, The Netherlands	1969	2024	2025	(✪)[3]	(▲)[7]	
Oliver Walker, MBA Member, Switzerland	1969	2018	2025	✪[4, 5]	▲[8]	
Chris Fair, BBA Member, USA	1970	2024	2025			
Joost de Bruijn, PhD Member, The Netherlands	1966	2018	2025			✪
Kimberley Elting[2] Member, USA	1964	2024	2025	▲[6]	✪[9]	✪[10]

[1] member of the Board since April 17, 2024, resigned on September 3, 2025
[2] member of the Board since April 15, 2025
[3] member of the Compensation & Nomination Committee from April 17, 2025 until September 3, 2025
[4] chair of the Compensation & Nomination Committee from April 17, 2025 until September 3, 2025
[5] member of the Compensation & Nomination Committee from September 3, 2025
[6] chair of the Compensation & Nomination Committee since September 3, 2025
[7] chair of the Audit & Risk Committee from April 17, 2025 until September 3, 2025
[8] chair of the Audit & Risk Committee since September 3, 2025
[9] member of the Audit & Risk Committee since September 3, 2025
[10] member of the Research & Development Committee since April 15, 2025

▲ Chairperson

✪ Member

Clemens van Blitterswijk

Professor Clemens van Blitterswijk has served Kuros as chairman of the board of directors since 2018 and has been a member of the board since 2017. He is one of only four distinguished professors at Maastricht University and holds the chair of Complex Tissue Regeneration. Professor van Blitterswijk has published over 500 scientific papers, ranks among the top 10-20 scientists worldwide in the fields of tissue engineering and regenerative medicine based on total citations to his work and has received numerous national and international honors and awards, among which most recently, the Klaas de Groot Award of the European Society for Biomaterials and the Acta Biomaterialia gold award, the latter presented at the American Society for Biomaterials in San Diego. He has founded over 10 companies and is an inventor of over 100 patents. He was the founding partner of the LSP/EQT HEF venture funds. Previously, he was a venture partner at EQT Life Science and a board member of Xeltis AG. His work spans from novel biomaterials to synthetic life. He is a Dutch citizen.

Oliver Walker

Oliver Walker is a senior executive with more than 25 years of experience in international companies, both listed and privately-held, and was active in high growth industries and mature industries alike. He is the Managing Partner and CEO of CGS Management AG, a Swiss private equity management company, and serves on the board of several privately-owned companies.

Amongst other senior positions, he was previously the CEO of Evolva, a Swiss stock listed industrial biotech company, the Executive Vice President and CFO of several leading Life Science Companies, including Sivantos (Singapore), Nobel Biocare, Sonova, and Stratec Medical (all Switzerland). Oliver holds an MSc in Business Administration & Economics from the University of Berne, Switzerland and is a Swiss citizen.

Chris Fair

Chris Fair joined Kuros in 2021. Chris has been a leader in the musculoskeletal and regenerative marketplace for over 25 years. His expertise in commercialization and scaling operations for both biologics and device companies has made him a sought after advisor and investor. Previously Chief Operating Officer, Chris became Chief Executive Officer of Kuros in 2023.

Chris previously served as CEO & President of ControlRad, an innovative radiation reduction technology company based in Atlanta, GA and Kfar Saba, Israel. Prior to that, Chris was the Chief Executive Officer of Spinal Elements, a private equity owned operating company focused in the spinal implant marketplace. Chris has experience as Founder and CEO of Amniox Medical as well as previously operating the University of Miami Tissue Bank through its transaction to a private company. Earlier in his career, Chris served in leadership roles at MedShape Solutions, St. Francis Medical Technologies and DePuy Spine.

Chris currently sits on the Institute for Bioengineering and Bioscience Advisory Board of the Georgia Institute of Technology as well as several privately held medical and regenerative medicine technology companies. Chris graduated from the University of Richmond Robins School of Business and is a US citizen.

Joost de Bruijn

Joost de Bruijn, PhD, FBSE, is the Executive Director and President, Innovation & Strategy Kuros. He held the position of Chief Executive Officer of Kuros from 2017 to 2023. He also holds the position of Professor of Biomaterials at Queen Mary University of London, UK (since 2004) and was Professor of Regenerative Medicine and Entrepreneurship at Twente University, the Netherlands from 2011-2019. Prof. Dr. de Bruijn was the founder and CEO of Xpand Biotechnology B.V. that was acquired by Kuros Biosciences AG early 2017. Prior to this, he was involved with Progentix Orthobiology BV (founder & CEO) that was acquired by NuVasive Inc. (now Globus Medical, Inc.), Scinus Cell Expansion BV (founder & CEO) and IsoTis Orthobiologics NV.

Prof. Dr. de Bruijn has 35 years of experience in academia and the life science industry and, as a serial entrepreneur, has brought several technologies to the clinic. He is the author on close to 200 peer-reviewed publications and an inventor of 35 patents and patent families. Prof. Dr. de Bruijn is the scientific editor of the world's first open-access journal, *European Cells and Materials*, and the reviewer for numerous international biomaterials, tissue engineering and regenerative medicine journals. He is also the member of AO Technology Board. He received his PhD Cum Laude from Leiden University in 1993 and is a citizen of the Netherlands.

Kimberley Elting

Kimberley Elting is a seasoned senior executive with more than 25 years of experience in the Medtech industry, with expertise in global commercialization, product development, public company governance, and legal matters.

She has held senior executive positions at public and private companies and non-executive director and trustee positions on private and non-profit Boards. Kimberley most recently served as President of Global Orthopedics at Orthofix Medical Inc (Nasdaq OFIX) where she oversaw a global team in R&D, sales, marketing, manufacturing and G&A support functions developing, manufacturing and selling internal and external solutions for complex limb reconstruction and deformity correction. She originally joined Orthofix as Chief Legal Officer, assuming Regulatory, Quality, Chief Administrative and Business Development leadership roles prior to directing the global Orthopedics business. Before Orthofix, she served as General Counsel and Vice President of Corporate Affairs at TriVascular Technologies, Inc. (Nasdaq TriV) prior to and after its IPO and ultimate acquisition.

In her early career she held various roles of increasing responsibility with St. Jude Medical (now Abbott) including General Counsel and Vice President of HR and Health Policy for the Neuromodulation Division. Kimberley previously was a partner at the Jones Day global law firm. A graduate of Ithaca College, Ms. Elting earned her Law Degree from the University of Denver and an LL.M. in Health Law from Loyola University Chicago.

Former Members

Albert Arp

Albert Arp has over 20 years of experience in executive and non-executive board roles within international organizations. His professional background spans the leisure, healthcare and technology-driven sectors, with a focus on organizational development, innovation and value creation.

Albert began his career in consulting and has since led multiple transformation and merger and acquisition processes across a range of industries. He combines strategic oversight with operational leadership in complex, multi-stakeholder environments.

Albert is currently the Chief Executive Officer and Executive Board Member of Optisport, the market leader in the management and operation of sport and leisure facilities in the Netherlands and Belgium, with more than 400 locations and over 3,000 employees.

Albert holds a degree in Internal and Operational Auditing from Erasmus University Rotterdam and a MSc in Business Administration and Economics from the University of Amsterdam. He has also completed executive programs at INSEAD Business School and Singularity University. He is a Dutch citizen.

1.1.1 Other activities and vested interests (DCG 3.2/3.3)

Other than as described above and in the Compensation Report, none of the members of the Board has any position in governing or supervisory bodies of any major organization, institution, or foundation under private or public law, permanent management or consultancy function for major interest groups, official function, or political mandate.

Pursuant to Article 40 of the Articles of Association, each member of the Board may cumulatively assume not more than the following number of mandates in the board of directors, the superior management, or an administrative body of a legal entity, which is obliged to be registered in the Swiss commercial register or an equivalent foreign register: a) seven mandates for publicly traded companies in the sense art. 727 para. 1 number 1 Swiss Code of Obligations (“CO”); b) eight mandates for companies not publicly traded in the sense of art. 727 para. 1 number 2 CO; and c) five mandates for companies which do not fulfill the criteria under a) and b). Mandates held in several legal entities each operating under the same management or same beneficial owner (group) are deemed to be a single mandate. If a legal entity fulfills several of the above-mentioned criteria, it can be freely counted towards any category. Mandates in legal entities which are controlled by the Company or which control the Company and honorary mandates in charitable legal entities are excluded from these restrictions. See Article 40 of the Articles of Association for more details.

1.1.2 Elections and terms of office (DCG 3.4)

The Articles provide in Article 23 that the Board must consist of three to nine board members. As of December 31, 2025, it consisted of five members.

Since January 1, 2014, each member of the Board is elected individually for a maximum term of one year and may be re-elected for a consecutive term at the following General Meeting. The term of office of a Board member is one year as determined by Swiss law.

The Chairman of the Board as well as the members of the Compensation & Nomination Committee and the independent voting rights representative (“Independent Proxy“) are elected individually by the General Meeting for a one-year term of office.

1.1.3 Internal organizational structure (DCG 3.5)

The functions of the Chairman of the Board include the following:

- Preparing, calling, and chairing the meeting of the Board and the General Meeting
- Supervision of the implementation of resolutions passed by the Board or the General Meeting
- Representation of the Board to the public, public authorities and the Shareholders.

The Board constitutes itself and appoints its chairman, vice-chairman and the secretary, who needs not to be a member of the Board.

The Board has established three permanent committees to carry out specific duties: the Compensation & Nomination Committee, the Audit and Risk Committee as well as the Research & Development Committee, each in general consisting of two or more members of the Board. The Board appoints the members of its committees. Members of the committees were all non-executive directors in 2025.

The Board convened eight times in 2025. In addition, contacts between meetings take place as required. Members of senior management regularly attend meetings of the Board to report on areas of the business within their responsibility and to respond to questions. One part of the meetings always takes place with the Executive Committee. No consultants, with the exception of the Company's lawyer, participated in Board meetings in 2025.

Attendance at the Board and committee meetings in 2025:

Name	Board	Compensation & Nomination Committee[1]	Audit & Risk Committee[1]	R&D Committee[1]
Clemens van Blitterswijk	8	4		1
Albert Arp	4	2	2	
Oliver Walker	7	4	3	
Kimberley Elting	6	2	1	
Chris Fair	8			
Joost de Bruijn	7			1

[1] The majority of conferences were held via telephone

Compensation & Nomination Committee

The Compensation & Nomination Committee meets as often as business requires. In 2025, the Compensation & Nomination Committee held four meetings. The chairperson of the Committee informs the Board at its next meeting on the activities as well as proposals made by the Committee and the considerations that led to such proposals. Urgent matters are communicated to the Chairman without delay.

The Compensation Committee (hereinafter solely for the purposes of this section the "Committee") has the following duties (excerpt from the Compensation & Nomination Committee Charter of Kuros as approved by the Board on October 14, 2025, and available on the Company's website at https://ir.kurosbio.com/corporate-governance/documents-charters):

4.1 Board and Executive Board Compensation Policies
The Committee shall:

4.1.1 prepare and recommend to the Board for approval a compensation policy for the Board (the "Director Compensation Policy"), and thereafter annually review such policy and recommend changes, if any, for approval by the Board;

4.1.2 prepare and recommend to the Board for approval a compensation policy for the executive board, and thereafter annually review such policy and recommend changes, if any, for approval by the Board.

Such compensation policies shall provide for near- and long-term compensation, including variable compensation for the executive board, that (1) is designed to attract, motivate and retain persons with the necessary skills and character, (2) is consistent with market conditions, and in the case of variable compensation, consistent with the Company's and the individual's performance, and (3) aligns the interests of the members of the Board and the executive board with the interests of the Company.

4.2 General Compensation Policies
The Committee shall periodically review the Company's compensation policies for its employees who are not members of the executive board.

4.3 Board Compensation
The Committee shall review and recommend to the Board for approval any compensation and other payments to present and former non-employee directors of the Company to the extent not already provided for in the Director Compensation Policy.

4.4 Executive Board Compensation and Contracts
The Committee shall:

4.4.1. evaluate annually the performance the CEO, and submit such evaluation for review and discussion by the Board, in each case in executive session without the presence of the CEO;

4.4.2. review and discuss the annual performance evaluation of the members of the executive board presented by the CEO to the Committee;

4.4.3. review and recommend for approval by the Board the annual base salary, incentive compensation and equity compensation of the CEO, and in consultation with the CEO, of the other members of the executive board, and the overall compensation of the CEO and executive board; and

4.4.4. review and approve any employment contracts, severance contracts, or other agreements that the Company proposes to enter into with any present, future or former members of the executive board; provided that the key terms of such contracts shall be submitted for approval by the Board.

4.5 Incentive, Equity Compensation and Perquisite Benefits Plans
The Committee shall:

4.5.1 establish an incentive compensation plan providing for variable compensation of the members of the executive board based on the achievement of the Company's corporate goals and the individuals' performance, and approve any changes to such plan as may be proposed by the CEO from time to time;

4.5.2 approve any incentive compensation plans providing for variable compensation of employees of the Company (other than the members of the executive board) and any changes thereto, as may be proposed by the CEO from time to time;

4.5.3 develop and periodically review equity compensation plans, and submit such plans and any changes to such plans to the Board for approval; and

4.5.4 review and approve any perquisite benefits plans proposed by the CEO for the members of the executive board.

4.6 Performance Metrics
The Committee shall:

4.6.1 review the performance metrics and their respective target levels and recommend such metrics and target levels as approved by the Committee for the approval by the Board; and;

4.6.2 determine the level of achievement of the performance metrics as approved by the Board upon completion of the performance period, and apply such achievement level to the determination of the variable compensation of the members of the executive board in accordance with the applicable incentive compensation plan.

4.7 Compensation Report

The Committee shall review and approve the annual compensation report to be published together with the publication of in the Company's annual report, and any other required public disclosure statements on compensation and benefits.

4.8 Director Qualifications and Nomination

The Committee shall:

4.8.1. establish and periodically review the qualification criteria for Board candidates, with the goal of achieving a composition of the Board that collectively has the skills and experience needed to determine the strategy of the Company and oversee the management in executing the Company's strategy and achieving its objectives; and

4.8.2. conduct the search for Board candidates based on the qualification criteria established by the Committee and any other criteria that the Committee may consider appropriate, and recommend suitable candidates to the Board to be nominated for election by the shareholders.

4.9 Board and Committee Governance and Composition

The Committee shall:

4.9.1. periodically review the policies and principles for corporate governance of the Company, including the Internal Regulations, and recommend changes, if any, to the Board for approval;

4.9.2 make recommendations to the Board on Board and committee compositions, including the Board and committee chairpersons and the size of the Board and the committees, taking into account the independence standards established by applicable laws, regulations, the committee charters and corporate governance principles.

4.10 CEO and Executive Board Nominations

The Committee shall be responsible for

4.10.1 for conducting the search for candidates for the position of CEO of the Company, and shall recommend suitable candidates for evaluation and appointment by the Board; and

4.10.2 for conducting the search for candidates for executive board positions and shall recommend candidates for evaluation by the Committee. The Committee shall evaluate such candidates and shall recommend suitable candidates for evaluation and appointment by the Board.

4.11 Board Performance Review

The Committee may:

4.11.1 establish a process for, and conduct an annual review of the performance of the Board, its committees, and individual Board members in their role as members of the Board or a committee of the Board;

4.11.2 consider the results of any performance review when determining whether or not to recommend the nomination of a director for an additional term on the Board or a committee, and for developing proposals for improving corporate governance policies and effectiveness of the Board and its committees.

4.12 Succession Plan

The Committee shall prepare and review a succession plan for the directors of the Board, the CEO, and the members of the executive board.

4.13 Corporate Governance Disclosures

The Committee shall review and approve the corporate governance report of the Company for inclusion in the annual report as well as any other written public disclosures on corporate governance matters.

4.14 Code of Conduct Review

The Committee shall:

4.14.1 periodically review the Company's code of conduct (the "Code") and recommend changes to the Board for approval as may be appropriate from time to time;

4.14.2 periodically review management's monitoring of the Company's compliance with the Code and ensure that management has the proper system in place to enforce the Code; and

4.14.3 review potential conflicts of interest of Board members and other matters that may be assigned for review by the Committee in the Code.

4.15 Committee Performance Review
The Committee shall evaluate its own performance as part of the Board performance assessment process established by the Committee.

4.16 Committee Charter
The Committee shall review this Charter and submit any recommended changes to the Board for approval.

Audit & Risk Committee

The Audit & Risk Committee meets as often as business requires. In 2025, the Audit & Risk Committee held three meetings. The chairperson of the Committee reports to the Chairman of the Board after each meeting and informs the Board at its next meeting on the activities as well as proposals made to the Board by the Committee and the considerations that led to such proposals. Urgent matters are communicated to the Chairman of the Board without delay.

The Audit & Risk Committee has the following duties (excerpt from the Audit & Risk Committee Charter of Kuros as approved by the Board on July 18, 2024, and available on the Company's website at https://ir.kurosbio.com/corporate-governance/documents-charters)

4.1 Financial Statements
The Committee shall:

- review and discuss with management and the Auditor the annual and half-year financial statements and reports intended for publication as well as any other financial statements intended for publication;
- approve the financial statements for publication;
- inform the Board on its assessment of the financial statements and decide whether to recommend the statutory and consolidated financial statements to the Board for approval and presentation to the general shareholders' meeting;
- review in cooperation with the Auditor and the management whether the accounting principles applied by the Company and its subsidiaries are appropriate in view of the size and complexity of the Company.

4.2 Interaction with the Company's External Auditor (the "Auditor")
The Committee shall:

- review and assess the qualifications, independence, performance and effectiveness of the Auditor, and recommend to the Board the nomination of the Auditor for the election by the general assembly of shareholders;
- review the scope of the prospective audit by the Auditor, the estimated fees, and any other matters pertaining to such audit as the Committee may deem appropriate;
- approve any audit and non-audit services proposed to be provided by the Auditor to the Company to ensure Auditor independence; provided that the chairperson of the Committee may pre-approve such services between scheduled Committee meetings subject to the ratification of such approvals by the Committee at a subsequent meeting;
- review and assess the Auditor's report, management letters and take notice of all comments of the Auditor on accounting procedures and systems of control;
- review with the Auditors and management the Auditor's reports to the Committee/Board on critical accounting policies and practices used (and any changes therein), on alternative treatments of financial information discussed with management and on other material written communication between the Auditor and management;

- review with the Auditor any audit problems or difficulties and management's response, including any restrictions on the scope of the Auditor's activities or on access to requested information, and any significant disagreements with management.

4.3 Internal Control Over Financial Reporting, Risk Management, Compliance and Contingent Liabilities

The Committee shall:

- at least annually monitor, review and discuss with the Auditor and with management the adequacy and effectiveness of the Company's policies and procedures regarding internal controls over financial reporting and risk assessment, and the Company's compliance therewith;
- periodically review the Company's policies and procedures for risk management and assess the effectiveness thereof;
- periodically review the Company's policies and procedures designed to ensure compliance with laws, regulations and internal rules and policies;
- discuss with management and, if appropriate, the Company's external advisors any legal matters (including the status of pending or threatened litigation) that may have a material impact on the Company's financial statements and any material reports or inquiries from regulatory or governmental agencies which could materially impact the Company's contingent liabilities and risks.

4.4 Annual Committee Performance Review
The Committee shall evaluate its own performance on an annual basis as part of the Board performance assessment process established by the Nomination and Corporate Governance Committee.

4.5 Committee Charter
The Committee shall review this Charter annually and submit any recommended changes to the Board for approval.

Research and Development Committee

The Research and Development Committee meets as often as business requires, but at least once per year. In 2024 the Research and Development Committee held one meeting. The chairperson of the Committee informs the Board at its next meeting on the activities as well as proposals made by the Committee to the Board and the considerations that led to such proposals. Urgent matters are communicated to the Chairman without delay.

The Research and Development Committee has the following duties (excerpt from the Charter as approved by the Board on March 2, 2020, and available on the Company's website at https://ir.kurosbio.com/corporate-governance/documents-charters)

4.1 The Committee shall meet with the Company's chief medical officer and chief development officer or any other member of the executive management of the Company that the Committee deems advisable at least twice per year to review the progress of the Company's product pipeline, including a review and analysis of the progress and results of the Company's studies and trials.

4.2 The Committee shall assess the progress of each of the Company's products against its targets, taking into account the results of the Company's studies and trials.

4.3 The Committee shall review and pre-approve (prior to public release) the Company's material public disclosures related to its product pipeline, research and development efforts, results of studies and trials, status of drug applications, and communications with public authorities or any other competent body.

4.4 The Committee shall make a presentation to the Board at least twice per year, together with written documentation, summarizing all significant findings concerning the progress of the Company's product pipeline, including any material information that impacts the Company's public disclosures regarding those products, the results of related studies and trials, the status of the Company's drug applications, and communications with the public authorities or any other competent body.

4.5 The Committee shall evaluate its own performance on an annual basis as part of the Board performance assessment process established by the Nomination and Corporate Governance Committee.

4.6 The Committee shall review this Charter annually and submit any recommended changes to the Board for approval.

Definitions of areas of responsibility (DCG 3.6)

The Board has the power to make decisions on all matters which are not vested in the General Meeting or delegated to any other corporate body or person by Swiss law, the respective Articles or the internal regulations of the Company ("Internal Regulations"). The Board supervises, monitors and controls the management. The Board enacts guidelines for business policy and is regularly informed about the course of business, and is entitled to pass resolutions concerning all matters, which are not reserved or entrusted to the General Meeting or another body of the Company by law, the Articles, or Internal Regulations.

All executive functions within the Company not reserved for the Board or the Chairman as defined by Swiss law or stated in the Articles or the Internal Regulations are delegated to the CEO and the Executive Committee. The CEO chairs the Executive Committee and is responsible for its organization.

In accordance with article 716a of the CO and article 26 of the Articles, the Board has the following non-delegable and inalienable duties (excerpt from the Internal Regulations of Kuros as approved by the Board on December 17, 2025, and available on the Company's website at https://ir.kurosbio.com/corporate-governance/documents-charters

3.5 Non-transferable and Irrevocable Duties

Pursuant to the Swiss Code of Obligations, the Board has the following non-transferable and inalienable duties:

a) overall management of the Company and issuing the required directives;
b) the determination of the organization of the Company;
c) the administration of accounting, financial control, and financial planning;
d) the appointment and dismissal the persons entrusted with the management and representation of the Company and granting of signatures;
e) the overall supervision of the persons entrusted with the management of the Company, in particular with regard to compliance with the law, the Articles of Association, operational regulations and directives;
f) the preparation of the annual report and the General Meeting and implementing the resolutions adopted by the General Meeting;
g) the preparation of the compensation report and to request approval by the General Meeting regarding compensation of the Board and the Executive Committee; and
h) the filing of a request for a debt restructuring moratorium and the notification of the court if the Company is overindebted.

3.6 Additional Duties and Competences

The following business transactions (as also specified in Annex 6.1) need the prior approval of the Board:

a) Any mergers, acquisitions, partnerships, alliances, licensing transaction with a size and/or Project NPV above CHF 2 million;
b) adopt a yearly operating budget and investment budget and any material change to any such budget as amended from time to time (material being a decision leading to a projected increase or decrease of 10% or more on total costs or total revenues) and engage in a transaction which would result in such a material deviation from the budget;
c) hire or dismiss the members of the Executive Committee;
d) establish principles of employee benefits, employee pension fund, employee insurance;
e) initiate or pursue legal actions, litigation or other official proceedings of material significance in terms of financial exposure or risk (whereby management may take protective and interim measures regardless of the significance);

f) approve any borrowing guarantee or any other form of security provided by the Company for any third party, grant any surety or any indemnity to a third party, in each case exceeding CHF 250,000;
g) approve the establishment or closure of branches, subsidiaries, agencies, administrative or representation offices, both in Switzerland and abroad;
h) review and approve any arrangement for any joint venture or partnership by the Company or for any acquisition by the Company of any equity interest in another company or undertaking or the acquisition of any business or part thereof from another undertaking exceeding CHF 500,000;
i) acquire, encumber and sell real estate and approve any lease for real property with yearly costs for the Company of more than CHF 200,000 or nine years of duration;
j) approve the creation of any mortgage, charge, lien, encumbrance or other third party right over any of the Company's IP assets;
k) approve and/or ratify all obligations and agreements entered into outside the ordinary course of business;
l) determine the compensation of the members of the Board within the frame- work set by the General Meeting;
m) adopt and amend a stock option plan; and
n) approve any transactions with a member of the Board, the Executive Committee or a shareholder or a person related thereto.

Information and control instruments versus the Executive Committee (DCG 3.7)

The members of the Board regularly receive comprehensive management reports designed to provide them with an update about business activities in general and developments in clinical trials, regulatory development, finance, and any other matters of importance. These reports are discussed during Board meetings together with the members of the Executive Committee. In addition, strategic discussions are held. In addition to the Annual Report, Kuros publishes an Interim Report as of June 30 prepared in accordance with IAS 34 (condensed interim consolidated financial statements, unaudited).

Insider Trading Policy

The Company has an Insider Trading Policy to prevent insider trading. Kuros is committed to, and expect its employees, officers, and directors ("Associates") to comply with the provisions to prevent inappropriate insider trading. Specifically, any insider who has knowledge of price-sensitive information is prohibited from trading securities to which such information pertains. Associates shall not disclose such information to third parties or encourage any other person to trade in such securities. The Company applies pre-clearance requirements and regular blackout periods, typically around the release of its financial information. Blackout periods generally start two weeks prior to the release of regular trading updates and at least one month prior to the half-year and yearly financial reporting, and last until 24 hours after the public announcement of the respective results. A violation of this policy may result in disciplinary action, including termination of employment without notice. In addition, a violation may result in criminal prosecution of the insider based on article 142 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinMIA), which prohibits trading, tipping others, or passing on insider information. All Associates are responsible and accountable for complying with the provisions of the Insider Trading Policy as well as with all applicable laws and regulations. The Insider Trading Policy is available on the Company's website at https://ir.kurosbio.com/corporate-governance/documents-charters .

Code of Conduct

The Company has a Code of Conduct. Kuros is committed to and expects all its Associates to observe the highest standards of ethical business conduct and to comply with the letter and spirit of all laws and regulations applicable in the countries or regions where the Company engages in business. All Associates are responsible and accountable for complying with the provisions of this Code as well as with all applicable laws and regulations. The Code of Conduct is available on the Company's website at https://ir.kurosbio.com/corporate-governance/documents-charters .

The Company has currently no internal audit function.

In 2025, none of the members of the Board, except for Chris Fair (CEO) and Joost de Brujin (Executive Director and President of Innovation & Strategy) participated in any meeting of the Executive Committee.

In 2025, the CFO was present at all meetings of the Audit & Risk Committee. If deemed appropriate by any member of the Audit & Risk Committee, parts of the committee meetings take place without the presence of members of the Executive Committee.

Executive Committee (DCG 4)

Members of the Executive Committee (DCG 4.1)

Name	Year of birth	Nationality	Position
Joost de Bruijn, PhD[1]	1966	The Netherlands	Executive Director and President of Innovation & Strategy
Chris Fair[2]	1970	USA	Chief Executive Officer
Daniel Geiger[3]	1971	Switzerland	Chief Financial Officer
Sjoerd Musters[4]	1980	The Netherlands	Chief Operating Officer

[1] former CEO, appointed as Executive Director and President of Innovation & Strategy effective October, 2023

[2] former COO, appointed as CEO effective October, 2023

[3] appointed as CFO effective May, 2023

[4] appointed as COO effective October, 2023

Joost de Bruijn

Refer to Board of Directors section (DCG 3).

Chris Fair

Refer to Board of Directors section (DCG 3).

Daniel Geiger

Daniel Geiger joined Kuros as CFO-ad interim in February 2023 and was appointed as CFO as of May 2023. Daniel is an operational, executive and strategic leader with more than 20 years of international industry experience in life sciences, IT and metals and mining.

Prior to his appointment to Kuros, his career spanned from Senior Audit Manager at EY, where he worked in the international listed and pre-listed sector for clients such as Syngenta, Santhera and Basilea, to CFO EMEA and VP Finance at Kofax, a NASDAQ-listed global software developer based in California, to VP Accounting, Controlling and Investor Relations at Swiss Steel Group, a Swiss-listed multinational company with business units around the world, and finally to Chief Accounting Officer at Autolus Therapeutics plc, a NASDAQ-listed CART company based in London.

During Daniel's career, he advised companies seeking public listings, was responsible for an IPO on NASDAQ and four capital markets transactions (equity and debt) in Switzerland and Luxembourg. Furthermore, he led and oversaw several international M&A transactions including post-merger integrations and a leveraged MBO spin-off. He was responsible for a CFO transition, in charge of finance transformations of processes, systems and data modelling in several companies and built and established a shared service centre for finance in EMEA. On the technical side, Daniel was a member of the Swiss EY IFRS desk, was responsible for several GAAP conversions and has been advising audit committees on all aspects for over 10 years.

Daniel is a Swiss citizen and has spent a large part of his career in the UK and the US. He holds a bachelor's degree in business economics majoring in accounting & controlling and information technology from Fachhochschule Nordwestschweiz (FHNW), an international Executive MBA (EMBA) from the University of

Zurich, a certification as Investor Relations Officer (CIRO) from Frankfurt School of Finance & Management, as well as a Swiss Certified Public Accountant (CPA) degree.

Sjoerd Musters

Sjoerd Musters is a strategic leader with more than 20 years of international industry experience in biotechnology, life sciences, consumer goods and logistics services. Sjoerd assumed the role of Chief Operating Officer and General Manager BV at Kuros in October 2023, following his initial position as Vice President of Operations starting in October 2022.

In his previous position as Director Head of Supply Chain in the biotechnology sector, Sjoerd managed global supply chain operations for more than 75 markets and spearheaded multiple successful product launches. He strengthened operations, supply chain and lifecycle management processes and led multiple global cross-functional initiatives. His rich professional journey includes leadership roles at UPS, Philips, Philip Morris, and Amgen.

Sjoerd holds a Master's Degree (MSc) in Business Administration from the University Maastricht. He is certified as a Black Belt with a strong Lean Six Sigma background. It is his passion to build close positive collaboration cross functionally, develop people and drive innovation to bring the business to a next level. Sjoerd is a Dutch citizen.

Other activities and vested interests (DCG 4.2 and DCG 4.3)

Other than described above and in the Compensation Report, none of the members of the Executive Committee have any position in governing or supervisory bodies of any major organization, institution, or foundation under private or public law, permanent management or consultancy function for major interest groups, official function, or political mandate.

Each member of the Executive Committee may cumulatively assume not more than the following number of mandates in the board of directors, the superior management, or an administrative body of a legal entity, which is obliged to be registered in the Swiss commercial register or an equivalent foreign register: a) 2 mandates for publicly traded companies pursuant to art. 727 para. 1 number 1 CO; b) 3 mandates for companies pursuant to art. 727 para. 1 number 2 CO; and c) 5 mandates for companies which do not fulfill the criteria under a) and b). Mandates held in several legal entities each operating under the same management or same beneficial owner (group) are deemed to be a single mandate. If a legal entity fulfills several of the above-mentioned criteria, it can be freely counted towards any category. Mandates in legal entities which are controlled by the Company, or which control the Company and honorary mandates in charitable legal entities are excepted from these restrictions. See Article 41 of the Articles of Association.

Management contracts (DCG 4.4)

There are no management contracts.

Gender guidelines (DCG 4.5)

Our company is dedicated to fostering gender diversity within both our Board of Directors and our Executive Committee. As of December 31, 2025, our Board of Directors comprises five members, of whom one is female and our Executive Committee comprises four members, all of whom are male. The Company is not subject to the Swiss legal requirement which for larger companies mandate a 30% of the less represented gender on the Board; and (starting January 1, 2031) 20% of the less represented gender representation on the Executive Committee. If the Company were to become subject to this legal requirement and would not meet these thresholds, then the Company will need to explain in the compensation report why it does not meet a threshold and which measures it has started to promote the less represented gender.

Compensation, Shareholdings and Loans (DCG 5)

Content and method of determining compensation and the shareholding programs (DCG 5.1)

The compensation of the Board and the Executive Committee is defined and reviewed by the Board and based on the recommendation of the Compensation and Nomination Committee with the involvement of external consultants on benchmarking as deemed appropriate. As prescribed by law, the approval of the compensation is subject to Shareholders' approval at the General Meeting.

For more details on the compensation policy and the compensation elements for the Board and Executive Committee, see the 2025 Compensation Report, which is an integral part of the 2025 Annual Report, and the Articles.

No severance payments were paid to members of the Board or the Executive Committee.

Principles of the compensation of the members of the Board and Executive Committee (DCG 5.2.1)

The compensation payable to the members of the Board is subject to and within the bounds of the approval of the total compensation by the General Meeting. It comprises a fixed basic remuneration, fixed committee fee for work in a committee of the Board and a lump sum compensation for expenses. The compensation is payable in cash and equity-linked instruments. The Board or, to the extent delegated to it, the Compensation and Nomination Committee determines grant, exercise, vesting and forfeiture conditions of any equity-linked grants. Members of the Board receive no performance-related pay. Subject to the approval by the General Meeting, a member of the Board may receive additional remuneration in cash at customary conditions for advisory services rendered outside his/her capacity as member of the Board. The General Meeting may approve an additional bonus in exceptional cases. See articles 35, 39 and 44 of the Articles.

The compensation payable to the members of the Executive Committee is subject to the approval of the total compensation by the General Meeting. It comprises a fix basic remuneration payable in cash; a performance-related remuneration in cash (variable); and a number of options or shares under the Company's Option and Restricted Shares Unit Plan. The Board or, to the extent delegated to it, the Compensation and Nomination Committee determines grant, exercise, vesting and forfeiture conditions of the options. The performance-related remuneration depends on the Company's business success and the individual performance-based on the achievement of predetermined targets during a business year. Annually at the beginning of each business year, the Board determines the targets and their weighting upon proposal by the Compensation and Nomination Committee. The amount of the performance-related remuneration is determined by the Board and may not exceed 100% of the respective individual fixed remuneration for the same year. Within the approved total compensation, the Company may make additional payments into the pension funds for the benefit of members of the Executive Committee. In this context, the Company may conclude life insurance policies on behalf of members of the Executive Committee and pay the insurance premiums, either fully or in part. Expenses not covered by the lump sum compensation pursuant to the Company's expense regulations are reimbursed upon presentation of the supporting receipts. This additional remuneration is not subject to a separate vote by the General Meeting. See Articles 36, 39 and 44 of the Articles for details.

Loans, credit facilities and post-employment benefits for members of the Board and Executive Committee (DCG 5.2.2)

The members of the Board or the Executive Committee may not be granted loans, credits, or securities. Exceptions from this rule are advances for attorney's fees, court and other similar costs required to defend third party liabilities and for tax liabilities, if any, arising in connection with the issuance of shares as resolved by the Shareholder's Meeting on January 6, 2016. The Company remunerates members of the Board only in respect of the employer's contributions to social insurance. Members of the Executive Committee participate in the Company's pension plans (the Company's pension fund and the management pension plan). The pension plans conform to the legal statutory requirements. Upon retirement, the Company may also grant a bridging pension to cover the period between early retirement at 62 and the ordinary age of retirement. See Articles 42 and 43 of the Articles for details.

Rules on the vote on pay at the General Meeting (DCG 5.2.3.)

The compensation payable to the members of the Board and Executive Committee is subject to the approval by the General Meeting. In separate votes, Shareholders decide upon the proposed total non-performance-related compensation and options/RSUs for the members of the Board for the period up to the next General Meeting. In addition, Shareholders vote on the proposed total non-performance-related compensation for the members of the Executive Committee for the period up to the next General Meeting as well as the proposed total variable compensation and options/RSUs for the calendar year.

Shareholders´ Participation (DCG 6)

Voting rights restrictions and representation (DCG 6.1)

All shares have the same voting rights and voting rights may be exercised only after the Board has approved a Shareholder to be recorded in the Company's share register (Aktienregister) as a Shareholder with voting rights. Without such registration, the transferee may not vote at or participate in the General Meetings but will still be entitled to dividends and other rights with a financial value.

At the General Meeting, Shareholders can be represented only by way of proxy.

Instructions to the independent proxy and electronic participation in the General Meeting (DCG 6.1.6)

The Independent Proxy may represent each shareholder. The Board determines the requirements regarding proxies and instructions. See Article 17 of the Articles.

The Articles grant the possibility for electronic participation at the General Meeting, however currently the Board does not intend to make use of options such as a hybrid or virtual General Meeting. See Article 14 of the Articles.

Quorums required by the Articles (DCG 6.2)

There are no provisions in the Articles requiring qualified majorities that differ from the mandatory provisions of Swiss corporate law.

Convocation of General Meeting (DCG 6.3)

There are no provisions in the Articles regarding the convocation of the General Meeting that deviate from the rules of the CO.

Inclusion of items on the Agenda (DCG 6.4)

According to the Articles, Shareholders representing at least 0.5% of the share capital may request that an item be included on the agenda of the General Meeting. Such inclusion must be requested in writing at least 45 days prior to the meeting and must specify the agenda items and proposals of the respective Shareholder(s).

Entries in the share register (DCG 6.5)

Shareholders entered into the share register as shareholders on a specific qualifying day designated by the Board (record date), which is usually less than five business days before the shareholders' meeting, are entitled to attend such meeting and to exercise their votes.

Changes of control and defense measures (DCG 7)

Duty to make an offer (DCG 7.1)

The Company has neither an opting-out nor an opting-up provision in its Articles. Therefore, the mandatory bid obligation of the Fin MIA applies.

Clauses on changes of control (DCG 7.2)

The following members of the Board are granted an accelerated vesting on their restricted stock units in case of a change of control: Clemens van Blitterswijk, Oliver Walker, and Kimberley Elting.

The following members of the Executive Committee are granted a prolonged termination notice period from six to twelve months in the case of a change of control: Chris Fair, Daniel Geiger, Joost de Bruijn.

In case of a change of control, the following members of the Executive Committee shall be granted severance payments in the amount of either (i) 50% of their base salary or (ii) standard severance offers made to similar-level Executives by the newly controlling entity: Joost de Bruijn.

The following members of the Executive Committee are granted an accelerated vesting in case of a change of control: Chris Fair, Daniel Geiger, Joost de Bruijn, Sjoerd Musters.

Transparency on non-financial reporting (DCG 7a)

As of December 31, 2025, the reporting thresholds under Art. 964a seqq. CO are not met, therefore Kuros is not obliged to and does not issue a non-financial report.

Auditors (DCG 8)

Duration of the mandate and term of office of the auditor in charge (DCG 8.1)

PricewaterhouseCoopers AG (“PwC”) was appointed as Group and statutory auditors and as independent auditors (“Auditors”) at the 2025 General Meeting. PwC has served as the Company's auditors since 2002, when the Company was formerly known as Cytos Biotechnology AG. The appointment is made on an annual basis. Thomas Ebinger serves as the auditor in charge of the 2025 financial year.

Auditing fees (DCG 8.2)

In 2025, PwC invoiced a total TUSD 660 for auditing the full-year statutory (including existence of the internal control-system) and consolidated financial statements, interim condensed consolidated reports of 2025, compensation report and other agreed audit procedures.

Additional fees (DCG 8.3)

In 2025, PwC earned no additional fees.

Information policy (DCG 9)

Kuros mainly communicates with its shareholders through its website (https://ir.kurosbio.com/), as well as through individual press releases and reports in accordance with Swiss law and SIX reporting guidelines for listed companies, email, newsletter, regular mail and the Swiss Official Gazette of Commerce. On its website, Kuros provides an up to date investor calendar providing information as to when the regular Q1 and Q3 trading update as well as the half year and annual financial reports will be disclosed in a given financial year. All regular and ad hoc press releases are published also on Kuros' website (https://ir.kurosbio.com/news-events/press-releases). Further, for each financial report, Kuros provides regular investor updates through webcasts, which are also published on the website together with the associated slide decks (https://ir.kurosbio.com/news-events/presentations). Kuros also publishes all information on its governance (Internal Regulations, Code of Conduct, Articles of Association, Committee Charters and Insider Trading Policy under https://ir.kurosbio.com/corporate-governance/documents-charters) and minutes of the Annual General Meetings through its website (https://ir.kurosbio.com/news-events/shareholder-meetings). All information is provided in English and, in the case of the minutes of the Annual General Meeting of shareholders, in German.

Quiet periods (DCG 10)

Reference is made to Kuros' Insider Trading Policy as further outlined above in information and control instruments versus the Executive Committee (DCG 3.7). Quiet periods generally start two weeks prior to the release of Kuros' regular trading updates and at least one month prior to the half-year and yearly financial reporting and last until thereafter.

Compensation Report **2025**

Compensation Report 2025

This Compensation Report provides the information required by Art. 734–734f of the Swiss Code of Obligations. It also includes the information required by section 5 of the Annex to the Directive on Information relating to Corporate Governance of the SIX Swiss Exchange and the Swiss Code of Best Practice for Corporate Governance by economiesuisse.

Introductory note from the Compensation and Nomination Committee ("CNC")

The past year marked a first-ever net profit and 72% sales growth, achieved through the execution and commitment of our global team. These results are reflected in incentive outcomes for the year, demonstrating a clear, disciplined link between company performance and rewards under our variable compensation framework.

CNC Activities

The CNC performed its regular activities throughout the business year, such as proposing compensation for members of the Board of Directors ("the Board") and the Executive Committee, as well as the preparation of the binding say-on-pay votes at the Annual General Meeting ("AGM"). In addition, the CNC, amongst others, has particularly focused on the following topics:

- Board succession planning and recruitment
- Objectives setting and performance evaluation for the Executive Committee
- Compensation governance processes and disclosure thereof
- Benchmarking of compensation for our Board of Directors and Executive Committee members
- Benchmarking of our compensation disclosure

Further, the CNC launched a review of the compensation strategy that will be undergone and implemented gradually over the next years. Some of the changes implemented in 2025, such as the inclusion of performance criteria in the Long-Term Incentive plan ("LTI") are described in the respective sections.

Shareholder’s feedback

Following the publication of the 2024 Compensation Report, we received more constructive feedback from shareholder representatives than in previous year. This reflects our continuing efforts to enhance both our compensation framework and related disclosure, and it continues to inform further refinements. The table below summarizes the main concerns raised by shareholders and the actions we have taken to address them. In addition, the CNC continues to review the disclosure approach with the objective of improving transparency, readability and clarity of this report.

Concern raised	Our response
The report provides a high-level description of performance achievements against the metrics, although specific target values are not disclosed which prevents shareholders from adequately assessing the pay-for-performance connection	The disclosure was further enhanced. The definition of each metric is disclosed in section Short-term variable remuneration and the performance achievement against each target is disclosed in the section "Performance in 2025".
Kuros Biosciences AG ("The Company") does not provide meaningful information regarding the average remuneration of employees of the company in a manner which permits comparison with directors' remuneration	Kuros will disclose director to employee pay ratio as required by law.
Under the LTI, half of awards comprise RSUs, which do not require the achievement of any performance conditions and are thus guaranteed.	Performance conditions apply to the RSU portion of the LTI granted in 2025. Vesting of 50% of the RSUs is conditional on the achievement of predefined revenue growth and adjusted EBITDA targets. If these targets are not met, this portion will not vest.

Options are subject to staggered vesting over a four-year period, with initial vesting occurring after one year. The exercise price is set at the market price, although there are no separate performance conditions.	Because the exercise price is set at market at grant, stock options only deliver value if the share price increases, making them inherently performance-based and aligned with shareholders' interests. In addition, for the 2025 grant, a performance condition applies: vesting of 50% of the stock options is conditional on the achievement of predefined revenue growth and EBITDA targets, further reinforcing the link to long-term value creation and sustainable performance.
The number of RSUs allocated to the non-executive board members is unchanged, although the fair market value is approximately five times higher due to share price appreciation.	For the term of office 2025/26, the RSU allocation is defined as a CHF amount converted into RSUs at Fair Market Value on grant date.

At the AGM 2026, our shareholders will be asked to prospectively approve the aggregate maximum compensation amounts for the Board for the period until the next AGM. For the Executive Committee, the amounts which our shareholders will be asked to approve will include the non-performance related compensation for the period 01 July 2026 to 30 June 2027, the variable remuneration for the calendar year 2026 as well as the grant of restricted stock units and stock options. Additionally, the shareholders will have the opportunity to express their opinion about the compensation system and the compensation awarded to the Board and to the Executive Committee in a consultative vote on this Compensation Report.

Outlook

Considering Kuros' continued growth and shareholder feedback, the CNC has initiated a comprehensive review of the Company's compensation framework to ensure it remains aligned with the strategic direction and continues to support performance, motivation and behaviors consistent with the Company's values. The attraction and retention of talent is critical to the Company's continued success. Building on the work already launched in business year 2025, the Committee will progress this review through a structured and gradual approach over the coming cycles, allowing the key elements of the framework to be assessed and refined in a coherent manner. As part of this work, the Committee will review the benchmarking approach and peer groups used for both Board of Directors and Executive Committee compensation design and levels, reflecting the Company's increasingly international footprint and, in particular, its growing exposure to the US market. Any changes resulting from the review will be disclosed in future compensation reports as appropriate.

Compensation Governance

The baseline for the compensation framework is anchored in the Articles of Association and the Internal Regulations of Kuros Biosciences AG. The provisions of the Articles of Incorporation on compensation include:

- Principles of the Compensation of the Board of Directors (Art. 35)
- Principles of the Compensation of the Executive Committee (Art. 36)
- Binding votes on Compensation (Art. 19)
- Compensation for new Members of the Executive Committee (Art. 37)
- Agreements with members of the Board of Directors and the Executive Committee, notice period and post-contractual non-compete for the members of the Executive Committee (Art. 39)
- Loans and Credits (Art. 42)
- Pension Funds (Art. 43)

The Articles of Association and the Internal Regulations can be found on our website (please refer to https://ir.kurosbio.com/corporate-governance/documents-charters).

Compensation and Nomination Committee

According to Art. 32 of the Articles of Association, the CNC shall comprise at least two members of the Board of Directors who are elected annually and individually by the AGM for a period of one year. At the AGM 2025, the shareholders elected Mr. Oliver Walker, Mr. Clemens van Blitterswijk and Mr. Albert Arp as members of the CNC. Mr. Arp subsequently resigned from the Board of Directors, effective September 4, 2025. Following this change, Mr. Walker was appointed Chair of the Audit and Risk Committee, and Ms. Kimberley Elting was appointed as member and Chair of the CNC. Further information on the Board Committees and their respective members can be found in the Corporate Governance report.

Pursuant to the Articles of Association and the Swiss Code of Obligations, the Board of Directors defined in 2023 the Internal Regulations of Kuros Biosciences AG and extended the duties of the Compensation Committee to assist the Board in its nomination activities. The Compensation Committee is subsequently referred to as the Compensation and Nomination Committee ("CNC"). Its purpose, composition and duties are described in the Compensation & Nomination Committee Charter which can be found on our website (https://ir.kurosbio.com/corporate-governance/documents-charters).

The main duties of the CNC are:

- Assist the Board in establishing the compensation policy and the compensation of the members of the Board and the Executive Committee
- Provide the Board with a performance assessment of the CEO and the other members of the Executive Committee
- Propose to the Board the maximum aggregate amounts of compensation of the Board and of the Executive Committee to be submitted to the shareholders' vote at the AGM
- Identify and recommend to the Board suitable Board candidates as well as candidates for Executive Committee positions
- Periodically review the policies and principles for corporate governance of the Company
- Review and approve the Compensation Report

The members of the Board shall abstain from voting when their own individual compensation is concerned.

Approval and authority levels

Decision on	Recommended by	Reviewed by	Approval by
Compensation policy for the Board and the Executive Committee	CNC		Board
Compensation policies for employees who are not members of the Executive Committee	CEO		CNC
Annual base salary, incentive compensation, and equity compensation of the CEO	CNC		Board
Annual base salary, incentive compensation, and equity compensation of other members of the Executive Committee	CEO	CNC	Board
Overall compensation of the CEO and Executive Committee	CNC		Board
Incentive compensation plan providing for variable compensation of the members of the Executive Committee	CNC		Board
Incentive compensation providing for variable compensation of employees (other than the members of the Executive Committee)	CEO		CNC
Equity compensation plans and any changes thereto	CNC		Board
Perquisite benefit plans for the Executive Committee	CEO		CNC
Compensation Report		CNC	Board
Maximum aggregate compensation amount of Board and Executive Committee	CNC	Board	AGM
Consultative vote on the Compensation Report	CNC		AGM (consultative)

The CNC meets as often as business requires but at least twice a year. In 2025, the CNC met four times, and all its members were present. After each meeting, the CNC Chair reports to the Board on Committee's activities. The minutes of the committee's meetings are available to the Board members. The CEO, the CFO and the SVP Global Human Resources may be invited to attend the CNC meeting in order to facilitate presentations and inform the CNC on specific activities, but are excluded from certain discussions. No member of the management attends the meetings or the part of the meetings in which their own performance or remuneration is discussed.

Role of external advisors

The CNC may decide to consult external advisors from time to time for specific compensation matters. In 2025, Compensation Governance Services AG ("CGSE") provided advice on specific executive compensation matters. CGSE does not have any other mandates with Kuros.

For governance-related information, please refer to the Corporate Governance Report.

Process of determination of Compensation/Benchmarking

The CNC periodically reviews the compensation policy, system and levels of the members of the Board and of the Executive Committee. The actual compensation of the Board is reviewed on a regular basis, typically every two to three years or more frequently when necessary, to ensure appropriateness with the workload, required competencies and company profile. The actual compensation of the Executive Committee is reviewed annually considering relevant market value for their role and their respective individual profile in terms of skills, experience and seniority. If appropriate, the CNC recommends changes to the Board.

To assist decision-making on the compensation of the Board and the Executive Committee, benchmarking studies are carried out periodically. The compensation for both the Board and the Executive Committee was last benchmarked in the reporting year.

Board Compensation Benchmarking

In 2025, the CNC evaluated the Board's compensation system and overall compensation level against a group of 15 companies listed on the SIX Swiss Exchange, comparable to Kuros in terms of size, industry and activities.

Kuros was positioned slightly above the median in terms of market capitalization. The companies included in the 2025 comparator group are listed below:

Aevis Victoria SA	Medmix Ltd
Basilea Pharmaceutica Ltd	Molecular Partners Ltd
COLTENE Holding Ltd.	PolyPeptide Group Ltd
Comet	Santhera Pharmaceuticals Holding Ltd
Galenica	Tecan Group Ltd.
Idorsia Ltd	Xlife Sciences Ltd.
Medacta Group Ltd	Ypsomed Holding Inc.
Medartis Holding AG	

The results of the analysis were taken into consideration in the proposal that was presented to the AGM 2025. This proposal included the simplification of the compensation system, as outlined in the "Compensation System for the Board of Directors' Office Term 2025/26" section.

Executive Committee Compensation Benchmarking

For comparative purposes, Kuros refers to external compensation studies conducted regularly by recognized providers in the countries where the respective Executive Committee members are based. These studies include the compensation data of companies active in life science and medical technology sectors, including both listed and privately held companies that are comparable with Kuros in terms of annual revenues, number of employees, and complexity in the relevant geographical markets. Consequently, there is no predefined global peer group of companies. Rather, the benchmark companies vary from country to country based on the database of the provider. The last benchmark analysis was conducted in 2025 by Mercer Switzerland Inc..

Clawback and Forfeiture of Compensation

The compensation of employees, members of the Executive Committee and members of the Board may be subject to forfeiture and clawback provisions based on contractual arrangements, the Restricted Share Unit Plan and applicable law.

Members of the Executive Committee and the Board may, in particular, be subject to repayment obligations pursuant to article 678 CO to the extent that they have received unjustified benefits from the Company. This may encompass cash and equity-based compensation if, and to the extent that, their grant or payment constitutes such an unjustified benefit. The repayment obligation is determined irrespective of whether the relevant compensation has been paid or remains outstanding and irrespective of its vesting status.

In addition, under the Restricted Share Unit Plan, equity awards that have not yet vested are generally forfeited upon termination of service, including cases of termination due to misconduct or a material breach of duties.

Compensation System for the Board of Directors' Office Term 2025/26

The compensation policy for the Board is designed to attract and retain experienced and skilled individuals for the Board. The compensation should ensure the Board’s independence in its supervisory capacity of the Executive Committee and the Company and be in an appropriate relation to the market.

The compensation payable to the members of the Board is subject to and within the bounds of approved total compensation by the AGM. It comprises a non-performance related cash compensation and Restricted Share Units (“RSUs”) under the Restricted Share Unit Plan. As from the office term 2025/26, the compensation system is simplified. The cash compensation consists of a fix retainer and committee fees, while additional payment for meeting attendance have been removed. Further, the value of RSUs granted is defined as a fixed monetary amount instead of being determined by a number for RSUs. This fixed amount is then converted into a corresponding number of RSUs based on the Fair Market Value at the date of grant.

The Company remunerates non-executive members of the Board only in respect of the employer's contributions to social insurance.

The executive Board members are paid for their respective executive function and do not receive any additional fees for their Board membership.

As from the term of office 2025/26, the compensation of the Board of Directors is structured as follows:

In TCHF	Basic fee	Committee fee[1]	RSU allocation
Chairperson	75	25	90
Board Member	45	10	55

[1] Amount per Committee

In TUSD	Basic fee	Committee fee[1]	RSU allocation
Chairperson	90.3	30.1	108.4
Board Member	54.2	12.0	66.2

[1] Amount per Committee

The cash compensation is paid twice a year, in February and July, for their service in the prior six months. Reasonable expenses incurred to attend meetings of the Board and its committees are reimbursed against receipt.

The RSUs are granted at the beginning of the term of office, after election by the AGM. The RSUs granted to the members of the Board in 2025 will vest after the completion of their first term of office, and the resulting shares will be subject to a two-year blocking period (2024: same schedule). The blocking period is waived in the case a Board member ceases to be a Board member. In case of a change of control, all RSUs vest immediately.

At the AGM 2025, the shareholders approved an increase to the basic fee from TCHF 30 to TCHF 45 for members of the Board and from TCHF 48 to TCHF 75 for the Chairman of the Board while additional payments for meeting attendance have been removed. The next benchmark analysis will be conducted in 2026.

2025 Compensation System for the Executive Committee

Basic principles of Executive Committee compensation

Kuros' compensation policy reflects its commitment to attract, motivate, and retain the best talent to support the achievement of the Company's strategic goals. It is designed to ensure that the total compensation package is fair and competitive. By combining short- and long-term incentive elements, the Board believes that the compensation policy is designed in a way that the interests of the top management are aligned with the interests of the Company and its shareholders. The compensation elements focus on rewarding outstanding and sustainable results without inappropriate risk-taking. Kuros' compensation system does not set any unintended enticements or contain any components that could be counterproductive to the objectives of the compensation system.

The CNC reviews regularly and monitors Kuros' compensation policy in light of its business strategy, corporate goals and values, to ensure the alignment of employee interests with those of the Company and the shareholders.

The compensation system for the executive members of the Board of Directors and the members of the Executive Committee provide for the following elements:

- an annual base salary
- a short term variable remuneration
- a long term incentive plan
- pension coverage and customary benefits

Annual Base Salary

The annual base salary for the members of the Executive Committee is paid in cash, in accordance with the Company's regular payroll schedule in the country of employment.

Short term variable remuneration

The short-term incentive ("STI") is a performance-related bonus delivered in cash, designed to support our growth trajectory. Each Executive Committee member is allocated a target STI expressed as a percentage of the base salary, corresponding to the amount to be paid if all performance objectives are met. Until and including business year 2024, the STI payout potential was capped at the target level. Considering the development of the business and in accordance with Kuros' pay-for-performance principle, the Board of Directors has approved a change to the STI plan design allowing for the rewarding of overachievement. For the business year 2025, the bonus payout opportunity ranges from 0% to 130% of the individual STI target for all Executive Committee members including the CEO.

The table below sets out the STI payout opportunity expressed as a percentage of the annual base salary:

	CEO	Other Executive Committee Members
Maximum STI Payout opportunity as % of the annual base salary	58.5%	39% - 58.5%
STI Target as % of the annual base salary	45.0%	30% - 45%
Minimum STI Payout opportunity as % of the annual base salary	—%	—%

At the beginning of the business year, the Board determines the balance scorecard including five financial and non-financial corporate goals applicable to the Group STI plan and assign a target to each goal. For the Executive Committee members, the Board selects the corporate goals that reflect the most critical performance drivers for the business year. The corporate goals applicable to the Executive Committee' STI for business year 2025 are presented below:

Corporate Goals	Customer	Corporate
Performance metric	Global Revenue	Adjusted group EBITDA
Weighting	50%	50%
Purpose	Reward for growing the business	Measure profitability
Measurement[1]	Total revenue from product sales recognized by the Group in accordance with IFRS, reflecting the amount invoiced to customers upon transfer of control of goods, and excluding collaboration or licensing income and any non-recurring or extraordinary items	Operating profit before depreciation, amortization, and impairment charges, adjusted to exclude one-time, non-cash, and non-recurring items not directly attributable to operational performance

[1] Definition for Global Revenue is the same as used in the financial statements (Note 5) and for Adjusted EBITDA it conforms with the Adjusted Performance Measure (APM)

The Board approves the minimum threshold, target, and maximum threshold for the respective performance objectives. For performance below the minimum, no STI bonus is paid, whereby on-target performance (budget) is rewarded with a 100% payout. In case of surpassing set targets, up to 130% of the STI Target can be paid. Linear interpolation applies between the minimum threshold, the target and the maximum threshold (cap).

Our target-setting approach is anchored in both absolute values and performance relative to the previous year, ensuring a comprehensive evaluation of progress. These targets are derived from the company's strategic business plan and are closely aligned with an ambitious budget, reflecting our commitment to driving growth and achieving sustainable success. Financial targets are consistent with the Group's financial reporting policies.

Long-term incentive plan ("LTI")

The long-term incentive plan ("LTI") is a share-based compensation program designed to incentivize long-term value creation, foster retention and align the interest of the Executive Committee with those of the shareholders. LTI awards are granted in the form of Stock Options and Restricted Share Units (“RSU”). The Board or, to the extent delegated to it, the CNC determines grant, exercise, and forfeiture conditions of the options and the RSU.

Each Executive Committee member is allocated a target LTI expressed as a percentage of the annual base salary. The LTI target is reviewed annually and amounts to 100% of the annual base salary for the CEO and ranges from 30% to 100% for the other Executive Committee members.

The LTI award is granted annually, after the AGM. At grant, 50% of the LTI target is converted in Stock Options and the other 50% is converted in RSUs at Fair Market Value at the time of the grant.

Stock-Options

Stock options are granted with an exercise price set at the average share price over the last three trading days of April and have a contractual term of five years. Stock options granted in 2025 are subject to a three-year vesting period: half of each grant vests on a service basis in three equal annual installments, while the other half is subject to a performance threshold linked to EBITDA and revenue growth to be achieved by the end of the 2027 financial year. Both performance thresholds must be achieved for this performance-based portion to vest; if they are not met, this portion lapses. For comparison, options granted in 2024 were subject to a four-year vesting period, with 25% vesting after one year and 6.25% vesting each quarter thereafter.

RSUs

The RSUs are subject to a three-year vesting period. Each RSU automatically converts into one ordinary Company share at the end of the vesting period. Half of each RSU grant vests on a service basis in three equal annual installments over the vesting period, while the remaining half is subject to a performance gate linked to EBITDA and revenue growth for the 2027 financial year. Both performance thresholds must be achieved by the end of the 2027 financial year for this performance-based portion to vest; if they are not met, this portion lapses.

Termination conditions

The unvested LTI awards forfeit upon termination of service, except in case of disability, illness, retirement or death. In such circumstances, the unvested awards that would have become vested over the twelve months following the participant's termination of service shall vest immediately and stock-options become exercisable on the last day of employment.

Any unvested options immediately lapse upon receipt of a notice of termination (regardless of which party gives notice).

Under the U.S. Stock Options and Equity Incentive Plan 2025, options that are vested and exercisable at that time and remain outstanding when the service relationship ends may generally be exercised for up to three months following termination, in any cases not beyond the original expiry date. In the event of death or disability, vested and exercisable options may generally be exercised for up to twelve months following termination. If a Participant’s service is terminated for cause, or if the Participant breaches post-contractual duties after termination in a manner that would have justified a termination for cause, all outstanding options (vested or unvested) terminate immediately and cease to be outstanding. Any unvested RSUs granted under the U.S. Stock Options and Equity Incentive Plan 2025 immediately lapse upon receipt of a notice of termination (regardless of which party gives notice). Any vested RSUs shall not be affected by the termination of service.

Under the Company's Stock Options Plan 2025 in place for non-US participants, vested options may be exercised during their liftetime, provided it is before the option's expiration date.

Pension and benefits

Members of the Executive Committee are subject to the standard terms and conditions for Kuros employees. They participate in the Company's pension plans of the country where they are employed. The pension plans conform to the legal requirements. Further, the Company may conclude life insurance policies on behalf of members of the Executive Committee and may pay a lump-sum allowance to cover business travel expenses in lieu of reimbursement of actual expenses against receipt.

Employment contracts

The contracts of employment of the Executive Committee members are concluded for an indefinite period and conform with the legislation where the respective Executive Committee member is employed. Contracts of employment may be terminated with six months' notice and may include post-employment non-compete clause for maximum 12 months following the termination of the employment contract.

Corporate Transaction / Change of control

Subject to the applicable stock option plan and the individual grant documentation (including any Grant Notice) and as determined by the Board, outstanding equity awards may, in connection with a Corporate Transaction, (i) fully vest and, where applicable, exercised and/or settled at or around closing, after which they will cease to be outstanding, or (ii) be repurchased or terminated by the Company (or a third party designated by the Company) against payment of consideration equivalent to the economic value of the award as determined by the Company.

During a change of control period, the employment agreement of Executive Committee members may be terminated by either party with a notice period of twelve months.

2025 Board of Directors and Executive Committee Compensation

As a result of transitioning our presentation currency from CHF to USD, all compensation disclosures are now presented in both currencies to enhance transparency for our international stakeholders.

Compensation awarded to the Board of Directors in 2025 (audited)

In 2025, the non-executive members of the Board received a total compensation of TCHF 569.9 (2024: TCHF 409.9) in the form of a retainer in cash of TCHF 166.4 (2024: TCHF 108.1), committee fees in cash of TCHF 105.2 (2024: TCHF 78.3), attendance fee in cash of TCHF 12.5 (2024: TCHF 47.5), social security contributions of TCHF 30.8 (2024: TCHF 20.0), and RSUs of TCHF 255.0 (2024: TCHF 156.0).

Board of Directors Compensation

in TCHF (gross)	Committee			Year	Fixed cash			Value of equity[5]	Social security	Total	Equity granted
	CNC[1]	ARC[2]	RDC[3]		Basic Fee	Committee fee	Attendance fee[4]	RSU allocation			Number of RSUs
Clemens van Blitterswijk	✪		▲	2025	67.3	29.6	5.0	90.0	10.5	202.4	4,061
Chairman	✪		▲	*2024*	*48.0*	*16.0*	*15.5*	*65.0*	*9.0*	*153.5*	*10,000*
Kimberley Elting [6]	▲	✪	✪	2025	32.2	18.5	—	55.0	3.8	109.5	2,482
Member				*2024*	—	—	—	—	—	—	—
Oliver Walker	✪	▲		2025	40.7	34.2	2.5	55.0	9.1	141.5	2,482
Member, CNC Chair	▲	✪		*2024*	*30.0*	*32.0*	*15.5*	*45.5*	*6.8*	*129.8*	*7,000*
Albert Arp [7]				2025	26.2	22.9	5.0	55.0	7.4	116.5	2,482
Member	✪	▲		*2024*	*21.3*	*22.7*	*12.0*	*45.5*	*4.2*	*105.7*	*7,000*
Prof. Dr. Joost de Bruijn [8]			✪	2025	—	—	—	—	—	—	—
Member			✪	*2024*	—	—	—	—	—	—	—
Chris Fair [8]				2025	—	—	—	—	—	—	—
Member				*2024*	—	—	—	—	—	—	—
Scott Bruder [9]				2025	—	—	—	—	—	—	—
Member		✪	▲	*2024*	*8.8*	*7.6*	*4.5*	—	—	*20.9*	—
Total				2025	166.4	105.2	12.5	255.0	30.8	569.9	11,507
				2024	*108.1*	*78.3*	*47.5*	*156.0*	*20.0*	*409.9*	*24,000*

in TUSD (gross, for reference)	Committee			Year	Fixed cash			Value of equity[5]	Social security	Total	Equity granted
	CNC[1]	ARC[2]	RDC[3]		Basic Fee	Committee fee	Attendance fee[4]	RSU allocation			Number of RSUs
Clemens van Blitterswijk	✪		▲	2025	81.0	35.6	6.0	108.4	12.6	243.7	4,061
Chairman	✪		▲	*2024*	*54.1*	*18.0*	*17.5*	*73.3*	*10.1*	*173.0*	*10,000*
Kimberley Elting [6]	▲	✪	✪	2025	38.8	22.3	—	66.2	4.6	131.8	2,482
Member				*2024*	—	—	—	—	—	—	—
Oliver Walker	✪	▲		2025	49.0	41.1	3.0	66.2	11.0	170.3	2,482
Member, CNC Chair	▲	✪		*2024*	*33.8*	*36.1*	*17.5*	*51.3*	*7.7*	*146.3*	*7,000*
Albert Arp [7]				2025	31.5	27.6	6.0	66.2	8.9	140.3	2,482
Member	✪	▲		*2024*	*24.0*	*25.6*	*13.5*	*51.3*	*4.7*	*119.1*	*7,000*
Prof. Dr. Joost de Bruijn[8]			✪	2025	—	—	—	—	—	—	—
Member			✪	*2024*	—	—	—	—	—	—	—
Chris Fair [8]				2025	—	—	—	—	—	—	—
Member				*2024*	—	—	—	—	—	—	—
Scott Bruder [9]				2025	—	—	—	—	—	—	—
Member		✪	▲	*2024*	*9.9*	*8.6*	*5.1*	—	—	*23.6*	—
Total				2025	200.4	126.6	15.1	307.0	37.1	686.2	11,507
				2024	*121.8*	*88.3*	*53.5*	*175.8*	*22.5*	*462.0*	*24,000*

▲ Chair as of December 31

✪ Member as of December 31

[1] Compensation & Nomination Committee

[2] Audit & Risk Committee

[3] Research & Development Committee

[4] Attendance fees were discontinued for the term of office 2025/26. The last payment was made in February 2025 as the second installment for the office term 2024/25

[5] The value of the equity allocated reflects the number of RSUs granted on April 30, 2025 for the term of office 2025 - 2026 and on April 30, 2024 for the term of office 2024 - 2025 respectively, at Fair Market Value (FMV). For the grant of April 30, 2024, the FMV is CHF 6.50 and for the grant of April 30, 2025 the FMV is CHF 22.16.

[6] Term as member of the Board started on April 15, 2025

[7] Term as member of the Board ended on September 4, 2025

[8] The compensation paid to Prof. Dr. de Bruijn and to Mr. Fair for 2025 and 2024 respectively is disclosed with the Executive Committee compensation

[9] Term as member of the Board ended on April 17, 2024. In 2023, the Group entered into consultancy agreements with Bruder Consulting & Venture Group, a company which Dr. Scott Bruder, a Board Member of the Group, is the ultimate owner. The consultancy fees paid to Dr. Bruder until the end of his term of office in 2024 amounted to TCHF 24.

The fixed cash remuneration paid and the number of RSUs granted in 2025 reflects the amounts approved by the AGM 2025 and 2024 respectively. Overall, the total compensation delivered to the Board of Directors in the reporting year 2025 increased by 39% compared to previous reporting year. This is mainly due to the election of an additional independent member at the AGM 2025 and the increase to the basic fee for the Chairman.

The compensation disclosed in the Compensation Report always includes the respective calendar year (January to December). However, shareholders approve the compensation to be paid for the period between Annual General Meetings. The compensation paid for the periods between Annual General Meetings is disclosed below, including a comparison with the compensation amount approved by the shareholders.

At the AGM on April 17, 2024, shareholders approved a maximum amount of compensation of (i) CHF 350,000 and (ii) 30,000 Restricted Stock Units for the period until the AGM 2025. The compensation effectively paid for the term of office 2024 to 2025 amounts to (i) CHF 254,400 and (ii) 24,000 Restricted Stock Units and is in the limit approved by the shareholders.

At the AGM on April 15, 2025, shareholders approved a maximum aggregate compensation of CHF 685,000 for the Board of Directors for the period until the next AGM. As clarified at the AGM, although the Board comprised six members, only four are eligible for Board compensation because the others are company employees. The compensation effectively paid for the portion of this term covered by this Compensation Report (April 15, 2025 to December 31, 2025), together with the compensation accrued for the remaining period up to the AGM 2026, is within the shareholder-approved limit. A conclusive assessment for the entire term will be presented in the Compensation Report 2026.

In accordance with Art. 42 of Articles of Association, the members of the Board of Directors may not be granted loans, credits or securities. Hence, no member of the Board of Directors was granted a loan or a credit during the reporting year and no loans were outstanding at the end of the reporting year.

Shareholdings, options and Restricted Share Units ("RSUs") of members of the Board of Directors (audited)

Detailed information on the number of shares, options and RSUs held by individual members of the Board of Directors as of December 31, 2025 and December 31, 2024 is provided below:

	December 31, 2025		December 31, 2024	
Name	Shares	RSUs	Shares	RSUs
Clemens van Blitterswijk Chairman	257,182	14,728	330,432	20,667
Kimberley Elting [1] Member	—	2,482	—	—
Albert Arp [2] Member	—	—	98,350	7,000
Oliver Walker Member	20,375	9,149	11,375	13,667
Scott Bruder [3] Member	—	—	—	—
Total Board of Directors	277,557	26,359	440,157	41,334

[1] Term as member of the Board started on April 15, 2025
[2] Term as member of the Board ended on September 4, 2025
[3] Term as member of the Board ended on April 17, 2024

Compensation paid to the Executive Committee in 2025 (audited)

For 2025, the members of the Executive Committee received a total compensation of TCHF 3,076.3 (2024: TCHF 7,240.3). This amount comprises fixed salaries of TCHF 1,220.6 (2024: TCHF 1,194.4), variable annual bonus of TCHF 637.9 (2024: TCHF 478.5), long-term incentives of TCHF 818.2 (2024: TCHF 5,206.9) and contributions to social security and benefits of TCHF 399.6 (2024: TCHF 360.5).

The highest paid individual in 2025 and 2024 was Chris Fair, CEO.

in TCHF (gross)	Year	Fixed base salary	Short-term variable bonus	Long-term incentive [1]		Social security and benefits [3]	Total	RSUs and options granted	
				RSUs[2]	Options			Number of RSUs	Number of options
Chris Fair - CEO	2025	412.4	213.4	206.7	206.7	83.0	1,122.2	8,087	15,759
	2024	*399.3*	*179.7*	*2,978.1*	*207.2*	*145.6*	*3,909.9*	*393,140*	*56,578*
Other EC Members [4]	2025	808.2	424.5	202.4	202.4	316.6	1,954.1	7,920	15,433
	2024	*795.1*	*298.8*	*1,182.3*	*839.3*	*214.9*	*3,330.4*	*158,802*	*229,207*
Total	2025	1,220.6	637.9	409.1	409.1	399.6	3,076.3	16,007	31,192
	2024	*1,194.4*	*478.5*	*4,160.4*	*1,046.5*	*360.5*	*7,240.3*	*551,942*	*285,785*

in TUSD (gross, for reference)	Year	Fixed base salary	Short-term variable bonus	Long-term incentive[1]		Social security and benefits [3]	Total	RSUs and options granted	
				RSUs[2]	Options			Number of RSUs	Number of options
Chris Fair - CEO	2025	496.6	257.0	248.9	248.9	99.9	1,351.3	8,087	15,759
	2024	*450.0*	*202.5*	*3,356.6*	*233.5*	*164.1*	*4,406.7*	*393,140*	*56,578*
Other EC Members [4]	2025	973.2	511.2	243.8	243.8	381.2	2,353.2	7,920	15,433
	2024	*896.2*	*336.8*	*1,332.6*	*946.0*	*242.1*	*3,753.7*	*158,802*	*229,207*
Total	2025	1,469.8	768.2	492.7	492.7	481.1	3,704.5	16,007	31,192
	2024	*1,346.2*	*539.3*	*4,689.2*	*1,179.5*	*406.2*	*8,160.4*	*551,942*	*285,785*

[1] Grant value of the LTI in the reporting year. The grant value is based on the Fair Market Value for the RSUs and the Black-Scholes valuation for stock options, as disclosed in the section LTI granted to the members of the Executive Committee in 2025 and 2024.

[2] The value of the RSUs reported for 2024 includes the value of the 361,265 RSUs granted to the CEO in 2023 and approved by the shareholders at the AGM on 17 April 2024, and the one-time award of 150,000 RSUs to Prof. Dr. Joost de Bruijn. of which 21,737 RSUs were granted unconditionally in 2023 and 128,263 RSUs were granted in 2024 after approval by shareholders at the 2024 AGM. These conditionally granted RSUs are included in the 2024 compensation.

[3] Include employer contributions to social security, pension and expenses allowance paid or accrued at fair value

[4] Including Prof. Dr. Joost de Bruijn

Explanatory comments to the compensation table:

- There were four members in the Executive Committee in 2025, all of whom served for the full year. This compares to four members in 2024, of whom all served on a full-year basis.
- The total fixed compensation increased by 2% overall compared to the prior year, consistent with the fixed remuneration approved by the AGM in April 2024 for the current fiscal year. This increase is also in line with the salary adjustments provided to all employees.
- The Short-term variable bonus paid is overall 33% higher compared to previous year, reflecting the performance achieved in 2025. Further details on the performance achieved in 2025 are provided below in the section “Performance in 2025”. The variable compensation amounted to 51.8% of the annual base

salary for the CEO and to 34.5% to 51.8% of the annual base salary for the other members of the Executive Committee and is within the limit approved by the AGM 2025.

- The value of the LTI grants awarded in 2025 is substantially lower than the value of the grants awarded in 2024 and reflects the annual LTI grant approved at the AGM 2025. No off-cycle grant was awarded during the reporting year. The parameters of the RSUs and Stock-Options granted in 2025 and 2024 respectively are provided in the section "LTI granted to the members of the Executive Committee in 2025 and 2024". The LTI grants awarded amount to 100% of the annual base salary for the CEO and to 50% of the annual base salary for the other members of the Executive Committee.

Performance in 2025 (not audited)

In 2025, the Company achieved strong performance. Overall, the corporate goals were met, some even overachieved. Total Medical Device sales reached USD 146 million, representing a year-over-year increase of 72% and for the first time in its history, Kuros achieved operating profitability in the third quarter. This success was supported by an adjusted EBITDA of USD 20 million and a net profit of USD2.6 million. After surpassing the cash flow break-even point last year, the company has continued to fund its organic growth independently.

Consequently, the Board approved a bonus payment of 115% for all Executive Committee members, including the CEO.

Corporate Goals	Customer	Corporate
Performance metric	Global Revenue	Adjusted group EBITDA
Weighting	50%	50%
Performance achievement	103%	127%

The Corporate Goals and performance metrics are defined in the section Short term variable remuneration of this report. The performance achievement is calculated based on the financial results disclosed in the Financial Report.

LTI granted to the members of the Executive Committee in 2025 and 2024 (not audited)

The tables below summarize the parameters of the RSUs and Stock Options granted to the Executive Committee in 2025, under the Long-Term Incentive plan.

RSUs granted to the Executive Committee in 2025 and 2024

	Grant 2025	Grant 2024	
Grant date	April 30, 2025	April 30, 2024	April 17, 2024
Share price at grant [1]	CHF 25.56	CHF 6.50	CHF 7.67
Vesting period [2]	3 years	3 years	3 years
Number of RSUs granted			
Chris Fair	8,087	31,875	361,265
Other EC Members	7,920	30,539	128,263
Total number of RSUs granted	**16,007**	**62,414**	**489,528**

[1] Grant date April 30, 2025 and 2024: The Fair Market Value corresponding to the Volume Weighted Average Price (VWAP) of the shares on the last three trading days of April

Grant date April 17, 2024: The share price on the date of grant

[2] Grant date April 30, 2025: 50% vest annually over 3 years, 50% vest upon the achievement of predefined financial targets

Grand date April 30, 2024: cliff vesting in 3 years

Grant date April 17, 2024: For the one-time grants made respectively to Mr. Fair and Prof. Dr. de Bruijn, the following vesting conditions apply: Of the 361,265 RSUs granted to Mr. Fair on April 17, 2024, 247,254 RSUs are subject to performance conditions and vest over 3 years depending on target achievement and 114,011 RSUs vested upon grant. 128,263 RSUs granted to Prof. Dr. de Bruijn vest quarterly over 3 years

Stock Options granted to the Executive Committee in 2025 and 2024

Grant date	Grant 2025	Grant 2024
	April 30, 2025	April 30, 2024
Exercise price [1]	CHF 25.56	CHF 6.50
Fair value (Black-Scholes)	CHF 13.12	CHF 3.66
Expiry date	April 30, 2029	April 30, 2029
Number of options granted		
Chris Fair	15,759	56,578
Other EC Members	15,433	229,207
Total number of options granted	31,192	285,785

[1] Grant date April 30, 2025: The Volume Weighted Average Price (VWAP) of the shares on the last three trading days of April
Grant date April 30, 2024: Closing price of the shares on the grant date

Shareholdings, options and Restricted Share Units ("RSUs") of members of the Executive Committee (audited)

Detailed information on the number of shares, options and RSUs held by individual members of the Executive Committee as of December 31, 2025 and December 31, 2024 is provided below:

Name	December 31, 2025			December 31, 2024		
	Shares	Options	RSUs	Shares	Options	RSUs
Chris Fair	28,202	554,444	222,926	—	538,685	403,041
Joost de Bruijn	325,276	314,126	180,023	445,486	304,410	271,494
Daniel Geiger	—	139,665	46,605	—	220,584	44,511
Sjoerd Musters	960	58,456	3,882	—	90,670	12,002
Total Executive Committee	**354,438**	**1,066,691**	**453,436**	**445,486**	**1,154,349**	**731,048**

In accordance with Art. 42 of Articles of Association, the members of the Executive Committee may not be granted loans, credits or securities. Hence, no member of the Executive Committee was granted a loan or a credit during the reporting year and no loans were outstanding at the end of the reporting year.

Activities of the Board of Directors and the Executive Committee at other companies in 2025 and 2024 (audited)

Activities of the Board of Directors at other companies 2025

Name, Position	Other significant engagement as of December 31, 2025
Clemens van Blitterswijk, PhD Chairman	Professor at Maastricht University
Kimberley Elting Member	None
Oliver Walker, MBA Member	Managing Partner and CEO of CGS Management AG Chairman of the Advisory Board of EOL Packaging Experts Group Chairman of the Advisory Board of Photonics Systems Group Chairman of Carpio Partners AG Chairman of Cireva AG Board Member of Nexilis AG
Albert Arp Former member	CEO and Executive Board Member of Optisport

Activities of the Board of Directors at other companies 2024

Name, Position	Other significant engagement as of December 31, 2024
Clemens van Blitterswijk, PhD Chairman	Professor at Maastricht University
Scott Bruder, MD Member	CEO of Bruder Consulting & Venture Group
Oliver Walker, MBA Member	Managing Partner of CGS Management AG Chairman of the Advisory Board of EOL Packaging Experts Group Chairman of the Advisory Board of Photonics Systems Group Chairman of Carpio Partners AG Chairman of Cireva AG Board Member of Nexilis AG Lead member of the Advisory Board of Shopgate GmbH Partner of Sereviso/ Entech SPA AG
Albert Arp Member	Significant shareholder and executive board member of Heart for Health ICT BV

Activities of the Executive Committee at other companies 2025

Name, Position	Other significant engagement as of December 31,2025
Chris Fair CEO	Member of the Advisory Board of Georgia Institute of Technology
Joost de Bruijn, PhD Executive Director and President, Innovation & Technology	Member of the Scientific Advisory Board of Mechano Therapeutics LLC Professor of Biomaterials at Queen Mary University of London, UK Member of the AO Technology Transfer Board (AO Foundation)
Daniel Geiger CFO	Senior Business Consultant of Hoffmann & Partner AG
Sjoerd Musters COO	None

Activities of the Executive Committee at other companies 2024

Name, Position	Other significant engagement as of December 31,2024
Chris Fair CEO	Member of the Advisory Board of Georgia Institute of Technology
Joost de Bruijn, PhD Executive Director and President, Innovation & Technology	Member of the Scientific Advisory Board of Mechano Therapeutics LLC Professor of Biomaterials at Queen Mary University of London, UK
Daniel Geiger CFO	Senior Business Consultant of Hoffmann & Partner AG
Sjoerd Musters COO	None

Gender guidelines

Our company is dedicated to fostering gender diversity within both our Board of Directors and our Executive Committee. As of December 31, 2025, our Board of Directors comprises five members, of whom one is female and our Executive Committee comprises four members, all of whom are male. The Company is not subject to the Swiss legal requirement which for larger companies mandate a 30% of the less represented gender on the Board; and (starting January 1, 2031) 20% of the less represented gender representation on the Executive Committee. Should the Company become subject to the applicable statutory gender representation targets for the Board of Directors and the Executive Committee and not meet those thresholds, it will provide the required disclosure in the Compensation Report, explaining the reasons and outlining the measures initiated to strengthen representation of the underrepresented gender.

Report of the statutory auditor to the General Meeting of Kuros Biosciences AG, Schlieren

Opinion

We have audited the compensation report of Kuros Biosciences AG (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables marked 'audited' on pages 73 to 79 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report (pages 73 to 79) complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the compensation report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the compensation report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Thomas Ebinger Licensed audit expert Auditor in charge	Alexandra Wittwer Licensed audit expert

Basel, 9 March 2026

Financial Report **2025**

Financial Report 2025

Financial performance and results of operations (IFRS)

Financial overview – Revenue from product sales increased by 72%

In 2025, Kuros recognized revenues from product sales of USD 146.1 million (2024: USD 85.2 million) and increased its revenues by 72%. Cost of goods sold amounted to USD 18.6 million (2024: USD 15.2 million) of which USD 1.9 million (2024: USD 1.9 million) relate to the amortization of capitalized research & development costs.

Financial position and other assets

Cash and cash equivalents amounted to USD 19.8 million. Funds available (including trade and other receivables) for financing the operations of Kuros amounted to USD 60.0 million as of December 31, 2025. This is an increase of USD 22.5 million from USD 37.5 million as of December 31, 2024. The increase is mainly driven by higher operating cash flow from increased revenue.

As of December 31, 2025, total intangible assets amounted to USD 16.6 million (2024: USD 16.4 million) and goodwill amounted to USD 24.3 million (2024: USD 21.3 million).

Operating profit

Net operating costs from continuing operations amounted to USD 118.5 million, compared to USD 75.5 million in the prior year. Sales and marketing costs increased from USD 50.7 million in 2024 to USD 84.5 million in 2025, primarily driven by an expanded sales force and higher sales and distribution expenses, reflecting the growth in commercial activities (see note 7). Research and development costs increased from USD 7.9 million in 2024 to USD 10.7 million in 2025. This is primarily driven by increased R&D activities, clinical trial expenditures, and higher personnel expenses due to an increase in headcount and share-based compensation. General and administrative costs increased from USD 17.1 million in 2024 to USD 23.5 million in 2025. The increase was mainly driven by the scaling up of back-office functions and building the digital infrastructure to support business growth. Additionally, higher personnel expenses, resulting from increased headcount contributed to the overall cost increase. Other income amounted to USD 0.1 million (2024: USD 0.1 million).

In prior years, the Group explored drug-based orthobiologic development, namely Fibrin-PTH. Following an interim analysis and the superior clinical outcomes observed with MagnetOs™, the Group decided in December 2023 not to advance Fibrin-PTH to Phase 3. All operations related to Fibrin-PTH have ceased by the end of 2024, resulting in the classification of Fibrin-PTH as a discontinued operation. In 2025, income related to discontinued operation totaled TUSD 89 (2024: loss of TUSD (647)).

Net finance costs

Net finance costs amounted to USD 3.9 million which mainly comprised of net unrealized exchange loss of USD 3.8 million. (2024: net finance income of USD 1.9 million, which mainly comprised of net unrealized exchange gain of USD 1.6 million).

Alternative Key Performance Measurements ("APMs")

Financial measures presented in the financial information of Kuros which do not inhere a definition by the International Financial Reporting Standards ("IFRS") are so called alternative key performance measures ("APMs"). Kuros uses such financial measures to provide valuable supplementary information to investors, stakeholders, and the Group's key decision makers as they enable an assessment of relevant trends of the Group's performance. These financial measures should not be regarded as substitutes for measures defined in the IFRS framework. These APMs can differ in methods for calculation and definition of other companies. Therefore, such APMs are not limited to direct benchmarking of other companies. The definition and calculation method of APM's used by Kuros are as follows:

Constant Currency ("CCY") and cash generation/burn per month

In prior periods, the Group applied current-period average exchange rates to prior-period revenue figures to present comparable results in order to assess the period-over-period evolution of financial indicators without the impact of foreign currency fluctuations. Following the change in presentation currency from CHF to USD, and given that the majority of revenues were always denominated in USD, the impact of foreign currency translation on the revenue has become less relevant. As a result, the Group has discontinued the presentation of constant currency comparisons.

Effective in 2025, the Group discontinues the APM 'Cash generation/burn per month'. Management considers that the IFRS measure *Net cash from operating activities*, as presented in the consolidated statement of cash flows, provides sufficient transparency for stakeholder. This change is intended to enhance comparability and eliminate duplicative disclosures.

EBITDA and adjusted EBITDA

EBITDA definition: The adjusted operating profit/ loss disclosed in our financial highlights and our segment disclosures in note 6 of the consolidated financial statements is provided to assess the underlying financial and operational performance of the Group by segment line excluding the influence of items not directly attributable to operational performance. EBITDA represents the operating profit/loss excluding:

- Amortization charge on intangible assets and depreciation charge on plant and equipment and right-of-use assets
- Impairment loss on intangible assets, plant and equipment and right-of-use assets (if any)
- Impairment loss on goodwill (if any)

Adjusted EBITDA definition: Adjusted EBITDA is used to evaluate the core financial and operational performance run rate of the Group by excluding non-cash expenses as well as expenses that are either one-off or not expected to recur. Adjusted EBITDA represents the EBITDA excluding:

- Research and development costs incurred to complete phase 2a of Fibrin-PTH (KUR-113) (discontinued operation)
- Recurring and one-time, non-recurring share-based compensation expenses related to the transition of responsibilities within the Executive Committee that occurred in October 2023
- Social security contributions related to share-based compensation
- Import duties on products imported from the U.S. which are recognized as cost of goods sold when the products are sold to the end customer. The Group is building a production facility in the US, expected to be operational in the second half of 2026. Once operational, the Group anticipates a significant reduction in US customs duties

The EBITDA is calculated as follows:

In TUSD, year ended December 31	2025	2024
Operating profit/ (loss) from continuing operations	8,949	(5,630)
Profit/ (loss) from discontinued operation, net of tax	89	(647)
Total operating profit/ (loss)	**9,038**	**(6,277)**
Amortization and depreciation expenses	3,372	2,971
Impairment expenses	—	5,750
EBITDA	**12,410**	**2,444**
Research and development costs - Fibrin-PTH phase 2a	(89)	647
Recurring share-based compensation	3,080	2,158
One-time share-based compensation	1,124	3,621
Social security contributions of share-based compensation	1,125	1,257
Import duties as part of the cost of goods sold	1,954	—
Adjusted EBITDA	**19,604**	**10,127**

Consolidated Financial Statements **2025**

Consolidated income statement

in TUSD, IFRS, year ended December 31	Note	2025	2024 Restated *
Continuing operations			
Revenue from product sales	5	146,058	85,159
Revenue		**146,058**	**85,159**
Cost of goods sold	7	(18,610)	(15,243)
Gross profit		**127,448**	**69,916**
Sales and marketing costs	7	(84,478)	(50,679)
Research and development costs	7	(10,671)	(7,872)
General and administrative costs	7	(23,476)	(17,128)
Other income	7	126	133
Net operating costs		**(118,499)**	**(75,546)**
Operating profit/ (loss)		**8,949**	**(5,630)**
Finance income		2,859	3,247
Finance expense		(6,793)	(1,388)
Net finance result	28	**(3,934)**	**1,859**
Profit/ (loss) before tax		**5,015**	**(3,771)**
Income taxes	9	(2,553)	(417)
Net profit/ (loss) from continuing operations		**2,462**	**(4,188)**
Discontinued operation			
Profit/ (loss) from discontinued operation, net of tax	29	89	(647)
Net profit/ (loss) for the period		**2,551**	**(4,835)**
Earnings/ (net loss) per share for profit or loss from continuing operations attributable to the ordinary equity holders of the company			
Basic (in USD)	10	0.06	(0.11)
Diluted (in USD)	10	0.06	(0.11)
Earnings/ (net loss) per share for profit or loss attributable to the ordinary equity holders of the company			
Basic (in USD)	10	0.07	(0.13)
Diluted (in USD)	10	0.06	(0.13)

See accompanying notes, which are an integral part of these consolidated financial statements.

* Please refer to note 1 for information related to the restatement

Consolidated statement of comprehensive income

in TUSD, IFRS, year ended December 31	Note	2025	2024 Restated *
Net profit/ (loss)		**2,551**	**(4,835)**
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations	22	523	(163)
Tax effects		(101)	31
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising during the year		10,699	(5,194)
Other comprehensive income/ (loss)		**11,121**	**(5,326)**
Total comprehensive income/ (loss)		**13,672**	**(10,161)**

See accompanying notes, which are an integral part of these consolidated financial statements.

* Please refer to note 1 for information related to the restatement

Consolidated balance sheet

in TUSD, IFRS, as of December 31	Note	2025	2024 Restated *
Non-current assets:			
Property and equipment	11	3,645	1,655
Right-of-use assets	12	1,034	1,660
Intangible assets	13	16,593	16,439
Goodwill	13,14	24,296	21,309
Defined benefit asset	22	324	—
Deferred tax assets	9	5,317	2,563
Total non-current assets		**51,209**	**43,626**
Current assets:			
Inventories	15	21,354	10,355
Prepayments and other assets	16	1,347	1,261
Trade receivables	17	30,213	14,688
Other receivables	17	9,983	3,010
Cash and cash equivalents	18	19,769	19,762
Total current assets		**82,666**	**49,076**
Total assets		**133,875**	**92,702**
Shareholders' equity:			
Share capital	20	3,229	3,074
Share premium	20	66,872	64,842
Other reserves	20	31,762	27,559
Accumulated loss		(17,382)	(31,054)
Total shareholders' equity		**84,481**	**64,421**
Non-current liabilities:			
Pension liabilities	22	—	154
Deferred tax liabilities	9	2,935	363
Non-current lease liabilities	12	737	1,386
Financial liabilities from collaborations	25	3,580	3,460
Total non-current liabilities		**7,252**	**5,363**
Current liabilities:			
Current lease liabilities	12	653	580
Provisions	23	500	—
Accrued expenses	24	27,179	14,758
Trade and other payables		13,810	7,580
Total current liabilities		**42,142**	**22,918**
Total shareholders' equity and liabilities		**133,875**	**92,702**

See accompanying notes, which are an integral part of these consolidated financial statements.

* Please refer to note 1 for information related to the restatement

Consolidated statement of cash flows

in TUSD, IFRS, year ended December 31	Note	2025	2024 Restated *
Cash flows from operating activities:			
Profit/ (loss) before tax from continuing operations		5,015	(3,771)
Profit/ (loss) before tax from discontinued operation	29	89	(647)
Profit/ (loss) before tax		5,104	(4,418)
Adjustments to reconcile profit before tax to cash generated from operations before changes in operating assets and liabilities:			
Reversal of non-cash items and other adjustments	19	11,906	13,071
Cash generated from operations before changes in operating assets and liabilities		**17,010**	**8,653**
Increase in operating assets and liabilities	19	(15,744)	(4,202)
Cash flows from operations after changes in operating assets and liabilities		**1,266**	**4,451**
Interest received		38	94
Interest paid		(162)	(27)
Income tax paid		(1,597)	(978)
Net cash (used in)/ from operating activities		**(455)**	**3,540**
Cash flows from investing activities:			
Purchase of plant and equipment	11	(2,439)	(1,234)
Purchase of intangible assets	13	—	(19)
Net cash used in investing activities		**(2,439)**	**(1,253)**
Cash flows from financing activities:			
Proceeds from treasury share sales	20	—	19
Proceeds from exercise of share options	20	2,185	2,168
Principal elements of lease payments	12	(777)	(681)
Net cash from financing activities		**1,408**	**1,506**
Cash and cash equivalents, at the beginning of the year		19,762	16,689
Net change in cash and cash equivalents		(1,486)	3,793
Net effect of currency translation on cash		1,493	(720)
Cash and cash equivalents, at the end of the periods	**18**	**19,769**	**19,762**

See accompanying notes, which are an integral part of these consolidated financial statements.

* Please refer to note 1 for information related to the restatement

Consolidated statement of change in shareholders´ equity

in TUSD, IFRS	Note	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings/ accumulated loss	Translation Differences	Total
January 1, 2024 Restated *		**2,952**	**65,086**	**(19)**	**21,780**	**(38,084)**	**14,901**	**66,616**
Loss for the period		—	—	—	—	(4,835)	—	**(4,835)**
Other comprehensive income		—	—	—	—	(132)	(5,194)	**(5,326)**
Treasury shares allocated for option exercised	20	—	—	19	—	—	—	**19**
Appropriation of accumulated loss	20	—	(2,290)	—	—	2,290	—	**—**
Exercise of share options	20	122	2,046	—	—	—	—	**2,168**
Share based payment	21	—	—	—	5,779	—	—	**5,779**
December 31, 2024 Restated *		**3,074**	**64,842**	**—**	**27,559**	**(40,761)**	**9,707**	**64,421**
January 1, 2025		**3,074**	**64,842**	**—**	**27,559**	**(40,761)**	**9,707**	**64,421**
Profit for the period		—	—	—	—	2,551	—	**2,551**
Other comprehensive income		—	—	—	—	422	10,699	**11,121**
Exercise of share options	20	155	2,030	—	—	—	—	**2,185**
Share based payment	21	—	—	—	4,203	—	—	**4,203**
December 31, 2025		**3,229**	**66,872**	**—**	**31,762**	**(37,788)**	**20,406**	**84,481**

See accompanying notes, which are an integral part of these consolidated financial statements.

* Please refer to note 1 for information related to the restatement

Notes

1. General information

The consolidated financial statements of Kuros Biosciences AG (henceforth called "Company") and its subsidiaries (collectively referred to as "Kuros" or "Group") for the year ended December 31, 2025 were authorized for publication in accordance with a resolution of the Board of Directors ("Board") on March 9, 2026.

The company is a stock corporation, incorporated and domiciled in Switzerland, with its shares publicly traded on the SIX Swiss Exchange ("SIX") under the valor symbol: KURN. The registered office is located at Wagistrasse 25, 8952 Schlieren, Switzerland. The Group is engaged in the commercialization and development of innovative biologic technologies for musculoskeletal care.

As of December 31, 2025, Kuros Biosciences AG, the parent company of the Group, owns the following subsidiaries:

Name of entity	Place of business	Ownership held		Share Capital	
		2025	2024	2025	2024
Kuros Biosciences B.V.	Bilthoven, The Netherlands	100%	100%	EUR 18,000	EUR 18,000
RevisOs B.V.	Bilthoven, The Netherlands	100%	100%	EUR 22,000	EUR 22,000
Kuros Biosciences USA, Inc.	Atlanta (GA), United States	100%	100%	USD 1	USD 1
Kuros US LLC	Delaware, United States	100%	100%	—	—
Kuros US Royalty Fund (US) LLC	Delaware, United States	100%	100%	—	—

In 2025, there were no changes to the Group's subsidiaries and ownership percentages. The Group structure remained unchanged throughout the year.

As of December 31, 2025, the Group employed 178 employees (2024: 122 employees).

Basis of preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the IASB (IFRS Accounting Standards). The accounting policies set forth below have been consistently applied to all years presented.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3 "Critical accounting estimates and judgments."

The consolidated financial statements are presented in United States Dollars (USD) and values are rounded to the nearest thousand (TUSD), except when otherwise indicated.

For further details regarding the change in presentation currency from Swiss Francs (CHF) to United States Dollars (USD), please refer to the section 'Changes in accounting policies - change in presentation currency'.

Uncertainties and ability to continue operations (going concern)

Profitability, operational cash flow and sources of funds

MagnetOs^{TM}, the Group's lead technology, has demonstrated strong clinical outcomes and continues to gain regulatory approvals and commercial traction. With an expanded global footprint and hospital approvals, the Group is well-positioned to grow both revenue and market share.

In 2025, the Group reached an important milestone by transitioning into a net profit position for the first time, reflecting the successful execution of its strategic initiatives and ongoing improvements in operational efficiency.

Throughout the year, the Group generated operating cash flow that was sufficient to substantially finance its organic growth, investments in working capital and capital expenditures. To mitigate potential impact of external factors such as geopolitical uncertainties, the Group has proactively implemented mitigation measures including adapting its supply chain and establishing a new production footprint in the U.S., aimed at reducing long-term exposure to tariff volatility.

Despite these efforts, external influences such as prevailing market conditions, operational performance, and geopolitical developments may still affect the Group's liquidity position and could potentially necessitate additional external financing, ensuring the Group's continued growth and stability.

Product pipeline and clinical trials

The Group's product pipeline is centered on advanced bone graft substitutes that offer strong commercial potential in high-growth markets. MagnetOs, the Group's lead technology platform, is an orthobiologic with a unique, sub-micron needle-like surface structure that has demonstrated strong clinical performance backed by published, Level-1 evidence.

In 2025, the Group continued to advance its portfolio around MagnetOs, and commenced the full commercial launch of the MagnetOs MIS Delivery System in the U.S. following FDA clearance. Throughout the year, the Group further expanded regulatory approvals and commercial clearances for MagnetOs across key markets.

These advancement, along with the published clinical evidence, enhance the Group's competitive position, supporting market penetration, revenue growth, and long-term sustainability.

License agreements, royalties, and commercial milestones

Kuros licensed its product candidate CYT003, and the related VLP technology, to Checkmate Pharmaceuticals (now part of Regeneron Pharmaceuticals) under a 2015 license agreement. Checkmate is investigating CMP-001, now known as vidutolimod, as an add-on therapy to checkpoint inhibitor immunotherapies for cancer treatment. Under this license agreement, the Group is eligible for pre-commercial milestone payments and royalties on future sales. To date, this agreement has generated significant milestone payments, including USD 6 million (CHF 5.5 million) in 2021.

In July 2021, XOMA Corporation acquired a portion of the potential future pre-commercial milestone payments and all royalties due under this license agreement with Checkmate. Under the Royalty Purchase Agreement, the Group received an initial payment of USD 7 million (CHF 6.4 million) from XOMA. The Group retains the right to receive up to USD 21.3 million in pre-commercial milestones from Checkmate and is eligible to receive up to USD 142.5 million in sales milestones from XOMA.

Following Checkmate's acquisition by Regeneron Pharmaceuticals in May 2022, the Group received a USD 5 million change-of-control milestone payment, and has paid half of it to XOMA as per the Royalty Purchase Agreement. Following the acquisition of Checkmate, Regeneron has closed the enrollment in the ongoing phase 2 and phase 2/3 study in melanoma and is elaborating its own clinical development strategy.

Considering the Group's cash and cash equivalents, its debt-free position, in combination with the product pipeline and revenue outlook, the Board and the Executive Committee believe that it is appropriate to prepare these financial statements on a going concern basis in accordance with IAS 1 "Presentation of Financial Statements".

Changes in accounting policies - change in presentation currency

With effect from January 1, 2025, the Group changed its presentation currency from Swiss Francs (CHF) to US Dollars (USD). Given that a substantial portion of the Group's revenues and expenses are denominated in USD, Management believes that the change in presentation currency will improve transparency and comparability.

Following this change in accounting policy and in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", the comparatives in the consolidated financial statements have been restated from CHF into USD using the following methodology:

- Assets and liabilities were translated into USD at the closing exchange rates prevailing at the respective balance sheet dates.
- Income and expense items were translated into USD at average exchange rates for the relevant periods for practical reasons, as the average rate is a reasonable approximation of the exchange rates at the dates of the transactions over the period.
- Share capital, share premium and other reserves were translated into USD at historical exchange rates prevailing at the dates of the relevant transactions; and resulting exchange differences were recognized in other comprehensive income and accumulated in equity within the currency translation reserve.

This change in the Group's presentation currency does not affect the functional currencies of any of the Group's entities, which remain unchanged.

New accounting standards and IFRIC interpretations

The Group applied all new or amended IFRS Accounting Standards and IFRIC interpretations that are effective for annual periods beginning on or after January 1, 2025. In particular, the Group adopted "Lack of Exchangeability - Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates ", which specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments did not have a material impact on the Group's operations and financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Group.

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the consolidated income statement, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profits subtotal. Entities' net profit will not change.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profits subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. The initial expected material impacts on Group's financial statements are as follows:

- Interest received and interest paid will be classified in the investing activities and financing activities, respectively, on the statement of cash flows.
- Foreign exchange differences will be presented within the same line item as the underlying income and expenses of the transaction that generated the foreign exchange difference.
- New disclosure will be added: (a) management-defined performance measures; (b) specified expense by nature if expenses are presented by function in the operating category of the statement of profit or loss; and (c) a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1.

Other accounting standards

The following new and amended accounting standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

- Subsidiaries without Public Accountability - Amendments to IFRS 19 (effective for annual periods beginning on or after January 1, 2027)
- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after January 1, 2026)

Significant events in the year ended December 31, 2025

Although global market conditions have affected market confidence, the Group remains well-positioned to grow revenues through ongoing market expansion. The Group has increased its revenues by 72% or USD 60.9 million to USD 146.1 million compared to 2024, mainly driven by the continued expansion of the U.S. and international markets. The Group commenced the full commercial launch of the MagnetOs MIS Delivery System in the U.S. following FDA clearance. MagnetOs Granules and MagnetOs Putty have also been approved for use in Brazil and cleared in Lebanon, expanding access to the Group's innovative bone graft technology in Latin America and the Middle East.

Following the introduction from the U.S. government regarding tariff measures, the Group is proactively addressing potential impacts by implementing mitigating actions to ensure continuity of supply, such as increasing inventory levels and expanding manufacturing capabilities within the U.S..

2. Summary of material accounting policies

Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date when control ceases.

The Group uses the purchase method of accounting to account for the acquisition of a subsidiary. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Costs directly attributable to acquisitions are directly expensed. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the income statement.

All intercompany balances, transactions and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the transferred asset.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The board of Kuros Biosciences AG has appointed an Executive Committee which assesses the financial performance and position of the Group and makes strategic decisions. The Executive Committee, which has been identified as being the CODM, consists of the Executive Director and President of Innovation & Strategy, the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer.

Foreign currency translation and transactions

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in US Dollars (USD). The functional currency of Kuros Biosciences AG (the parent company) is the Swiss Franc (CHF).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or an average rate as an approximation. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. The following table sets out the principal exchange rates applied in the consolidated financial statements:

	2025 Income statement	Balance sheet as of December 31, 2025	2024 Income statement	Balance sheet as of December 31, 2024
CHF	1.2041	1.2615	1.1271	1.0966
EUR	1.1282	1.1741	1.0863	1.0412

Exchange rates shown are USD per 1 unit of functional currency. Income statement rates represent average rates; balance sheet rates represent closing rates.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities measured at fair value are recognized in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equity investments measured at fair value through OCI, are included in other comprehensive income.

Assets and liabilities of companies whose functional currency is other than USD are included in the consolidation by translating the assets and liabilities into the presentation currency at the exchange rates applicable at the end of the reporting period. Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing at the dates of the transactions, in which case income and expenses are translated at the dates of the transactions). All resulting exchange differences are recognized as a separate component of equity (currency translation reserve).

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and from related borrowings are recognized in shareholders' equity. When a foreign operation is sold, such exchange differences are recognized in the income statement as part of the gain or loss on sale.

For the 2024 consolidated financial statements, the applicable exchange rates are based on exchange rates published by the Swiss Federal Tax Administration (ESTV) or derived from these rates. From 2025 onwards, the Group transitions to using exchange rates obtained from OANDA, an independent and widely recognized third-party provider of foreign exchange market data.

Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. The Group estimates the asset's recoverable amount, when an annual impairment test is required or if there is a triggering event or existing indication for impairment. The recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Unless an asset or CGU is largely dependent on other (group of) asset's generated cash-flows, the recoverable amount is determined for the smallest aggregation of asset. An impairment loss and corresponding write-down of the asset to the recoverable amount occurs when the carrying value exceeds the recoverable amount.

The value in use is estimated by the present value of discounted future cash flows, using a pre-tax discount rate that is based on current market conditions (including risks and time value of money). Recent market transactions are considered, when determining the fair value less costs of disposal. If no such transactions have taken place, an appropriate valuation model is used (multiples, quoted share prices or other available financial modelling tools). The Group's impairment model is based on budgets and financial forecasts.

Previous impairments of assets excluding goodwill are reviewed at the reporting date to determine whether the previous impairment losses remain valid, shall be reversed, or further impairment loss is necessary. The basis for the reversal or increasing impairment losses is the recoverable amount. Previously recognized impairment losses are reversed only when there are significant changes in the assumptions and estimates used to determine the underlying recoverable amount since the recognition of an impairment loss.

Goodwill and intangible assets with an indefinite useful life are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. An impairment is recognized in case that the recoverable amount of a CGU is lower than its carrying value. Impairment losses on goodwill cannot be reversed in future periods.

Cash and cash equivalents

The Group considers all short-term, highly liquid investments that can be converted into known amounts of cash with original maturities of three months or less at the date of purchase to be cash equivalents. The cash flow statement is based on cash and cash equivalents.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30-60 days and are therefore classified as current assets. Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them at amortized cost using the effective interest method. Details about the Group's calculation of the loss allowance are provided in note 27.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost includes direct materials, direct labor, import duties/tariffs and other non-recoverable taxes and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Depreciation on machinery and equipment used in production of inventory is allocated as part of production overheads and forms part of costs of conversion. Costs are assigned to individual items of inventories based on the first-in, first-out (FIFO) principle. Unallocated overheads are expensed in the period in which they are incurred. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete the sale. For operational and quality-control purposes, inventories are managed and issued using a first-expiry-first out (FEFO) approach.

Property, plant and equipment

Property, plant and equipment are stated at historical costs less accumulated depreciation and impairment losses, if any. Historical costs include expenditures directly attributable to the acquisition of assets. Depreciation is calculated on a straight-line basis over the expected useful lives of the individual assets or asset categories.

The applicable estimated useful lives are as follows:

a) Research and development fixtures (incl. clean room): 5–10 years
b) Leasehold improvements: 5–10 years
c) Machinery and equipment: 5–10 years
d) Office equipment, furniture, and others: 3–10 years

Leasehold improvements and research and development fixtures (incl. clean room) are depreciated over the estimated useful life. If the lease term is shorter than the useful life, the lease term can be used instead. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Assets under construction (AuC) comprise expenditure on property, plant and equipment that is not yet available for use and is measured at cost, including directly attributable costs to bring the asset to the location and condition necessary for it to operate as intended by management. AuC is not depreciated; capitalization ceases when the asset is available for use, at which point the accumulated costs are transferred to the relevant PPE category and depreciation commences. Costs that are not directly attributable to readying the asset for its intended use are expensed as incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount, if the asset's carrying amount is greater than its estimated recoverable amount.

Cost and accumulated depreciation related to assets retired or otherwise disposed are removed from the accounts at the time of retirement or disposal and any resulting gain or loss is included in the income statement in the period of disposition.

Leases

The Group assesses whether contracts qualify as a lease or contains leases by determining whether they provide the right to control the use of an identified asset for a period of time in exchange for consideration. To determine whether a contract contains a lease, the Group assesses whether:

- the contract inheres the use of an identified asset
- the Group has the right to obtain substantially all economic benefits from the use of the asset throughout the period of use
- the Group has the right to direct the use of the asset

As a lessee

The Group recognizes a right-of-use asset and a lease liability at the date the underlying contract is effective. Initially the right-of-use asset is measured at cost and subsequently depreciated using the straight-line method over the useful life of the right-of-use asset or the lease term. The right-of-use asset is periodically reduced by impairment losses -if applicable- and adjusted for remeasurements of the lease liability.

The lease liability is initially measured at the value of discounted lease payments. The applicable discount rate is represented by a weighted average incremental borrowing rate determined by the Group, if not stated in the contract. Lease payments included in the lease liability may include:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index rate
- amounts expected to be payable under a residual value guarantee; and
- if the Group is reasonably certain, the exercise price or payments in relation to a purchase or renewal option and penalties for early termination.

Subsequently the lease liability is measured at amortized cost using the effective interest method and subject to a remeasurement when future lease payments change due to a change in index or rate, as well if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of underlying contractual components (e.g., purchase, extension, or termination). In case of a remeasurement of the lease liability, the corresponding right-of-use asset changes simultaneously in its carrying value. Changes of the lease liability are recognized in profit and loss, for the amount that exceeds the right-of-use asset's carrying value.

The Group does not recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes expenses from short-term or low value leases on a straight-line basis over the lease term.

Intangible assets

Intangible assets with **indefinite** useful lives

(i) Goodwill

Goodwill is initially measured at historical costs from a business combinations' excess of the purchase price over the fair value of the net identifiable assets acquired. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but tested for impairment annually, or more frequently if triggering-events indicate that it might be impaired.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The cash-generating units are identified at the lowest level at which goodwill is monitored.

Intangible assets with **finite** useful lives:

(ii) Licensing agreements

Licensing agreements are initially measured at historical cost. Licensing agreements acquired in a business combination are recognized at fair value at the acquisition date and have a finite useful life. Subsequently, licensing agreements are measured at cost less accumulated amortization and/or impairment charges. Amortization and/or impairment charges are recognized as cost of goods sold. The amortization is calculated using the straight-line method based on the useful life of the intangible asset. The estimated useful life for the licensing agreement (Checkmate) is 12 years.

(iii) Currently marketed products

Currently marketed products ("CMP") are initially measured at historical cost. CMP acquired in a business combination are recognized at fair value at the acquisition date. Costs associated with research & development that are directly attributable to a product enhancement are recognized as intangible assets, if recognition criteria are met:

- The technical feasibility of completing the asset so that it will be available for use or sale;
- The intention to complete the asset and use or sell it;
- The ability to use or sell the asset;
- The asset will generate probable future economic benefits and demonstrate the existence of a market or the usefulness of the asset if it is to be used internally;
- The availability of adequate technical, financial, and other resources to complete the development and to use or sell it; and
- The ability to measure reliably the expenditure attributable to the intangible asset.

Costs that do not meet the recognition criteria are recognized as research and development costs. Subsequently, CMP are measured at cost less accumulated amortization and/or impairment charges. Amortization and/or impairment charges are recognized as cost of goods sold. The amortization is calculated using the straight-line method based on the useful life of the intangible asset. The estimated useful lives for CMP are based on the patent lifetime.

(iv) Software

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets if the recognition criteria (see ii. CMP above) are met. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use using the straight-line method. Amortization costs are recognized as general and administrative costs. The estimated useful life for software is three years.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost.

Financial liabilities from collaborations

The initial fair value of the liability represents XOMA's share of future pre-commercial milestones which is measured based on a contractually agreed pre-commercial milestones due from Checkmate under the Checkmate Licensing Agreement. The liability is subsequently measured at fair value and remeasurements are recognized in the financial results. Financial liabilities from collaborations are classified as non-current liabilities unless at the end of the reporting period, the contractual due date falls within 12 months after end of reporting period.

Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss, it is not accounted for. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in the Group's subsidiary and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Pension assets/liabilities

The Group provides retirement benefits to its employees. The net defined asset/liability of the performance-oriented pension plans as recognized in the balance sheet comprises of the present value of the defined pension obligation less the fair value of plan assets at the reporting date. In respect of defined benefit plans, liabilities and service costs are determined by management annually, based on actuarial valuation techniques, using the projected unit credit method and related assumptions. The pension obligation is the actuarial computed present value of the estimated future net cash outflow, using interest rate assumptions in line with high quality corporate bonds. Regarding the pension costs, they correspond with the sum of current service costs inclusive net interest expenses on the defined benefit liabilities at the beginning of the period. In case of events leading to a settlement, the related gains and losses are added to the yearly pension costs when the settlement occurs. In case of events leading to a past service cost, the related costs are immediately added to the yearly pension costs. The actuarial gains and remeasurements, the differences between the return on plan assets are recognized in other comprehensive income.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Share-based compensation

The Group recognizes expenses for share-based compensation based on grant date fair value for each of the long-term incentive plans (Options and RSUs). For equity awards with service conditions, expenses are recognized on a straight-line basis over the requisite service period. Kuros accounts for forfeited equity awards, when they occur.

For RSU's the Group uses the fair value of ordinary shares to determine the value of restricted share awards at grant date. One RSU is equivalent to 1 Kuros share.

The Black-Scholes option pricing model is used to estimate the fair value of share options, which requires various subjective assumptions. The fair value of each share option grant is estimated on the date of grant using the Black-Scholes model, and assumptions include expected volatility, expected term, risk-free interest rate, and fair value of ordinary shares. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Shareholders' equity

All shares of the Group are registered shares and classified as part of shareholders' equity.

Incremental costs directly attributable to the issue of new shares are shown as a deduction, net of tax, in equity from the proceeds.

Where the Group purchases the Group's share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income tax), is deducted from total shareholders' equity as treasury shares until the shares are cancelled, reissued, or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effect is included in shareholders' equity.

The Group has not paid any dividends since its inception and does not anticipate paying dividends in the foreseeable future.

Revenue

The Group has two main sources of revenue. Revenue is generated primarily from product sales and, to a lesser extent, from collaboration/licensing arrangements where the Group grants access to technologies to a third party.

Revenue from contracts with customers

Revenue from the sale of goods in the normal course of business is recognized at a point in time when the performance obligation is satisfied and it is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of the consideration to which the company expects to be entitled in exchange for transferring the promised goods to the customer. The Group's contracts for product sales generally include one performance obligation. Revenue for the sale of goods is recognized when control of the good is transferred to the buyer. Transfer of control varies depending on the individual terms of the contract of sale. Generally, control is transferred when the product is shipped and delivered to the customer and title and risk have passed to the customer (depending on the delivery conditions). Examples of delivery conditions are 'Delivery at Place ("DAP")' and 'Ex Warehouse ("EXW")', where the point of delivery may be the shipping warehouse or any other point of destination as agreed in the contract with the customer and where control is transferred to the customer.

Principal versus agent considerations

The Group has contracts with distributors, where distributors act either as principal or as agent. Based on the contractual agreements, the Group determines whether the distributor acts as a principal, if the distributor bears the inventory risk, credit risk and pricing risk.

Collaborative agreements

Collaborative agreements contain success and milestone payments for development activities and royalty fees on net sales from successfully developed and approved products. Milestone payments are contractually agreed and based on pre-defined performance goals. The Group provides the collaboration partner with a right to use the product as it exists at the point in time at which the access to the product is granted. In these cases, the respective performance obligations are satisfied at this point in time. The accomplishment of milestones by the counterparty cannot be specified upfront, therefore revenue is recognized when the counterparty confirms accomplishment of a milestone. Royalty payments are recognized as revenue at the time that the performance goal for product sales have been met.

Cost of goods sold

Cost of goods sold includes direct materials, direct labor and all direct production overheads including depreciation and impairment of property, plant and equipment and indirect overheads that can reasonably be allocated to the production function. In addition, the position includes unallocated costs for production overhead (idle costs) and costs for abnormal amounts of production. Import duties and tariffs are capitalized in inventory upon receipt and expensed to cost of goods sold when the related inventory is sold. Furthermore, cost of goods sold includes amortization and impairment charge of licensing, currently marketed products and inventory write-downs.

Research and development costs

Research and development ("R&D") costs consist primarily of compensation and other expenses related to functions of R&D and Quality Assurance personnel; costs associated with pre-clinical testing and clinical trials of the Group's product candidates, including the costs of manufacturing the product candidates; expenses for research and services under collaboration agreements; outsourced R&D at research institutions, and relevant facility expenses. R&D expenses are fully charged to the income statement as incurred. Kuros considers that regulatory and other uncertainties inherent in the development of its key new products preclude it from capitalizing development costs under IFRS. Development costs are capitalized when the following criteria are met: (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (b) its intention to complete the intangible asset and use or sell it; (c) its ability to use or sell the intangible asset; (d) the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; (e) the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development. That means that projects which have achieved technical feasibility, usually signified by a market approval from the US Food and Drug Administration or the European Medicines Agency or a comparable regulatory authority, would be capitalized because it is probable that the costs will give rise to future economic benefits.

3. Critical accounting estimates and judgments

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and the disclosure of contingent liabilities as of the reporting date. Although these estimates and assumptions are made based on all available information and in greatest diligence, the actual results may differ. This applies primarily to estimates and assumptions made with regard to the items set out below.

Going concern (note 1)

In accordance with IAS 1, Kuros has performed an assessment of its ability to continue as a going concern. The Group considers liquidity and capital in conjunction with the Group's current plans, budgets and forecasts.

Reaching net profitability for the first time in 2025 serves as a significant sign of the Group's continued viability as a going concern. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Carrying value of goodwill (note 14)

Goodwill are tested for impairment at least once a year. This involves estimating the value in use of the cash-generating unit (CGU) to which goodwill are allocated to. It also requires a forecast of expected future cash flows as well as the application of an appropriate discount rate to calculate the present value of these cash flows. Future cash inflows from revenues are subject to a certain degree of uncertainty as they depend on future events beyond control of Kuros such as the achievement of pre-defined milestones which in turn depend, among others, on regulatory approvals.

Estimations of employee post-employment benefits obligations (note 22)

The costs of the employee benefit plans, and the related obligations recognized in the balance sheet, representing the present value of the defined benefit obligation, are calculated annually by independent actuaries. These actuarial valuations include assumptions such as discount rates, salary progression rates and mortality rates. These actuarial assumptions applicable to the Group vary according to the prevailing economic and social conditions.

4. Change in scope of consolidation

There was no change in the scope of consolidation in 2025.

Kuros Biosurgery AG, with its registered office in Schlieren, Switzerland and a share capital of CHF 454,726 was merged with Kuros Biosciences AG as of July 1, 2024 (date of transaction). Since Kuros Biosurgery AG was a wholly owned subsidiary of Kuros Biosciences AG, the merger had no impact on the consolidated financial statements.

5. Revenue from contracts with customers

In 2025, Kuros recognized revenues from product sales of TUSD 146,058 (2024: TUSD 85,159) and increased its revenues by 72%.

6. Segment and geographic information

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Board of Kuros Biosciences AG has appointed an Executive Committee that assesses the commercial, operational, scientific as well as financial performance of the Group and makes strategic decisions. The Executive Committee has been identified as the CODM.

In 2024, the Group has restructured its segment reporting to reflect the discontinuation of the Pharmaceuticals segment following the decision to cease further development of Fibrin-PTH. Consequently, Pharmaceuticals is now presented as a discontinued operation, with any costs related to the Phase 2a study being reported under the Legacy Portfolio in both the current and prior year.

Furthermore, the Corporate Function, which was previously presented separately, has been integrated into the Medical Devices segment. This change reflects the realignment of support functions, as the Corporate Function primarily serves the Medical Devices business.

Following these changes, the Group now has two reportable segments:

- Medical Devices: This segment includes products such as MagnetOs and Attrax, which are biphasic calcium phosphate (“BCP”) bone grafts that mimic the porous, trabecular structure of cancellous bone. These products are produced in the same facility. The segment now also includes the Corporate Function, which supports the Group’s business operations.
- Legacy Portfolio: This segment includes all non-core products (including Checkmate licensing) that are outside the Group’s primary therapeutic focus. The Pharmaceuticals segment, previously reported separately, has been discontinued, with any costs related to the Phase 2a study being reported within this segment in both the current and prior year.

The revised segment reporting structure ensures that financial reporting aligns with the Group’s strategic focus following the discontinuation of Fibrin-PTH. The CODM examines the Group’s performance from both a product and geographic perspective.

Measurement

The Executive Committee primarily assesses the performance of operating segments using earnings before interest, tax, depreciation, and amortization ("EBITDA") as well as Adjusted EBITDA. Adjusted EBITDA excludes research and development costs from discontinued operations, share-based compensation and its related social security contributions, and import duties from EBITDA. In addition, the Executive Committee receives information about the segments’ revenue on a monthly basis. However, it does not review the assets and liabilities of each segment. Adjusted EBITDA is not a defined performance measures in IFRS Accounting Standards. The Group's definition of adjusted EBITDA may not be comparative with similarly titled performance measures and disclosures by other entities.

Segment Performance

in TUSD, year ended December 31, 2025	Medical Devices	Legacy Portfolio	Total
Revenue	146,058	—	146,058
Cost of goods sold [1]	(16,504)	—	(16,504)
Gross profit [1]	**129,554**	**—**	**129,554**
Sales and marketing costs	(84,478)	—	(84,478)
Research and development costs	(10,542)	(129)	(10,671)
General and administrative costs [1]	(22,211)	—	(22,211)
Other income	7	120	127
Net operating costs from continuing operations [1]	**(117,224)**	**(9)**	**(117,233)**
Profit from discontinued operation, net of tax	**—**	**89**	**89**
EBITDA	**12,330**	**80**	**12,410**
Depreciation and amortization expenses	(3,271)	(101)	(3,372)
Operating income/(loss)	**9,059**	**(21)**	**9,038**

[1] Amounts are adjusted for depreciation, amortization and impairment expenses

in TUSD, year ended December 31, 2024 Restated	Medical Devices	Legacy Portfolio	Total
Revenue	85,159	—	85,159
Cost of goods sold [1]	(7,334)	—	(7,334)
Gross profit [1]	**77,825**	**—**	**77,825**
Sales and marketing costs	(50,679)	—	(50,679)
Research and development costs	(7,735)	(137)	(7,872)
General and administrative costs [1]	(16,290)	(27)	(16,317)
Other income	28	104	133
Net operating costs from continuing operations [1]	**(74,676)**	**(59)**	**(74,735)**
Loss from discontinued operation, net of tax	—	(646)	(646)
EBITDA	**3,149**	**(705)**	**2,444**
Depreciation and amortization expenses	(2,820)	(151)	(2,971)
Impairment expenses	—	(5,750)	(5,750)
Operating income/(loss)	**329**	**(6,606)**	**(6,277)**

[1] Amounts are adjusted by depreciation, amortization and impairment expenses

Geographic information

The entity is domiciled in Switzerland. The amount of its revenue from customers, broken down by location of the customers, is shown in the table below.

The following table disaggregates the Group's revenue by geography:

in TUSD	2025	2024 Restated
United States of America	140,939	82,098
European Union	3,110	841
Other	2,009	2,220
Total	**146,058**	**85,159**

In 2025, the Group's non-current assets were attributed to Switzerland (36%), the Netherlands (61%) and USA (2%). In 2024, the Group's non-current assets were attributed to Switzerland (33%), the Netherlands (65%) and USA (2%).

Major customers

Revenue from product sales is entirely attributable to the medical devices segment and primarily from commercialization of MagnetOs (Granules, Putty, Easypack, Flex Matrix and MIS Delivery System) in the United States of America, Europe and other international market. Although revenue from product sales is generated from a diverse customer base, there are three significant customers that represent 3.8% (TUSD 5,558), 3.4% (TUSD 4,908), and 2.3% (TUSD 3,276) of the Group's revenue from product sales respectively for 2025. In 2024, there were three significant customers that represented 4.6% (TUSD 3,921), 4.4% (TUSD 3,710), and 4.3% (TUSD 3,642) of the Group's revenue from product sales respectively.

7. Costs by nature

Cost of goods sold

in TUSD	2025	2024 Restated
Depreciation and amortization of assets	(2,107)	(2,158)
Impairment of assets	—	(5,750)
Import duties	(1,954)	—
Production costs	(14,549)	(7,335)
Total	**(18,610)**	**(15,243)**

Sales and marketing costs

in TUSD	2025	2024 Restated
Employee benefits	(13,517)	(9,900)
Sales and distribution	(65,743)	(37,875)
Other general costs	(5,218)	(2,904)
Total	**(84,478)**	**(50,679)**

Research and development costs

in TUSD	2025	2024 Restated
Employee benefits	(7,097)	(5,485)
Professional services	(3,053)	(908)
Other general costs	(521)	(1,479)
Total	**(10,671)**	**(7,872)**

General and administrative costs

in TUSD	2025	2024 Restated
Depreciation and amortization of assets	(1,264)	(747)
Employee benefits	(11,545)	(10,658)
Professional services	(3,637)	(2,551)
IT and ERP costs	(3,594)	(1,823)
Other general costs	(3,437)	(1,349)
Total	**(23,476)**	**(17,128)**

Other income

in TUSD	2025	2024 Restated
Reimbursed patent costs	126	105
Other income	—	28
Total	**126**	**133**

Other income mainly includes rental income from a sublease contract.

8. Employee benefits

in TUSD	2025	2024 Restated
Salaries	(22,898)	(15,045)
Social security costs	(2,712)	(2,272)
Social security costs related to the LTI	(1,125)	(1,257)
Pension costs, defined benefit plan (note 22)	(1,047)	(650)
Share-based compensation (note 21)	(4,191)	(5,665)
Other costs related to employees*	(1,920)	(1,769)
Total	**(33,893)**	**(26,657)**

*Other costs mainly consist of expenses for contract labor TUSD 949 (2024: TUSD 225), recruitment TUSD 577 (2024: TUSD 801) and training TUSD 143 (2024: TUSD 410).

In 2025, Kuros Biosciences B.V. received subsidies from the Dutch government (WBSO tax credit program) and the European Union (cmRNAbone and Interlynk project) in relation to research and development activities, which amounted to TUSD 896 (2024: TUSD 258). These were recognized as a deduction from salaries.

9. Income taxes

in TUSD	2025	2024 Restated
Current income tax expense	(2,969)	(1,894)
Deferred tax income	416	1,477
Total income tax expense recognized in income statement	**(2,553)**	**(417)**

Composition of deferred tax assets and liabilities:

in TUSD	Assets		Liabilities		Net	
	2025	2024 Restated	2025	2024 Restated	2025	2024 Restated
Intangible assets	—	—	(4,036)	(3,996)	(4,036)	(3,996)
Unrealized profit on inventories	4,148	2,070	—	—	4,148	2,070
Tax losses	1,366	3,555	—	—	1,366	3,555
Others						
Property, plant and equipment		—	*(25)*	*(63)*	*(25)*	*(63)*
Leasing	*347*	*457*	*(256)*	*(379)*	*91*	*78*
Loss allowance for financial assets	*313*	*273*	—	—	*313*	*273*
Loss allowance for inventories	*199*	*185*	—	—	*199*	*185*
Retirement benefit obligations	—	*31*	*(70)*	—	*(70)*	*31*
Other employee benefits	*234*	*64*	—	—	*234*	*64*
Provisions	*121*	—	—	—	*121*	—
Others	*41*	*3*	—	—	*41*	*3*
Total others	1,255	1,013	(351)	(442)	904	571
Deferred tax assets/ (liabilities) prior to offset	**6,769**	**6,638**	**(4,387)**	**(4,438)**	**2,382**	**2,200**
Offset of deferred tax assets and liabilities	(1,452)	(4,075)	1,452	4,075	—	—
Deferred tax assets/ (liabilities)	**5,317**	**2,563**	**(2,935)**	**(363)**	**2,382**	**2,200**

Movements in deferred taxes:

in TUSD	Intangible assets	Unrealized profit on inventories	Tax losses	Others	Total
As of January 1, 2025	**(3,996)**	**2,070**	**3,555**	**571**	**2,200**
Deferred tax credit/(charge) in the income statement	455	2,078	(2,543)	426	416
Deferred tax credit in other comprehensive income	—	—	—	(101)	(101)
Exchange differences	(495)	—	354	8	(133)
As of December 31, 2025	**(4,036)**	**4,148**	**1,366**	**904**	**2,382**

in TUSD	Intangible assets	Unrealized profit on inventories	Tax losses	Others	Total
As of January 1, 2024 Restated	**(4,718)**	**—**	**5,401**	**67**	**750**
Deferred tax credit/(charge) in the income statement	459	2,128	(1,589)	479	1,477
Deferred tax credit in other comprehensive income	—	—	—	31	31
Exchange differences	263	(58)	(257)	(6)	(58)
As of December 31, 2024 Restated	**(3,996)**	**2,070**	**3,555**	**571**	**2,200**

The Group's income tax expense differed from the amount computed by applying the statutory Swiss income tax rate as summarized in the following table:

in TUSD	2025	2024 Restated
Loss from continuing operations before tax	5,015	(3,771)
Loss from discontinued operation before tax	89	(647)
Loss before tax	**5,104**	**(4,418)**
Expected income tax rate (%)	19.3%	19.3%
Expected income tax credit	**(985)**	**853**
Expenses not deductible for tax purposes	(1,279)	(2,326)
Tax-exempt income	1,608	—
Effect of tax charges related to prior years	805	—
Effect of deferred tax assets not recognized in the current year	(1,393)	(720)
Changes in recognized deferred tax assets	(335)	83
Recognition of previously unrecognized deferred tax assets	—	2,431
Effect of different tax rates in other countries	(961)	(727)
Other	(13)	(11)
Total income tax expense recognized in income statement	**(2,553)**	**(417)**
Income tax attributable to continuing operations	(2,553)	(417)
Income tax attributable to discontinued operation	—	—
Total income tax expense	**(2,553)**	**(417)**

Using Swiss income tax rate, the Group's expected tax rate is 19.3% for 2025 and 2024, which is the statutory tax rate of the holding company.

Expenses not deductible for tax purposes mainly related to share-based payment expenses, amortization and impairment expenses related to goodwill and intangibles recognized in the respective period. Deferred tax assets not recognized mainly consist of tax losses in Switzerland.

In 2024, the Group achieved a positive EBITDA for the first time. By deciding not to proceed to Phase 3 for KUR-113, a drug-based bone graft orthobiologic product candidate, the company has significantly improved its financial profile. Consequently, management revised its estimates of future taxable profits and the Group recognized the tax effect of USD 2.4 million of previously unrecognized deferred tax assets on deductible temporary differences because management considered it probable that future taxable profits will be available to offset these differences.

Tax loss carry-forwards

As of December 31, 2025 the Group's total gross operating loss carry-forwards amounted to USD 66.1 million (2024: USD 65.7 million), which relate to Switzerland and the Netherlands. Utilization of recognized deferred tax assets depend on future taxable profits. Recognition is supported by historical revenue growth, revenue and earnings projections and the Dutch tax regime where tax losses do not expire.

Tax loss carry-forwards, which are not recognized, are summarized by year of expiry as follows:

in TUSD	2025	2024 Restated
2025	—	5,204
2026	4,288	3,727
2027	3,647	3,170
2028	—	—
2029	1,043	907
2030	42,075	36,573
2031	2,630	2,158
2032	7,560	—
Total	**61,243**	**51,740**

Recognition of the unrecognized tax loss carry-forwards and deductible temporary differences would have led to an increase in deferred tax assets of USD 11.8 million in 2025 (2024: USD 10.0 million). In the course of the merger of Kuros Biosurgery AG with Kuros Biosciences AG as of July 1, 2024, the tax loss carry-forwards of Kuros Biosurgery AG could not be transferred to Kuros Biosciences AG, resulting in a reduction of tax loss carry-forwards from previous years.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The Group partially recognized deferred tax assets relating to tax loss carry-forwards and deductible temporary differences in 2024 and 2025 to the extent that there are suitable taxable temporary differences and expected future profits.

10. Earnings/ (net loss) per share

Basic earnings/ (net loss) per share ("basic EPS") is calculated by dividing profit/(loss) attributable to ordinary equity holders of the Company by the weighted-average number of ordinary shares outstanding during the period, excluding treasury shares, if any.

Diluted earnings/ (net loss) per share ("diluted EPS") is calculated by dividing the profit/ (loss) attributable to ordinary equity holders of the Company by the weighted-average number of ordinary shares outstanding during the period, adjusted for the dilutive effect of potential ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares. Potential ordinary shares arise primarily from the Group's equity-settled share-based payment plans including share options and restricted share units ("RSUs") (see Note 21).

Potential ordinary shares are included in diluted EPS only when they are dilutive, i.e., when their inclusion would reduce EPS or increase loss per share. Potential ordinary shares that are anti-dilutive are excluded from diluted EPS. For shares issued in 2025 and 2024 please refer to note 20.

Weighted average number of shares used as denominator:

Number	2025	2024
Issued ordinary shares as of January 1	**37,868,889**	**36,784,131**
Effect of share options exercised/ RSUs vested	570,125	414,394
Weighted average number of ordinary shares	**38,439,014**	**37,198,525**
Adjustments for calculation of diluted EPS		
Effect of share-based payment plans (options and RSUs)	2,948,242	—
Weighted average number of ordinary shares and potential ordinary shares	**41,387,256**	**37,198,525**

Basic and diluted earnings per share:

in USD	2025	2024
From continuing operations		
Basic EPS - continuing operations	0.06	(0.11)
Diluted EPS - continuing operations	0.06	(0.11)
Total (including discontinued operations)		
Basic EPS - total	0.07	(0.13)
Diluted EPS - total	0.06	(0.13)

In 2024, the Group reported a loss from continuing operations. Accordingly, all potential ordinary shares were considered anti-dilutive and were excluded from diluted EPS; consequently, diluted EPS is the same as basic EPS.

Reconciliation of profit/ (loss) used in calculating net loss per share:

in TUSD	2025	2024 Restated
Net profit/ (loss) from continuing operations	2,462	(4,188)
Net profit/ (loss) from discontinued operation	89	(647)
Net profit/ (loss) attributable to the ordinary equity holders	**2,551**	**(4,835)**

Anti-dilutive instruments:

In 2025, 143,550 share options were out-of-the-money based on the average market price during the period and were therefore anti-dilutive and excluded from diluted EPS. In 2024, the Group reported a loss from continuing operations; accordingly, all potential ordinary shares were anti-dilutive and were excluded from diluted EPS. Consequently, diluted EPS equals basic EPS.

Information concerning the classification of securities

(a) Options

Share options granted to employees under the Group's Employee Option Plan are considered to be potential ordinary shares. For the purpose of calculating diluted EPS, options are included using the treasury stock method to the extent that they are dilutive. Options that are out-of-the-money based on the average market price during the reporting period, or that are otherwise anti-dilutive, are excluded from diluted EPS calculation. Details relating to the options are set out in note 21.

(b) Restricted Share Units

RSUs granted to employees under the Group's Restricted Share Unit Plan are considered to be potential ordinary shares. For the purpose of calculating diluted EPS, RSUs are included to the extent that they are dilutive for the period. RSUs that would have an anti-dilutive effect are excluded from diluted EPS calculation. Details relating to the RSUs are set out in note 21.

11. Property, plant and equipment

in TUSD	Leasehold Improvement	Machinery and Equipment	Office Equipment, Furniture and Others	Assets under construction	Total
Cost					
As of January 1, 2025	**70**	**2,685**	**256**	**—**	**3,011**
Additions	19	1,548	249	623	2,439
Exchange differences	11	403	41	—	455
As of December 31, 2025	**100**	**4,636**	**546**	**623**	**5,905**
Accumulated depreciation					
As of January 1, 2025	**(46)**	**(1,194)**	**(116)**	**—**	**(1,356)**
Depreciation charge	(7)	(617)	(72)	—	(696)
Exchange differences	(6)	(178)	(24)	—	(208)
As of December 31, 2025	**(59)**	**(1,989)**	**(212)**	**—**	**(2,260)**
Net book value as of December 31, 2025	41	2,647	334	623	3,645

in TUSD	Leasehold Improvement	Machinery and Equipment	Office Equipment, Furniture and Others	Total
Cost				
As of January 1, 2024 Restated	**48**	**1,719**	**289**	**2,056**
Additions	26	1,105	103	1,234
Exchange differences	(4)	(140)	(135)	(279)
As of December 31, 2024 Restated	**70**	**2,685**	**256**	**3,011**
Accumulated depreciation				
As of January 1, 2024 Restated	**(44)**	**(898)**	**(94)**	**(1,036)**
Depreciation charge	(5)	(298)	(34)	(337)
Exchange differences	3	2	12	17
As of December 31, 2024 Restated	**(46)**	**(1,194)**	**(116)**	**(1,356)**
Net book value as of December 31, 2024 Restated	24	1,491	140	1,655

As of December 31, 2025, the Group has the contractual capital commitments related to assets under construction totaling USD 6.4 million (As of December 31, 2024, the Group had no contractual capital commitments).

in TUSD	2025	2024
Leasehold improvements and technical installations	5,768	—
Furniture, fixtures & equipment	604	—
Total contractual capital commitments	**6,372**	**—**

12. Leases and right-of-use assets

The Group leases office and production premises which are fully recognized as lease liabilities and right-of-use assets. The rental period entered is for a fixed period of 10 years (ending 2027) in the Netherlands and 3 years in the U.S. (ending 2026) and includes variable lease payments that depend on an index. An extension of the contract has not been accounted for based on management judgment.

The corresponding right-of-use asset and lease liabilities are reported on the balance sheet as of December 31 are as follows

in TUSD	2025	2024 Restated
Right-of-use assets for buildings	1,034	1,660
Lease liabilities		
Current	653	580
Non-current	737	1,386

The movement of right-of-use assets during the period are as follows:

in TUSD	2025	2024
Beginning balance as of January 1, 2025	**1,660**	**2,260**
Depreciation	(788)	(747)
Remeasurements	—	248
Exchange differences	162	(100)
Ending balance as of December 31, 2025	**1,034**	**1,660**

For the movement of lease liabilities, please refer to note 25.

The following lease expenses are recorded in the statement of profit and loss :

in TUSD	2025	2024 Restated
Depreciation of right-of-use assets for buildings	(788)	(747)
Interest expense	(42)	(48)
Expense relating to short-term leases	(80)	(76)
Expenses relating to lease of low-value	(9)	(12)

The total cash outflow for leases in 2025 was TUSD 908 (2024: TUSD 817).

As of December 31, 2025, the Group has entered into a lease agreement in the U.S. that will commence in May 2026. The related future lease payments are not included in lease liabilities as the lease has not yet commenced. Please refer to Note 27 for information about these future lease payments, which are not included in lease liabilities.

13. Goodwill and intangible assets

in TUSD	Goodwill	Licensing	Currently Marketed Products	Software	Total
Cost					
As of January 1, 2025	35,642	5,127	26,982	390	68,141
Exchange differences	5,143	841	3,431	59	9,474
As of December 31, 2025	40,785	5,968	30,413	449	77,615
Accumulated amortization					
As of January 1, 2025	(14,333)	(4,392)	(11,297)	(371)	(30,393)
Amortization charge	—	(101)	(1,774)	(13)	(1,888)
Exchange differences	(2,156)	(735)	(1,498)	(56)	(4,445)
As of December 31, 2025	(16,489)	(5,228)	(14,569)	(440)	(36,726)
Net book value as of December 31, 2025	24,296	740	15,844	9	40,889

in TUSD	Goodwill	Licensing	Currently Marketed Products	Software	Total
Cost					
As of January 1, 2024 Restated	38,103	5,556	28,925	325	72,909
Additions	—	—	—	19	19
Exchange differences	(2,461)	(429)	(1,943)	45	(4,788)
As of December 31, 2024 Restated	35,642	5,127	26,982	390	68,141
Accumulated amortization					
As of January 1, 2024 Restated	(9,361)	(4,612)	(10,507)	(297)	(24,776)
Amortization charge	—	(151)	(1,708)	(27)	(1,887)
Impairment charge	(5,750)	–	–	–	(5,750)
Exchange differences	778	371	918	(46)	2,021
As of December 31, 2024 Restated	(14,333)	(4,392)	(11,297)	(371)	(30,393)
Net book value as of December 31, 2024 Restated	21,309	735	15,685	19	37,748

In 2025, the Group did not recognize any impairment loss on goodwill (2024: TUSD 5,750). Please refer to note 14 for details.

14. Impairment test of goodwill

Goodwill is tested annually for impairment, or more frequently if there are indications of impairment.

As of December 31, 2025, the Group performed its annual goodwill impairment test and no impairment was recognized. This assessment is supported, among other factors, by the Group's market capitalization exceeding the carrying amount of its net assets at that date. As of December 31, 2024, impairment indicators were identified for the Checkmate Licensing CGU and an impairment test was performed, resulting in the recognition of an impairment loss.

For impairment testing, goodwill is allocated to the Group's CGUs. The carrying amount of goodwill allocated to each of the CGUs is presented below:

in TUSD	2025	2024 Restated
MagnetOs	10,865	9,635
Checkmate Licensing	13,431	11,674
Balance as of December 31	**24,296**	**21,309**

MagnetOs CGU

The recoverable amount of the CGU is determined based on a value-in-use calculation using a discounted cash flow model from financial plan approved by management covering a five-year period. The key assumptions used in estimating the recoverable amount are as follows:

	2025	2024
Pre-tax discount rate (note (i))	12.1%	13.0%
Growth rate beyond the forecast period (note (ii))	2.2%	2.1%

(i) Discount rate is derived from the current market assessment of the risks specific to the CGU, considering the present value of future cash flows and individual risks of the underlying assets that are not addressed in the cash flow estimates. Basis for the discount rate is the weighted average cost of capital ("WACC"), which estimates the individual financing costs for debt and equity financing. The cost of equity is derived from the shareholder return expectations. The cost of debt is derived from interest-bearing payables the Group is or would be obliged to service. By applying additional beta factors, the WACC incorporates industry specific risks. The beta factor is evaluated on the basis of publicly available data of a selected peer group.

(ii) Management adopted a planning period of five-year in the financial plan considering the broadening of the commercial reach and the continuous growth in revenue in the CGU. Cash flows beyond the five-year period are extrapolated using a 2.2% (2024: 2.1%) growth rate which corresponds to the long-term US inflation rate.

The recoverable amount of the MagnetOs CGU is estimated to exceed the carrying amount of the CGU as of December 31, 2025 by USD 679 million (2024: USD 252 million). Consequently management did not recognize an impairment.

The calculation of value-in-use for the MagnetOs CGU is most sensitive to the discount rate, the probability of future cash flows from product sales and cash out in relation to the commercialization activities, production, and general & administrative costs and the growth rate beyond the forecast period. The Group considers that a reasonably possible change in these key assumptions (i.e. discount rate increases by 2% or future cash flows reduce by 10%) would not cause the CGU's carrying amount on December 31, 2025 and December 31, 2024 to exceed its recoverable amount.

Checkmate Licensing CGU

The recoverable amount of the CGU is determined based on a value-in-use calculation using a discounted cash flow model deriving from contractually agreed milestone payments. No terminal value was applied in calculating the value-in-use as the future cash flows primarily comprise of future milestone payments as per the Checkmate Licensing and the Royalty Purchase Agreement. For details of the Licensing Agreement with Checkmate and the Royalty Purchase Agreement with XOMA, please refer to note 1. The key assumptions used in estimating the recoverable amount are as follows:

	2025	2024
Pre-tax discount rate (note (i))	13.2%	13.7%
Probability of future milestone payments (note (ii))	27.4% - 29.8%	27.4% - 29.8%

(i) Discount rate is derived from the current market assessment of the risks specific to the CGU and individual risks of the underlying assets that are not addressed in the cash flow estimates. Basis for the discount rate is the weighted average cost of capital ("WACC"), which estimates the individual financing costs for debt and equity. The cost of equity is derived from the shareholder return expectations. The cost of debt is derived from interest-bearing payables the Group is or would be obliged to service. By applying additional beta factors, the WACC incorporates industry specific risks. The beta factor is evaluated on basis of publicly available data of a selected peer group.

(ii) Revenue projections are derived from contractually agreed milestone payments and the probability of reaching events which will trigger the milestone payments. Probabilities between 27.4% and 29.8% have been applied to reflect uncertainty of timing and extent of cash-flows in 2025 and 2024. Following the acquisition of Checkmate, Regeneron has closed the enrollment in the ongoing phase 2 and phase 2/3 study in melanoma and is elaborating its own clinical development strategy. The probability is primarily based on an industry peer comparison of products in a similar development stage factoring in management assessment.

Revenue projections are also dependent on the timing of reaching events triggering the contractually agreed milestone payments. The Group anticipates a delay in meeting the remaining milestone triggers given the current status of the study in 2025. The adjusted timeline has already been taken into account in the impairment analysis.

The recoverable amount of the Checkmate Licensing CGU is estimated to exceed the carrying amount of the CGU as of December 31, 2025 by TUSD 435. Consequently management did not recognize an impairment. In 2024, an impairment loss of USD 5.8 million was recognized as a result of the increase in pre-tax discount rate and delay in reaching the events which will trigger the milestone payments.

An increase in the pre-tax discount rate by 0.3% to 13.5% would reduce the recoverable amount to the same level as the carrying amount. Alternatively, if the projected milestone cash flows were reduced by 3.0% (to 97.0%), the recoverable amount would also equal to the carrying amount.

15. Inventories

in TUSD	2025	2024 Restated
Raw materials	7,019	3,190
Work in progress	1,288	1,578
Finished goods	13,046	5,587
Total inventories	**21,354**	**10,355**

In 2025, an inventory reserve of TUSD 281 (2024: TUSD 233) was recognized.

16. Prepayments and other assets

Prepayments and other assets mainly included prepayments of general liability insurance, subscription to publications and cost of services as of December 31, 2025 and December 31, 2024.

17. Trade and other receivables

in TUSD	2025	2024 Restated
Trade receivables:		
Trade receivables – gross carrying amount	31,518	15,704
Loss allowance	(1,305)	(1,016)
Trade receivables – net carrying amount	30,213	14,688
Other receivables:		
Value added taxes (VAT)	4,843	818
Income tax receivable	—	507
Accrued income	3,984	943
Other	1,156	743
Other receivables - net carrying amount	9,983	3,010
Total trade and other receivables	**40,196**	**17,698**
Thereof non-current	—	—

The fair values of trade and other receivables do not differ from the carrying amounts. Accrued income represents revenue that has been recognized but yet invoiced. The Group calculates the loss allowance based on an expected credit loss model. The maximum exposure to credit risk at the reporting date is the net carrying amount of trade and other receivables mentioned above. The Group does not hold any collateral as security. The credit quality of the Group's debtors is high, since they are composed of health care providers, leading pharmaceutical companies and tax authorities. The aging for the trade receivables is disclosed in note 27.

Trade and other receivables are denominated as follows:

Trade and other receivables in Thousands	2025	2024
CHF	180	291
USD	33,788	15,272
EUR	5,325	2,024
GBP	236	0

18. Cash and cash equivalents

in TUSD	2025	2024 Restated
Cash at bank and on hand	19,769	19,762
Total cash and cash equivalents	**19,769**	**19,762**

TUSD 752 is restricted as guarantees for lease agreements and corporate credit cards (2024: TUSD 615). In 2025, the Group recorded TUSD 38 interest income from cash and cash equivalents (2024: TUSD 94).

19. Statement of cash flows

Adjustments to reconcile profit before tax to cash generated from operations before changes in operating assets and liabilities

in TUSD, IFRS, year ended December 31	Note	2025	2024 Restated
Depreciation and amortization	11,12,13	3,372	2,971
Impairment of intangible assets and goodwill	13,14	—	5,750
Net finance result		4,047	(855)
Share-based compensation	21	4,204	5,779
Changes in retirement benefit obligation	22	45	10
Fair value adjustment to financial liabilities from collaborations	25	114	(518)
Other non-cash items		124	(66)
Adjustments to reconcile profit before tax to cash generated from operations before changes in operating assets and liabilities:		**11,906**	**13,071**

Changes in operating assets and liabilities:

in TUSD, IFRS, year ended December 31	Note	2025	2024 Restated
Increase in trade and other receivables		(22,613)	(8,887)
Decrease/ (increase) in prepayments and other assets		14	(707)
Increase in inventories		(9,940)	(5,722)
Increase in trade and other payables		5,430	6,277
Increase in accrued expenses		10,865	4,837
Increase in provisions	23	500	—
Increase in operating assets and liabilities		**(15,744)**	**(4,202)**

20. Shareholders’ equity

Issued share capital and treasury shares

	Shares (number)	Share capital (in TUSD)	Treasury shares (in TUSD)
January 1, 2024 Restated	**36,784,131**	**2,952**	**19**
Share issued at exercise of options	1,084,758	122	—
Treasury shares sold	—	—	(19)
December 31, 2024 Restated	**37,868,889**	**3,074**	—
January 1, 2025	**37,868,889**	**3,074**	—
Share issued at exercise of options	1,286,039	155	—
December 31, 2025	**39,154,928**	**3,229**	—

Number of shares	Issued and fully paid shares
As of December 31, 2024	37,868,889
As of December 31, 2025	39,154,928

Share premium

	in TUSD
As of January 1, 2024 Restated	**65,086**
Cash on exercise of share options	2,046
Appropriation of accumulated loss	(2,290)
As of December 31, 2024 Restated	**64,842**
As of January 1, 2025 Restated	**64,842**
Cash on exercise of share options	2,030
As of December 31, 2025	**66,872**

In 2024, pursuant to the Swiss Code of Obligations (“CO”), shareholders approved using the share premium to offset the accumulated loss carried forward.

Conditional capital

As stated in articles 3b and 3c of the Articles of Association of Kuros Biosciences AG (available on the Company’s website), the Company has conditional capital that is designated for bonds or similar debt instruments (article 3b) and for use as equity-based compensation for employees, persons of comparable positions and board members (article 3c).

The Company's unissued conditional capital for use as equity-based compensation showed the following movement:

	2025			2024		
	Number of shares	Par value in CHF	Par value in USD[1]	Number of shares	Par value in CHF	Par value in USD[1]
As of January 1	**4,620,455**	**462,046**	**582,889**	**4,132,460**	**413,246**	**453,157**
Increase in conditional capital approved at the Annual General Meeting	300,000	30,000	37,846	1,572,753	157,275	172,465
Increase in capital (options exercised and RSUs vested)	(1,286,039)	(128,604)	(162,239)	(1,084,758)	(108,476)	(118,952)
As of December 31	**3,634,416**	**363,442**	**458,496**	**4,620,455**	**462,046**	**506,670**

[1] Translated from CHF into USD at the respective year-end exchange rate. For reference only.

The par value of the unissued conditional share capital for use as equity-based compensation is denominated in CHF.

As of December 31, 2025 and December 31, 2024, the unissued conditional capital for bonds or similar debt instruments totaled 1,800,000 shares with a par value of CHF 180,000. The par value of the unissued conditional share capital for bonds or similar debt instruction is denominated in CHF. Translated into USD at the respective year-end exchange rate, the par value amounts to USD 227,077 as of December 31, 2025 (As of December 31, 2024: USD 197,384)

Under the Swiss Code of Obligations ("CO"), new share capital can be created by way of ordinary or conditional capital increase.

Capital band

As stated in article 3d of the Articles of Association of Kuros Biosciences AG (available on the Company's website), the Company has a capital band between CHF 3,051,206.20 (lower limit) and CHF 4,522,571.50 (upper limit). The board of directors is authorized to increase the share capital up to the upper limit at any time and as often as required until 16 May 2028 by the issuance of fully paid-in registered shares. A capital reduction is excluded. The capital band is denominated in CHF. Translated into USD at the year-end exchange rate, the capital band amounts to USD 3,849,218.67 (lower limit) and USD 5,705,404.85 (upper limit).

Treasury shares

During 2024, the Group allocated 17,244 treasury shares for TCHF 42 to settle exercised options. As of December 31, 2025 and December 31, 2024, the Groups does not hold any treasury shares.

Other reserves

Other reserves include the recognition of the value of equity-settled share-based payments granted to the Board, the Executive Committee, employees, and consultants as part of their remuneration. Please refer to note 21 for further details of these plans.

Options and Restricted Share Units (RSUs)

In 2025, 1,286,039 options (2024: 1,084,758) granted to employees of the Group were exercised. As a result, the nominal share capital of Kuros increased from CHF 3,786,888.90 (USD 3,074,226) to CHF 3,915,492.80 (USD 3,229,077.05) and is divided into 39,154,928 registered common shares with a par value of CHF 0.10 each. Information relating to the Group's Stock Option Plan and Restricted Share Unit Plan, including details of options and RSUs issued, exercised and lapsed during the financial years and options and RSUs outstanding at the end of the reporting period is set out in note 21.

21. Share based payments

The Group grants share options and restricted share units ("RSUs") to the members of the Board, the members of the Executive Committee, as well as to employees and consultants of the Group. The Company's shares are listed on the SIX Swiss Exchange and are traded in CHF. Long-term incentive ("LTI") awards are granted with exercise prices denominated in CHF, consistent with the share quotation currency. While the Group's financial statements are presented in USD, weighted-average exercise prices and other award-specific metrics disclosed in this note are presented in CHF, as these amounts represent contractual and market-based parameters rather than recognized amounts in the financial statements. For convenience, the Group also presents approximate USD equivalents of weighted average exercise price and other award-specific metrics. These figures are translated using the average exchange rate between CHF and USD for the year. These USD equivalents are presented for information purposes only.

The fair value of the options is determined at the date of grant based on the market price using the Black-Scholes model. The fair value of the RSU is based on the share price at the date of grant. All stock options and RSUs are issued by the Company.

In 2025, share-based payment expenses of TUSD 4,204 (2024: TUSD 5,779) is recognized for outstanding options and RSUs granted in the long-term incentive plans. The expense of forfeited options and RSUs was reversed in the year when the options and RSUs are forfeited.

The movements in the number of all outstanding share options are as follows:

	Options (number)	Weighted average exercise price (CHF)	Weighted average exercise price (USD)
Balance outstanding as of January 1, 2024	**3,364,637**	**1.84**	**2.07**
Granted	639,029	6.69	7.54
Exercised	(916,049)	2.11	2.38
Forfeited	(138,778)	2.14	2.41
Lapsed	(45,394)	2.74	3.09
Balance outstanding as of December 31, 2024	**2,903,445**	**2.79**	**3.14**
Balance outstanding as of January 1, 2025	**2,903,445**	**2.79**	**3.36**
Granted	154,847	25.37	30.55
Exercised	(726,685)	2.33	2.81
Forfeited	(42,642)	5.90	7.10
Lapsed	(41,665)	2.09	2.52
Balance outstanding as of December 31, 2025	**2,247,300**	**4.45**	**5.36**

The weighted average share price at the date of exercise for options exercised during the year ended December 31, 2025 was CHF 25.46 (USD 30.66) (2024: CHF 15.40 (USD 17.36)).

The movements in the number of all outstanding RSUs are as follows:

	RSUs (number)	Weighted average exercise price (CHF)	Weighted average exercise price (USD)
Balance outstanding as of January 1, 2024	**668,382**	**1.68**	**1.89**
Granted	639,271	7.40	8.34
Vested	(185,953)	6.73	7.59
Forfeited	(45,494)	1.81	2.04
Balance outstanding as of December 31, 2024	**1,076,206**	**4.20**	**4.73**
Balance outstanding as of January 1, 2025	**1,076,206**	**4.20**	**5.06**
Granted	34,024	24.41	29.39
Vested	(559,354)	3.61	4.35
Forfeited	(10,677)	8.45	10.17
Balance outstanding as of December 31, 2025	**540,199**	**5.99**	**7.21**

The weighted average share price at the date of vesting for RSUs during the year ended December 31, 2025 was CHF 20.83 (USD 25.08) (2024: CHF 7.87 (USD 8.87)).

The following table shows all share options outstanding as of December 31, 2025:

Exercise price (CHF)	Exercise price (USD)	Options* (number)	Remaining life (years unless stated otherwise)	Exercisable options (number)
25.56	28.81	143,550	4.3	—
21.63	24.38	7,370	4.0	7,370
18.45	20.79	17,790	3.8	5,272
6.50	7.33	468,998	3.3	129,752
3.88	4.37	35,592	3.0	35,592
2.18	2.46	374,494	2.8	174,494
2.10	2.37	15,248	2.8	6,507
1.40	1.58	53,340	2.5	53,340
1.40	1.58	713,395	2.5	312,595
1.47	1.66	2,055	2.0	2,055
1.73	1.95	31,623	1.8	15,810
1.63	1.84	4,698	1.8	—
1.73	1.95	355,196	1.7	258,104
2.45	2.76	3,033	1.3	3,033
1.93	2.18	15,214	1.3	15,214
2.30	2.59	3,210	0.1	3,210
2.02	2.28	2,494	0.1	2,494
Total		**2,247,300**		**1,024,842**

* Includes all outstanding options within the Group

The following table shows all RSUs outstanding as of December 31, 2025:

Share price at grant date (CHF)	Share price at grant date (USD)	RSUs* (number)	Remaining life (years unless stated otherwise)
25.56	30.78	21,426	3.3
22.16	26.68	3,841	2.3
6.50	7.83	114,917	1.3
7.67	9.24	10,695	1.3
22.16	26.68	3,833	1.3
7.67	9.24	10,688	1.1
2.18	2.62	1,816	0.8
7.67	9.24	10,688	0.8
7.67	9.24	10,688	0.6
1.40	1.68	187,631	0.5
2.18	2.62	1,811	0.5
2.18	2.62	1,811	0.3
7.67	9.24	10,688	0.3
22.16	26.68	3,833	0.3
2.18	2.62	19,322	0.2
7.67	9.24	114,012	0.2
7.67	9.24	10,688	0.1
2.18	2.62	1,811	—
Total		**540,199**	

* Includes all outstanding RSUs within the Group

The following table shows all share options outstanding as of December 31, 2024:

Exercise price (CHF)	Exercise price (USD)	Options* (number)	Remaining life (years unless stated otherwise)	Exercisable options (number)
18.45	22.22	20,200	4.8	—
6.50	7.83	559,643	4.3	—
3.88	4.67	45,886	4.0	45,886
2.18	2.62	374,494	3.8	74,494
2.10	2.53	16,750	3.8	3,625
1.40	1.69	94,899	3.5	94,899
1.40	1.69	890,688	3.5	231,551
1.47	1.77	10,069	3.0	10,069
1.73	2.08	31,623	2.8	—
1.63	1.96	10,270	2.8	874
1.73	2.08	506,886	2.7	260,857
2.45	2.95	3,033	2.3	3,033
1.93	2.32	16,788	2.3	16,788
2.45	2.95	1,005	1.6	1,005
2.30	2.77	3,210	1.1	3,210
2.02	2.43	2,494	1.1	2,494
2.00	2.41	82,380	0.9	82,380
3.12	3.76	4,071	0.6	4,071
2.45	2.95	1,550	0.6	1,550
2.30	2.77	7,223	0.6	7,223
2.27	2.73	2,500	0.6	2,500
2.09	2.52	209,224	0.2	209,224
2.45	2.95	8,559	0.1	8,559
Total		**2,903,445**		**1,064,292**

* Includes all outstanding options within the Group

The following table shows all RSUs outstanding as of December 31, 2024:

Share price at grant date (CHF)	Share price at grant date (USD)	RSUs* (number)	Remaining life (years unless stated otherwise)
6.50	7.33	124,503	2.3
7.67	8.64	10,695	2.3
7.67	8.64	10,688	2.1
2.18	2.46	1,816	1.8
7.67	8.64	10,688	1.8
7.67	8.64	10,688	1.6
1.40	1.57	187,631	1.5
2.18	2.46	1,811	1.5
2.18	2.46	1,811	1.3
7.67	8.64	10,688	1.3
2.18	2.46	19,322	1.2
7.67	8.64	114,012	1.2
7.67	8.64	10,688	1.1
2.18	2.46	1,811	1.0
1.63	1.84	44,598	0.8
2.18	2.46	1,811	0.8
7.67	8.64	10,688	0.8
1.73	1.95	312,196	0.7
7.67	8.64	10,688	0.6
2.18	2.46	1,811	0.5
2.18	2.46	1,811	0.3
7.67	8.64	10,688	0.3
7.67	8.64	10,688	0.1
2.18	2.46	21,133	—
7.67	8.64	133,242	—
Total		**1,076,206**	

* Includes all outstanding RSUs within the Group

Fair value and assumptions of options and RSUs granted

The following table shows the range of assumptions applied to the share-based payment arrangements:

Options granted in 2025:

	(a) New Kuros options granted	(b) New Kuros options granted
Grant date	January 3, 2025	April 30, 2025
Number of options	7,370	147,477
Exercise price	CHF 21.63 (USD 26.04)	CHF 25.56 (USD 30.78)
Share price at grant date	CHF 21.50 (USD 25.89)	CHF 26.72 (USD 32.17)
Contractual life	5 years	5 years
Vesting conditions	7,370 shares vest upon grant.	34,272 options vest after 1 year. 87,212 options vest quarterly over the following 3 years. 10,398 options vest annually over the following 2 years. 15,595 options vest upon the achievement of predefined financial targets.
Settlement	Shares	Shares
Expected volatility at grant date	64.60%	65.28%
Expected option life at grant date	4.3 years	4.5 years
Risk-fee interest rate p.a.	0.20%	0.04%
Expected dividend	Zero	Zero
Estimated fair value of option at grant date	CHF 10.83 (USD 13.04)	CHF 13.12 (USD 15.80)
Expiry date	January 3, 2030	April 30, 2030
Valuation model	Black-Scholes	Black-Scholes

RSUs granted in 2025:

	(a) New Kuros RSUs granted	(b) New Kuros RSUs granted
Grant date	April 15, 2025	April 30, 2025
Number of RSUs	11,507	22,517
Share price at grant date	CHF 22.16 (USD 26.68)	CHF 25.56 (USD 30.78)
Contractual life	4 years	4 years
Vesting conditions	11,507 RSUs vest in full upon completion of service until AGM 2026 and are subject to a lock-up period, and are released in three equal trances: one-third at vesting, one-third upon completion of service until AGM 2027, and the final one-third upon completion of service until AGM 2028.	6,510 RSUs with cliff vesting after 3 years. 8,004 RSUs vest annually over 3 years. 8,003 RSUs vest upon the achievement of predefined financial targets.
Settlement	Shares	Shares
Expiry date	April 15, 2029	April 30, 2029

Options granted in 2024:

	(a) New Kuros options granted	(b) New Kuros options granted	(c) New Kuros options granted
Grant date	January 3, 2024	April 30, 2024	September 30, 2024
Number of options	45,886	572,943	20,200
Exercise price	CHF 3.88 (USD 4.37)	CHF 6.50 (USD 7.33)	CHF 18.45 (USD 20.79)
Share price at grant date	CHF 3.88 (USD 4.37)	CHF 6.50 (USD 7.33)	CHF 18.45 (USD 20.79)
Contractual life	5 years	5 years	5 years
Vesting conditions	45,886 shares vest upon grant.	143,236 options vest after 1 year. 429,707 options vest quarterly over the following 3 years.	5,050 options vest after 1 year. 15,150 options vest quarterly over the following 3 years.
Settlement	Shares	Shares	Shares
Expected volatility at grant date	68.39%	68.26%	62.55%
Expected option life at grant date	until maturity	until maturity	4.3 years
Risk-fee interest rate p.a.	0.92%	0.78%	0.34%
Expected dividend	Zero	Zero	Zero
Estimated fair value of option at grant date	CHF 2.20 (USD 2.48)	CHF 3.66 (USD 4.13)	CHF 8.99 (USD 10.13)
Expiry date	January 3, 2029	April 30, 2029	September 30, 2029
Valuation model	Black-Scholes	Black-Scholes	Black-Scholes

RSUs granted in 2024:

	(a) New Kuros RSUs granted	(b) New Kuros RSUs granted
Grant date	April 17, 2024	April 30, 2024
Number of RSUs	489,528	149,743
Share price at date of grant	CHF 7.67 (USD 8.64)	CHF 6.50 (USD 7.33)
Contractual life	5 years	5 years
Vesting conditions	114,011 RSUs vest upon grant. 247,254 RSUs vest over 3 years and dependent on target achievement. 128,263 vest quarterly over 3 years.	24,000 RSUs vest on grant date. 125,743 RSUs with cliff vesting after 3 years.
Settlement	Shares	Shares
Expiry date	April 17, 2027	April 30, 2027

22. Employee benefit plans

The majority of the Group's employees are based in Switzerland, the U.S. and the Netherlands. The Group provides retirement benefits through local statutory and/ or defined contribution schemes in accordance with the regulations of jurisdictions.

Defined benefit plan

In Switzerland, the Group operates a defined benefit retirement plan ("the Plan") denominated in Swiss Franc covering employees in Switzerland through the PKG Pensionskasse, a collective foundation ("the Foundation") that offers coverage for retirement, long-term disability, death and termination.

The Foundation is managed by the Board of Trustees, the highest governing body, who oversees pension scheme management. Additionally, a Pension Fund Commission, composed of equal employee and employer representatives, safeguards the interests of insured members and sets pension-related provisions. The Foundation currently has excess coverage according to the regulations.

Minimum levels of benefits are prescribed by law. Contribution levels are set as a percentage of the insured portion of employees' pay. Retirement benefits are based on accumulated pension savings, including interest, and a predefined conversion rate. Risk benefits are determined in relation to pensionable salary.

As a participating employer in a Swiss defined benefit pension arrangement, the Group is faces both actuarial and investment risks. These risks primarily stem from fluctuations in the discount rate, as well as changes assumptions regarding future salary and pension increases. Sensitivity analyses are conducted to assess the potential impact of these variables.

Plan amendment/Settlement

There were no plan amendments, curtailments or settlements in 2024 and 2025.

Defined benefit assets

In 2025, defined benefit assets of TUSD 324 is recognized as the plan is currently holds a surplus and the Group expects that future economic benefit will be available in the form of a reduction in future contributions or a cash refund.

As of December 31, 2024, the Company has a net defined benefit liability position of TUSD 154.

Change in benefit obligation

in TUSD	2025	2024 Restated
Balance as of January 1	**(5,958)**	**(6,196)**
Service cost	(240)	(143)
Employee contributions	(200)	(133)
Interest cost	(67)	(89)
Actuarial loss arising from plan experience	(952)	(209)
Actuarial gain/ (loss) arising from financial assumptions	518	(407)
Benefit payments	(3,082)	802
Exchange differences	(1,090)	417
Balance as of December 31	**(11,071)**	**(5,958)**

Change in plan assets

in TUSD	2025	2024 Restated
Fair value as of January 1	**5,804**	**6,213**
Interest income	65	90
Employer contributions	200	133
Employee contributions	200	133
Benefit payments	3,082	(802)
Administrative expense	(2)	(1)
Actuarial gain on plan assets	957	453
Exchange differences	1,089	(415)
Fair value as of December 31	**11,395**	**5,804**

Assets breakdown

December 31, 2025	Quoted market price	Not quoted market price	Total
Cash	—	1%	1%
Bonds	38%	—	38%
Equities	38%	—	38%
Property	21%	—	21%
Other	—	2%	2%
Total value of assets	97%	**3%**	**100%**

December 31, 2024	Quoted market price	Not quoted market price	Total
Cash	—	1%	1%
Bonds	40%	—	41%
Equities	38%	—	36%
Property	19%	—	20%
Other	—	2%	2%
Total value of assets	97%	**3%**	**100%**

Funded status

in TUSD	2025	2024 Restated
Funded/ (unfunded) status	324	(154)
Net defined benefit asset/ (liability) recognized in the balance sheet	**324**	**(154)**

Defined benefit costs

in TUSD	2025	2024 Restated
Service cost	(240)	(143)
Interest cost	(67)	(89)
Administrative expense	(2)	(1)
Interest income on assets	65	90
Plan amendment	–	–
Defined benefit cost for the year recognized in the income statement	**(244)**	**(143)**

The defined benefit costs are included in the income statement in research and development costs, and general and administrative costs. (see note 7).

Net defined benefit asset/(liability)

in TUSD	2025	2024 Restated
Pension assets as of December 31	11,395	5,805
Defined benefit obligation as of December 31	(11,071)	(5,959)
Net defined benefit asset/ (liability) recognized in the balance sheet	**324**	**(154)**

The table below provides the weighted average assumptions as of December 31 used to develop net periodic benefit cost and the actuarial present value of projected benefit obligations:

Assumptions

	2025	2024
Discount rate	1.30%	1.00%
Interest credit rate	2.00%	2.00%
Average future salary increases	1.00%	1.00%
Future pension increases	0.0%	0.0%
Mortality tables used	BVG 2020 GT	BVG 2020 GT
Average retirement age	65/65	65/65
Turn over	BVG 2020	BVG 2020
Capital option	40%	40%
Expected life experience at regular retirement age 65 / 65 (2024: 65 / 65)	23.19/24.91	23.07/24.81
Weighted average duration of employee benefit obligations	16.1 years	16.3 years

Sensitivity analysis

The sensitivity analysis was performed by recalculating the defined benefit obligation (DBO) and the service cost with the following assumption, which was deemed to be the key assumptions used in the actuarial calculation. Reasonably possible changes at the reporting date to the discount rate, holding all other assumptions constant, would have affected the DBO by the amounts shown below:

in TUSD, increase/ (decrease) in DBO	December 31, 2025	December 31, 2024 Restated
Discount rate +0.25%	(447)	(220)
Discount rate –0.25%	474	235

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Future cash flows

in TUSD	2025	2024 Restated
Expected annual employee contribution in following year	216	131
Expected annual employer contribution in following year	216	131

Defined contribution retirement plan

The Group also administers defined contribution plans in the Netherlands and the United States, funded through fixed contributions from Group companies. The Group's legal or constructive obligation for these plans is limited to the contributions. The expense recognized in the current period in relation to these contributions was TUSD 676 (cost of goods sold: TUSD 104; sales and marketing: TUSD 333; research and development: TUSD 109; general and administrative: TUSD 130) (2024: TUSD 506, cost of goods sold: TUSD 54 ; sales and marketing: TUSD 209 ; research and development: TUSD 153; general and administrative: TUSD 90). As of December 31, 2025, and December 31, 2024, there are no outstanding contributions.

23. Provisions

in TUSD	Legal claim	Total
Balance as of January 1, 2025	—	—
Additions	500	500
Balance as of December 31, 2025	**500**	**500**

In 2025, the Group was involved in an ongoing legal claim related to product warranty obligations. As of the reporting date, the matter remains unresolved and no verdict has been reached. Based on management's assessment and after obtaining appropriate legal advice, a provision of TUSD 500 has been recognized to reflect the Group's best estimate of the most likely outcome. Any potential payment arising from this claim is expected to be fully covered by the Group's insurance policy; accordingly, a corresponding financial asset has been recognized in the balance sheet. The Group has no other material litigation or claims as of December 31, 2025 and December 31, 2024.

Subsequent to the reporting date, the Group reached a settlement in respect of the legal claim related to product warranty obligation as described in note 31.

24. Accrued expenses

in TUSD	2025	2024 Restated
Accrued payroll and bonuses	7,523	5,181
Accrued operating expenses	19,656	9,577
Total accrued expenses	**27,179**	**14,758**

Accrued operating expenses mainly included purchase of materials, consumables, as well as sales and distribution expenses and professional services accrued as of December 31, 2025 and 2024.

25. Reconciliation of movements of liabilities to cash flows arising from financing activities

in TUSD	Note	Leases	Financial liability from collaboration	Total
As of January 1, 2025		**1,966**	**3,460**	**5,426**
Changes in fair values		—	114	114
Payment of lease liabilities	12	(777)	—	(777)
Exchange difference		201	6	207
As of December 31, 2025		**1,390**	**3,580**	**4,970**

in TUSD	Note	Leases	Financial liability from collaboration	Total
As of January 1, 2024 Restated		**2,517**	**3,964**	**6,482**
Changes in fair values		—	(518)	(518)
Payment of lease liabilities	12	(681)	—	(681)
Remeasurement of lease liabilities	12	215	—	215
New lease	12	33	—	33
Exchange difference		(118)	14	(104)
As of December 31, 2024 Restated		**1,966**	**3,460**	**5,426**

26. Financial instruments by category

Financial assets:

in TUSD	2025	2024 Restated
Financial assets at amortized costs		
Trade receivables	30,213	14,688
Other receivables	9,983	3,010
Cash and cash equivalents	19,769	19,762
Total financial assets at amortized costs	**59,965**	**37,460**

Trade and other receivables reported in 2025 and 2024 include VAT receivables.

Financial liabilities:

in TUSD	2025	2024 Restated
Financial liabilities at amortized costs		
Trade and other payables	13,811	7,580
Accrued expenses	23,225	12,954
Lease liabilities	1,390	1,966
Total financial liabilities at amortized costs	**38,426**	**22,500**
Financial liabilities at fair value through profit or loss		
Financial liabilities from collaborations	3,580	3,460
Total financial liabilities at fair value through profit or loss	**3,580**	**3,460**

The carrying amounts of the Group's financial instruments carried at amortized cost are not materially different from their fair values as of December 31, 2025 and December 31, 2024 as they are short-term in nature. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

The financial liabilities from collaborations is measured at fair value and subsequent remeasurements are recognized in the financial result. It represents XOMA's entitlement to future pre-commercial milestones due from the Licensing Agreement with Checkmate Pharmaceuticals. XOMA obtained this entitlement from an initial payment in July 2021 under the Royalty Purchase Agreement.

The initial fair value of the liability represents XOMA's share of future pre-commercial milestones which is measured based on a contractually agreed pre-commercial milestones due from Checkmate under the Checkmate Licensing Agreement. The fair value of the liability is not based on observable market data (Level 3 hierarchy) but is primarily determined based on the probability and timing assumption to reach the events triggering milestone payments. Probability rates of 27.4% to 29.8% (2024: 27.4% to 29.8%) were applied to determine the fair value of the financial liabilities from collaborations. The Group anticipates a delay in meeting the remaining milestone triggers given the current status of the study in 2024 and 2025. Consequently, the remeasurement of fair value of the liability has resulted in a finance expense of TUSD 114 in 2025 (2024: TUSD 518 finance income).

For details of the Licensing Agreement with Checkmate and the Royalty Purchase Agreement with XOMA, please refer to note 1.

The financial liability's sensitivity is dependent on changes in timing and probability of the contractually agreed future milestone payment. The movement of financial liability from collaboration recognized in the balance sheet is set out in note 25.

27. Financial risk management

From 2024 onwards, following the Group's strategic transition to a pure MedTech business and the decision not to advance KUR-113 to Phase 3, the overall risk profile has improved. The Group is now focused on advancing its synthetic bone graft technology, which carries lower development and regulatory risks and is better aligned with its long-term strategy. The Group is now primarily exposed to risks typical of the MedTech industry, such as product development, regulatory compliance, and market acceptance.

Risk management is conducted centrally in accordance with policies approved by the Board of Directors. Furthermore, management oversees financial risks with particular focus on liquidity risk, currency risk and capital risk. (see also the "capital risk management" disclosure).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to monetary financial instruments denominated in currencies other than the respective functional currencies of the Group entities. The Group also has transactions in foreign currency and is exposed to foreign currency risks, which are discussed in the accounting policies section "Foreign currency translation and transactions".

As of December 31, 2025, if relevant foreign exchange rates had weakened/strengthened by 5% against the respective functional currencies of the Group entities, with all other variables held constant, profit or loss would have been TUSD 3,392 (2024: TUSD 723) lower/higher, mainly as a result of foreign exchange gains/ losses from remeasurement of foreign currency-denominated monetary assets and liabilities. The impact is the same on equity.

Sensitivity analysis:

December 31, 2025 (in TUSD)	Sensitivity	Effect on profit or loss
EUR/CHF	5% / (5%)	1,155 / (1,155)
USD/CHF	5% / (5%)	767 / (767)
USD/EUR	5% / (5%)	1,479 / (1,479)
GBP/CHF	5% / (5%)	12 / (12)
GBP/EUR	5% / (5%)	(21) / 21

December 31, 2024 (in TUSD) Restated	Sensitivity	Effect on profit or loss
EUR/CHF	5% / (5%)	119 / (119)
USD/CHF	5% / (5%)	(842) / 842

Interest rate risk

The Group has no outstanding loans, convertible bonds, or convertible bond notes as of December 31, 2025 and December 31, 2024. As a result, the Group is not exposed to changes in interest rates except for rental adjustments and time deposits. Management therefore considers the Group's exposure to cash flow and fair value interest rate risk to be insignificant, and no quantitative interest rate sensitivity analysis is presented.

Other price risk

Other price risks are also insignificant as the Group does not hold any investment in equity securities as of December 31, 2025 and December 31, 2024.

Liquidity risk

The Group manages its liquidity by planning and closely monitoring cash outflow, investing in fixed-term time deposits and continuously forecasting revenues to ensure adequate liquidity and appropriate interest income. As of December 31, 2025, the Group's financial position provides sufficient funds to support ongoing operations, taking into account further revenue streams.

The table below shows the maturities of the liquidity of relevant financial liabilities and commitments as of December 31, 2025:

in TUSD (undiscounted amounts)	Within 1 year	Between 2 to 5 years	Over 5 years
Trade and other payables	13,811	—	—
Accrued expenses	23,225	—	—
Lease liabilities	1,330	4,321	6,695
Short-term lease	80	—	—
Financial liabilities from collaborations[1]	—	—	3,580

[1] Amount and timing of the financial liability's repayment is not fixed (no maturity). Please refer to note 26 for details of financial liabilities from collaborations.

The table below shows the maturities of the liquidity of relevant financial liabilities and commitments as of December 31, 2024:

in TUSD (undiscounted amounts)	Within 1 year	Between 2 to 5 years	Over 5 years
Trade and other payables	7,580	—	—
Accrued expenses	12,954	—	—
Lease liabilities	579	1,244	—
Short-term lease	76	—	—
Financial liabilities from collaborations[1]	—	—	3,460

[1] Amount and timing of the financial liability's repayment is not fixed (no maturity). Please refer to note 26 for details of financial liabilities from collaborations.

Credit risk

The Group considers the related credit risk limited to trade receivables for product sales and collaborative agreements, and other receivables. The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due.

The primary concentration of credit risk consists of trade receivables. In the normal course of business, the Group provides credit terms to its customers. Accordingly, the Group performs ongoing credit evaluations of its customers. It maintains allowances for possible losses which, when realized, have been within the range of management's expectations as reflected by its reserves. The expected loss rates are based on current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as of December 31, 2025 and December 31, 2024 was determined as follows:

December 31, 2025 (in TUSD)	Current	1-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	> 120 days past due	Total
Trade receivables	16,209	6,387	3,635	1,339	660	3,287	31,517
Accrued income	3,955	29	—	—	—	—	3,984
Total at gross carrying amount	20,164	6,416	3,635	1,339	660	3,287	35,501
Loss allowance	(220)	(129)	(76)	(36)	(21)	(822)	(1,304)
Total at net carrying amount	**19,944**	**6,287**	**3,559**	**1,303**	**639**	**2,465**	**34,197**

December 31, 2024 (in TUSD) Restated	Current	1-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	> 120 days past due	Total
Trade receivables	10,221	3,378	785	277	128	916	15,704
Accrued income	123	512	155	74	19	62	943
Total at gross carrying amount	10,342	3,890	938	351	147	976	16,648
Loss allowance	(219)	(78)	(34)	(13)	(4)	(669)	(1,016)
Total at net carrying amount	**10,124**	**3,812**	**904**	**338**	**144**	**308**	**15,632**

The loss allowances for trade receivables as of December 31 reconcile to the opening loss allowances as follows:

in TUSD	2025	2024 Restated
Opening loss allowance as of January 1	**(1,016)**	**(787)**
Increase in loss allowance recognized in profit or loss during the year	(288)	(229)
Closing allowance as of December 31	**(1,304)**	**(1,016)**

The maximum exposure to credit risk at the reporting date is the carrying amount of trade and other receivables mentioned above. The Group does not hold any collateral as security. The credit quality of the Group's debtors is high, since they are primarily composed of health care providers, leading pharmaceutical companies, and tax authorities.

A significant share of cash and cash equivalents and the financial assets are held, with financial institutions with at least an "A" rating (Standard & Poor's) equivalent or financial institutions which deposits are generally backed by local government. Cash and cash equivalents are also subject to the impairment requirements of IFRS 9; however, no impairment loss has been identified.

Capital risk management

The Group is not regulated and not subject to specific capital requirements. It aims to maintain the specific needs of the Swiss Code of Obligations ("CO"). To maintain statutory capital requirements, the Group monitors capital periodically and may propose capital increases at General or Extraordinary Meetings as needed. As outlined in Article 3d of the Company's Articles of Association, Kuros Biosciences AG operates within a capital band ranging from CHF 3,051,206.20 to CHF 4,522,571.50, which allows the Board of Directors to increase share capital up to the upper limit until May 16, 2028. This flexibility enables the Company to raise additional capital when needed, while capital reduction is excluded.

Fair value estimation

The fair value of financial assets and liabilities at amortized costs are assumed to be approximate their carrying amounts due to the short-term nature of these financial instruments. Financial liabilities from collaborations are measured at fair value through profit and loss. The maximum exposure at the end of the reporting period is the carrying amount.

28. Net finance result

Finance income

in TUSD	2025	2024 Restated
Foreign exchange gain	2,757	2,545
Fair value remeasurement of financial liabilities from collaborations	—	518
Other finance income	102	184
Finance income	**2,859**	**3,247**

Finance expense

in TUSD	2025	2024 Restated
Foreign exchange loss	(6,312)	(1,221)
Fair value remeasurement of financial liabilities from collaborations	(114)	–
Others	(367)	(167)
Finance expense	**(6,793)**	**(1,388)**

Please refer to note 25 for details of fair value remeasurement of financial liabilities from collaborations.

29. Discontinued operation

Until the end of 2023, the Group pursued the development of drug-based orthobiologic therapies, including Fibrin-PTH (KUR-113), which was evaluated in a Phase 2a clinical trial for spinal indications in the U.S. Following an interim analysis and the superior clinical outcomes observed with MagnetOs, the Group decided in December 2023 to discontinue further development of Fibrin-PTH. The clinical study was completed in 2024, with the final patient reaching the 12-month follow-up in the second half of the year. All related development activities ceased by the end of 2024.

As a result of the decision to discontinue the development of Fibrin-PTH, the Pharmaceuticals segment has been discontinued and its remaining activities have been integrated into the Legacy Portfolio segment as part of the Group's segment reporting realignment in 2024. Consequently, the Pharmaceuticals segment is presented as a discontinued operation for both the current and prior periods. No intangible or other non-current assets were capitalized in relation to Fibrin-PTH.

Financial performance and cash flow information

The financial performance and cash flow information presented below are for the year ended December 31, 2025 and December 31, 2024.

in TUSD	2025	2024 Restated
Income	89	—
Expenses	—	(647)
Profit/ (loss) from discontinued operation	**89**	**(647)**
Net cash inflow/ (outflow) from operating activities	81	(1,905)
Net cash generated by/ (used in) discontinued operation	**81**	**(1,905)**

30. Related party transactions

Key management (including the Board and the Executive Committee) personnel compensation of the Group is as follows:

in TUSD	2025	2024 Restated
Short-term employee benefits	2,580	2,149
Share-based compensation	1,292	6,045
Social security and pension plan contributions *	518	429
Total	4,390	8,622

* Includes contributions to defined contribution plan

In 2023, the Group entered into consultancy agreements with Bruder Consulting & Venture Group, a company which Dr. Scott Bruder, a former Board Member of the Group, is the ultimate owner. Dr. Scott Bruder served as a Board Member of the Group until April 2024. As a result, Bruder Consulting & Venture Group is no longer considered a related party in 2025. In 2024, consultancy fees of TUSD 27 were payable by the Group under these consultancy agreements and were determined with reference to rates charged by Bruder Consulting & Venture Group to third parties. No other compensation has been paid to the key management in 2025 and 2024.

31. Events occurring after the reporting period

In 2025, the Group was involved in a legal claim concerning product warranty obligations. A provision of TUSD 500 had been recognized as of December 31, 2025, reflecting the Group's best estimate of the related obligation at that time. A corresponding receivable has also been recognized as any potential payment arising from the claim is expected to be covered in full by the Group's insurance policy.

Following the reporting date, the Group entered into a binding settlement agreement resolving the proceedings, without any admission of fault, wrongdoing, or liability by the Group. The settlement amount is covered in full under the applicable insurance policies. The insurer will make payment directly to the claimant. Based on the information available, the Group does not expect any further material financial exposure in connection with this matter.

On February 20, 2026, the U.S. Supreme Court issued a decision invalidating certain U.S. import tariffs imposed in 2025 under the International Emergency Economic Powers Act ("IEEPA"), on the basis that such tariffs were imposed without statutory authority. The decision does not affect tariffs imposed under other U.S. statutory regimes and did not provide guidance on the retroactive recovery of tariffs previously paid. As of the reporting date, there is significant uncertainty regarding the timing, amount, and enforceability of any potential refunds; accordingly, no asset has been recognized in the consolidated financial statements in respect of this matter.

Report of the statutory auditor to the General Meeting of Kuros Biosciences AG, Schlieren

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Kuros Biosciences AG and its subsidiaries (the Group), which comprise the consolidated income statement and consolidated statement of comprehensive income for the year ended 31 December 2025, the consolidated balance sheet as at 31 December 2025, the consolidated statement of cash flows and the consolidated statement of change in shareholders' equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 89 to 141) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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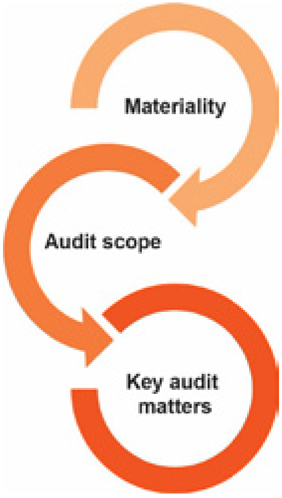
Our audit approach



Overview

Overall group materiality: TUSD 1,400

The entities addressed by our full scope audit work contribute to 100% of the Group's revenue.

As key audit matter the following area of focus has been identified:

Recoverability of goodwill

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	TUSD 1,400
Benchmark applied	Total Revenue
Rationale for the materiality benchmark applied	We applied the Group's total revenue as benchmark because, in our view, it is the benchmark against which the performance of the Group is commonly measured, and it is a generally accepted benchmark.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2025, the carrying value of goodwill amounted to USD 16.6 Mio. (12.3% of total assets). The recoverable amount of the cash-generating units is calculated on the basis of their value in use, applying discounted cash flow models. The recoverability of goodwill is a key audit matter due to the magnitude of the balances and the significant estimation uncertainty in the assumptions used as part of Management's impairment assessment. Specifically, the assumptions related to timing and magnitude of future cash-flows, the determination of the respective discount rate and the growth rate require a significant level of judgement by Management. Refer to Note 1 'General information', Note 3 'Critical accounting estimates and judgements', Note 13 'Goodwill and intangible assets' and Note 14 'Impairment test of goodwill'.	With the involvement of our internal valuation experts, we assessed the model used by Management for the impairment test and challenged and evaluated Management's value in use calculation for the respective CGUs. This included an assessment challenging the key assumptions made by Management. • We evaluated the reasonableness of the discount rate, as determined by Management, by assessing the cost of capital for the Group and comparable organizations, as well as considering industry and territory specific factors. • We challenged Management's cash flow assumptions and the probability-weightings applied to such cashflows by verifying the consistency based on other internal forward-looking documentation and by verifying the consistency of the assumptions with the Group's current commercialization plans. • We evaluated the reasonableness of the growth rate, as determined by Management, by assessing the long-term inflation rate applicable for the respective CGUs. • We evaluated the accuracy of Management's forecast model by performing look-back procedures and verified the consistency of Management's cash-flow assumptions by comparing them to the Group's business plan as approved by the Board of Directors.

- We further performed independent sensitivity analyses around the key assumptions to ascertain the extent of changes in those assumptions that either individually or collectively would be required for the goodwill to be impaired.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Thomas Ebinger Licensed audit expert Auditor in charge	Alexandra Wittwer Licensed audit expert

Basel, 9 March 2026

11 Statutory Financial Statements 2025

Statutory financial statements 2025

Income statement

in TCHF, year ended December 31	Note	2025	2024
Revenue from product sales	3	12,890	—
Other income	4	3,901	2,015
Cost of goods sold	5	(11,268)	—
Gross profit		**5,523**	**2,015**
Research and development expense		(93)	(259)
Employee expense	6	(3,431)	(2,528)
Other operating expense	7	(7,780)	(3,100)
Depreciation to fixed assets and valuation adjustments to investment and intercompany loan	8	(16)	(267)
Net operating costs		**(11,320)**	**(6,154)**
Operating loss		**(5,797)**	**(4,139)**
Finance income	9	1,809	2,551
Finance expense	9	(2,036)	(328)
Loss before taxes		**(6,024)**	**(1,916)**
Direct taxes		30	(52)
Net loss		**(5,994)**	**(1,968)**

Balance sheet

in TCHF, December 31	Note	2025	2024
Cash and cash equivalents		3,759	7,886
Trade receivables – third parties		927	20
Trade receivables – subsidiaries		12,591	—
Other receivables – third parties		2,902	349
Inventories	10	2,653	—
Prepayments		212	107
Total current assets		**23,044**	**8,362**
Intercompany loans – subsidiaries	11	34,241	37,741
Investments	12	2,105	2,105
Property and equipment		39	3
Intangible Assets		8	17
Total non-current assets		**36,393**	**39,866**
Total assets		**59,437**	**48,228**
Trade payables – third parties		640	258
Trade payables – subsidiaries	13	14,648	—
Other payables – third parties		1,356	1,083
Other payables – subsidiaries	14	4,040	4,331
Accrued expenses	15	1,917	1,636
Total current liabilities		**22,601**	**7,308**
Financial liabilities from collaborations	16	3,328	3,233
Non-current liabilities – third parties	17	80	80
Total non-current liabilities		**3,408**	**3,313**
Share capital	18	3,915	3,787
Legal reserves: – Capital contribution reserve	19	104,090	102,404
– Other legal reserves		—	—
Accumulated loss: – Brought forward		(68,584)	(66,616)
– Loss for the year		(5,994)	(1,968)
Total shareholders' equity		**33,427**	**37,607**
Total liabilities and shareholders' equity		**59,436**	**48,228**

Notes to the statutory financial statements

1. Accounting principles applied in the preparation of the financial statements

Kuros Biosciences AG, Schlieren, Switzerland (the "Company") is the parent company of the Group. Its stand-alone financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations ("CO"). As Kuros Biosciences AG has prepared its consolidated financial statements in accordance with a recognized accounting standard (IFRS), it has decided to forego presenting additional information on interest bearing liabilities and audit fees in the Notes as well as a cash flow statement in accordance with the law (Art. 961d Para. 1 CO).

Group companies are all companies which are directly or indirectly controlled by the Company.

Uncertainties and ability to continue operations

Kuros Biosciences AG (the "Company") holds key intellectual property and performs group-level functions. The Company's ability to meet its obligations depends on its liquidity position and expected cash inflows, including income from licensing and related arrangements, as well as funding from subsidiaries where legally and commercially feasible.

In assessing the going concern basis, the Board of Directors considered the Company's cash and cash equivalents at the reporting date and its forecast cash requirements over at least the next twelve months. The assessment also considered uncertainties that could adversely affect liquidity and the Company's access to funding, including changes in market conditions and capital market availability.

Based on this assessment, the Board of Directors concluded that it is appropriate to prepare these financial statements on a going concern basis. For information on the business development and principal risks of the Kuros group, reference is made to the consolidated financial statements.

Trade receivables and other current receivables

Trade receivables and other current receivables are carried at their nominal value. Write off charges for uncollectible or non-performing trade receivables are determined on an individual basis.

Investments

Investments are initially recognized at cost. Investments in subsidiaries are assessed annually and adjusted to their recoverable amount.

Inventories

Inventories are stated at acquisition cost. Subsequent measurement follows the lower of cost and net realizable value principle; inventories are not carried at amounts exceeding acquisition or production cost. Write-downs are recognized where the net realizable value is lower than cost.

Property and equipment and intangible assets

Property and equipment and intangible assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation or amortization and any impairment losses. Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives as follows:

- Intangible assets: 3 years
- IT equipment: 3 years
- Furniture and fixtures: 8 years

Intercompany loans and other receivables

Intercompany loans and other receivables are carried at nominal value. They are reviewed regularly for indications of impairment; where recoverability is doubtful, appropriate value adjustments are recognized.

Financial liabilities from collaborations

The initial fair value of the liability represents XOMA's share of future pre-commercial milestones which is measured based on a contractually agreed pre-commercial milestones due from Checkmate under the Checkmate Licensing Agreement. The liability is subsequently measured at fair value and remeasurements are recognized in the financial results. Financial liabilities from collaborations are classified as non-current liabilities unless at the end of the reporting period, the contractual due date falls within 12 months after end of reporting period.

Revenue recognition

Revenue is recognized when the Company has fulfilled the underlying performance obligation to the extent that it has a legally enforceable right to consideration.

Product sales are recognized primarily in accordance with the contractual Incoterms, where revenue is generally recognized upon delivery at the agreed destination.

Income from collaboration and service arrangements (e.g., royalties/licenses, technology transfer fees and service recharges) is recognized when earned in accordance with the substance of the relevant agreements and, where applicable, on a systematic basis over the period in which the related services are provided.

Cost of goods sold

Cost of goods sold comprises the purchase cost of finished goods sourced primarily from group companies, including directly attributable costs necessary to bring inventories to their present location and condition (e.g., freight, customs, and handling, where applicable). Cost of goods sold is recognized upon sale of the related goods and is determined based on the inventory valuation method applied. Where net realizable value is lower than cost, inventory write-downs are recognized in cost of goods sold.

Foreign currencies

Monetary and non-monetary items in foreign currency are translated into Swiss francs at the following exchange rates:

	2025 Income statement	Balance sheet as of December 31, 2025	2024 Income statement	Balance sheet as of December 31, 2024
EUR	0.93694	0.93085	0.96376	0.94947
USD	0.82880	0.79288	0.88723	0.91193

The exchange rates used for balance sheet items are the rates prevailing on December 31, 2025. The exchange rates used for transactions conducted during the year and for items in the income statement are average rates for the financial year.

2. Merger with Kuros Biosurgery AG, a wholly own subsidiary

Based on the merger agreement dated November 6, 2024, Kuros Biosurgery AG, Schlieren, a wholly-owned subsidiary of Kuros Biosciences AG, merged into Kuros Biosciences AG, transferring all assets and liabilities as of July 1, 2024. The merger resulted in a loss of CHF 117,151, which was absorbed in the accumulated loss. As part of the merger, balances related to “other receivables from group companies”, “long-term interest-bearing liability”, and “other current receivables due from group companies” involving Kuros Biosurgery AG were fully impaired prior to the merger.

3. Revenue from product sales

in TCHF, December 31	2025	2024
Product revenue from third parties	1,181	—
Product revenue from group companies	11,709	—
Total	12,890	—

In 2025, the Company assumed the role of the Group's central wholesaler. The Company purchases finished products from the manufacturing entity, assumes ownership and associated commercial risks, and subsequently resells the products to regional distributors and third-party customers. As a result of this change, product sales are now recognized at the Company.

4. Other income

in TCHF, December 31	2025	2024
Reimbursement of intragroup services	3,795	1,920
Fees of collaboration agreements	106	93
Others	—	2
Total	3,901	2,015

In 2025 and 2024, the Company was reimbursed for intragroup services.

5. Cost of goods sold

in TCHF, December 31	2025	2024
Cost of goods sold from sales to third parties	(1,082)	—
Cost of goods sold from sales to group companies	(10,186)	—
Total	(11,268)	—

Following the transition in 2025 to the role of the Group's central wholesaler, the Company recognizes cost of goods sold for products sold as wholesaler. Cost of goods sold comprises the purchase cost of finished goods sourced primarily from the Group's manufacturing entity. Cost of goods sold is recognized upon sale of the related inventory.

6. Employees

As of December 31, 2025, the Company employed 12 employees (2024: 4).

7. Other operating expense

in TCHF, December 31	2025	2024
Administration and legal fees	(3,822)	(1,799)
IT and ERP expenses	(807)	(406)
Insurances, public charges	(466)	(306)
Marketing expenses	(595)	(251)
Rental expenses	(70)	(77)
Travel expenses	(259)	(207)
Other expenses	(1,761)	(53)
Total	**(7,780)**	**(3,100)**

Other expenses include a one-time charge incurred in September 2025 in connection with the acquisition of certain business activities from a subsidiary. As part of this transaction, the Company acquired specific distribution agreements and the sales and marketing functions. The consideration amounted to TCHF 1,561.

8. Depreciation to fixed assets and valuation adjustments to investment and intercompany loan

in TCHF, December 31	2025	2024
Impairment of intercompany loan	–	(238)
Depreciation to fixed assets	(16)	(29)
Total	**(16)**	**(267)**

In 2024, the Company fully impaired the intercompany loan from Kuros Biosurgery AG prior to the merger, as the amount was deemed unrecoverable.

9. Finance result

In 2025, the remeasurement of the contingent settlement liability related to the Checkmate Licensing Agreement resulted in a finance expense of TCHF 95, which was recognized in the income statement. (2024: finance income of TCHF 460 was recognized as a result of the remeasurement, which arose from the delay in reaching the pre-commercial milestone triggering events under the Checkmate Licensing Agreement and the corresponding timing effect)

The remaining financial results mainly comprised of exchange results from currency fluctuations in cash and cash equivalents and long-term interest-bearing receivables, and interest income from bank deposits and long-term interest-bearing receivables.

10. Inventories

in TCHF, December 31	2025	2024
Inventories for sale to third parties	1,474	—
Inventories for sale to group companies	1,179	—
Total	**2,653**	—

11. Intercompany loans – subsidiaries

in TCHF, December 31	2025	2024
Kuros Biosciences B.V.	34,241	32,265
Kuros Biosciences USA, Inc.	—	5,476
Total	**34,241**	**37,741**

On 24 November 2025, the parties executed a set-off agreement netting mutual loan positions; as at 31 December 2025, no intercompany loan receivables from Kuros Biosciences USA, Inc. are outstanding. Intercompany balances arise solely from trading.

12. Investments and branches

Investments of Kuros Biosciences AG:

	December 31, 2025	December 31, 2024
Kuros Biosciences B.V., Bilthoven, The Netherlands		
Purpose: Provider of research and development services		
Share capital (TEUR)	18	18
Shareholding (%)	100	100
RevisiOs B.V., Bilthoven, The Netherlands		
Purpose: Provider of research and development services		
Share capital (TEUR)	22	22
Shareholding (%)	100	100
Kuros Biosciences USA, Inc., Boston (MA), United States of America		
Purpose: Commercialization of Products		
Share capital (TUSD)	1	1
Shareholding (%)	100	100

Branches of Kuros Biosciences AG:

Name of entity	Place of business	Ownership held	
		2025	2024
Kuros US LLC	Delaware, United States	100%	100%
Kuros US Royalty Fund (US) LLC	Delaware, United States	100%	100%

In 2021, Kuros US, LLC and Kuros US Royalty Fund (US) LLC were incorporated for the special purpose of the royalty purchase agreement with XOMA Corporation. Kuros US, LLC is the sole owner of patents CYT003 which are part of the license agreement with Checkmate Pharmaceuticals. Kuros US, LLC is the sole owner and transfer (as a contribution in kind) the right to receive all future license payments under the license agreement with Checkmate Pharmaceuticals to Kuros US Royalty Fund (US) LLC. Both companies are reported in the manner of branch accounting within the statutory financial reporting of Kuros Biosciences AG. Kuros Biosciences AG does not hold shareholdings, as these companies are registered as partnerships.

13. Trade payables – subsidiaries

in TCHF, December 31	2025	2024
Kuros Biosciences B.V.	14,648	—
Total	**14,648**	—

The payables mainly arise from purchases of goods from Kuros Biosciences B.V. for resale to third parties and to Group subsidiaries (including Kuros Biosciences Inc.).

14. Other payables – subsidiaries

in TCHF, December 31	2025	2024
Kuros Biosciences USA, Inc.	2,447	3,069
Kuros Biosciences B.V.	1,593	1,262
Total	**4,040**	**4,331**

The other payables mainly arise from services received under intercompany service agreements in the ordinary course of business.

15. Accrued expenses

in TCHF, December 31	2025	2024
Accrued payroll, bonuses and social securities	1,105	834
Other	811	802
Total	**1,917**	**1,636**

Other accrued expenses mainly included costs of services, and legal, accounting and consulting fees accrued as of December 31, 2025 (2024: costs of services, and legal, accounting and consulting fees).

16. Financial liabilities from collaborations

The financial liability from collaborations represents XOMA's entitlement to a share of future pre-commercial milestone payments due under the Checkmate Licensing Agreement. This entitlement arose from XOMA's initial payment in July 2021 under the Royalty Purchase Agreement. The liability is measured at fair value; subsequent changes in fair value are recognized in the financial result.

The initial fair value of the liability represents XOMA's share of future pre-commercial milestones which is measured based on a contractually agreed pre-commercial milestones due from Checkmate under the Checkmate Licensing Agreement. The fair value of the liability is not based on observable market data (Level 3 hierarchy) but is primarily determined based on the probability assumption to reach the events triggering milestone payments. Probabilities between 27.4% and 29.8% have been applied to reflect uncertainty of timing and extent of cash-flows in 2025 and 2024. Following the acquisition of Checkmate, Regeneron has closed the enrollment in the ongoing phase 2 and phase 2/3 study in melanoma and is elaborating its own clinical development strategy. The probability is primarily based on an industry peer comparison of products in a similar development stage factoring in management assessment. The Group anticipates a delay in meeting the remaining milestone triggers given the current status of the study in 2024 and 2025. Consequently, the remeasurement of fair value of the liability has resulted in a finance expense of TCHF 95 in 2025 (2024: finance income TCHF 460).

17. Non-current liabilities

This represents liabilities related to the company's long-term incentive plan, for members of the executive team and employees.

18. Capital increase

In 2025, a total of 1,286,039 options and RSUs granted to employees and consultants of the Company and its subsidiaries were exercised. As a result, nominal share capital of the Company increased from CHF 3,786,888.90 to CHF 3,915,492.80, comprising into 39,154,928 registered common shares with a par value of CHF 0.10 each.

In 2024, a total of 1,084,758 options granted to employees of the Company and its subsidiaries were exercised. As a result, nominal share capital of the Company increased from CHF 3,678,413.10 to CHF 3,786,888.90, comprising into 37,868,889 registered common shares with a par value of CHF 0.10 each.

19. Capital contribution and other legal reserves

The Swiss federal tax department confirmed a capital contribution reserve of TCHF 100,565 in accordance with Art. 5 of Swiss Withholding Tax ("WHTA") as of December 31, 2023. The contributions or redemptions for 2024 and 2025 are not yet confirmed.

Capital contribution reserve	in TCHF
Starting Balance January 1, 2024	100,565
Contributions/(Redemptions) in 2024	1,839
Ending Balance December 31, 2024	**102,404**
Contributions/(Redemptions) in 2025	1,686
Ending Balance December 31, 2025	**104,090**

20. Conditional capital

As stated in articles 3b and 3c of the Articles of Association of Kuros Biosciences AG (available on the Company's website), the Company has conditional capital that is designated for bonds or similar debt instruments (article 3b) and for use as equity-based compensation for employees, persons of comparable positions and board members (article 3c).

The Company's unissued conditional capital for use as equity-based compensation showed the following movement:

	2025		2024	
	Number of shares	Par value in CHF	Number of shares	Par value in CHF
As of January 1	**4,620,455**	**462,046**	**4,132,460**	**413,246**
Increase in conditional capital approved at the Annual General Meeting	300,000	30,000	1,572,753	157,275
Increase in capital (options exercised and RSUs vested)	(1,286,039)	(128,604)	(1,084,758)	(108,476)
As of December 31	**3,634,416**	**363,442**	**4,620,455**	**462,046**

As of December 31, 2025 and December 31, 2024, the unissued conditional capital for bonds or similar debt instruments totaled 1,800,000 shares with a par value of CHF 180,000.

Under the Swiss Code of Obligations ("CO"), new share capital can be created by way of ordinary or conditional capital increase.

21. Capital band

As stated in article 3d of the Articles of Association of Kuros Biosciences AG (available on the Company's website), the Company has a capital band between CHF 3,051,206.20 (lower limit) and CHF 4,522,571.50 (upper limit). The board of directors is authorized to increase the share capital up to the upper limit at any time and as often as required until 16 May 2028 by the issuance of fully paid-in registered shares. A capital reduction is excluded.

22. Main shareholders

According to disclosure notifications filed with the Company to the SIX, the following Shareholders hold more than 3% of the share capital of the Company as of December 31, 2025.

Name	Shareholding / Purchase Positions*
Optiverder BV, Delft, The Netherlands	24.8 %
BlackRock Inc.	3.4 %
UBS Fund Management (Switzerland) AG	3.0 %

* The shareholdings or purchase positions indicated in this table correspond to the amounts as disclosed on the SIX website as of December 31, 2025. Information on disclosure notifications during the year under review, concerning significant shareholders and financial instruments may be found on the SIX website on: https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/

According to disclosure notifications filed with the Company to the SIX, the following Shareholders hold more than 3% of the share capital of the Company as of December 31, 2024.

Name	Shareholding / Purchase Positions*
Optiverder BV, Delft, The Netherlands	25.6 %
Pegasus Global Opportunity Fund, Ltd.	4.8 %
BlackRock Inc.	3.4 %
UBS Fund Management (Switzerland) AG	3.0 %

* The shareholdings or purchase positions indicated in this table correspond to the amounts as disclosed on the SIX website as of December 31, 2024. Information on disclosure notifications during the year under review, concerning significant shareholders and financial instruments may be found on the SIX website on: https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/

23. Outstanding share options and RSUs

The following table shows all share options outstanding as of December 31, 2025:

Exercise price (CHF)	Options* (number)	Remaining life (years unless stated otherwise)	Exercisable options (number)
25.56	143,550	4.3	—
21.63	7,370	4.0	7,370
18.45	17,790	3.8	5,272
6.50	468,998	3.3	129,752
3.88	35,592	3.0	35,592
2.18	374,494	2.8	174,494
2.10	15,248	2.8	6,507
1.40	53,340	2.5	53,340
1.40	713,395	2.5	312,595
1.47	2,055	2.0	2,055
1.73	31,623	1.8	15,810
1.63	4,698	1.8	—
1.73	355,196	1.7	258,104
2.45	3,033	1.3	3,033
1.93	15,214	1.3	15,214
2.30	3,210	0.1	3,210
2.02	2,494	0.1	2,494
Total	**2,247,300**		**1,024,842**

* Includes all outstanding options granted by the Company

The following table shows all RSUs outstanding as of December 31, 2025:

Share price at grant date (CHF)	RSUs* (number)	Remaining life (years unless stated otherwise)
25.56	21,426	3.3
22.16	3,841	2.3
6.50	114,917	1.3
7.67	10,695	1.3
22.16	3,833	1.3
7.67	10,688	1.1
2.18	1,816	0.8
7.67	10,688	0.8
7.67	10,688	0.6
1.40	187,631	0.5
2.18	1,811	0.5
2.18	1,811	0.3
7.67	10,688	0.3
22.16	3,833	0.3
2.18	19,322	0.2
7.67	114,012	0.2
7.67	10,688	0.1
2.18	1,811	—
Total	**540,199**	

* Includes all outstanding RSUs granted by the Company

The following table shows all share options outstanding as of December 31, 2024:

Exercise price (CHF)	Options* (number)	Remaining life (years unless stated otherwise)	Exercisable options (number)
18.45	20,200	4.8	—
6.50	559,643	4.3	—
3.88	45,886	4.0	45,886
2.18	374,494	3.8	74,494
2.10	16,750	3.8	3,625
1.40	94,899	3.5	94,899
1.40	890,688	3.5	231,551
1.47	10,069	3.0	10,069
1.73	31,623	2.8	—
1.63	10,270	2.8	874
1.73	506,886	2.7	260,857
2.45	3,033	2.3	3,033
1.93	16,788	2.3	16,788
2.45	1,005	1.6	1,005
2.30	3,210	1.1	3,210
2.02	2,494	1.1	2,494
2.00	82,380	0.9	82,380
3.12	4,071	0.6	4,071
2.45	1,550	0.6	1,550
2.30	7,223	0.6	7,223
2.27	2,500	0.6	2,500
2.09	209,224	0.2	209,224
2.45	8,559	0.1	8,559
Total	**2,903,445**		**1,064,292**

* Includes all outstanding options granted by the Company

The following table shows all RSUs outstanding as of December 31, 2024:

Share price at grant date (CHF)	RSUs* (number)	Remaining life (years unless stated otherwise)
6.50	124,503	2.3
7.67	10,695	2.3
7.67	10,688	2.1
2.18	1,816	1.8
7.67	10,688	1.8
7.67	10,688	1.6
1.40	187,631	1.5
2.18	1,811	1.5
2.18	1,811	1.3
7.67	10,688	1.3
2.18	19,322	1.2
7.67	114,012	1.2
7.67	10,688	1.1
2.18	1,811	1.0
1.63	44,598	0.8
2.18	1,811	0.8
7.67	10,688	0.8
1.73	312,196	0.7
7.67	10,688	0.6
2.18	1,811	0.5
2.18	1,811	0.3
7.67	10,688	0.3
7.67	10,688	0.1
2.18	21,133	—
7.67	133,242	—
Total	**1,076,206**	

* Includes all outstanding RSUs granted by the Company

24. Pledged assets

in TCHF, as of	December 31, 2025	December 31, 2024
Cash and cash equivalents (security for credit card liabilities)	80	80
Total	**80**	**80**

25. Lease commitments not recorded in the balance sheet

in TCHF, as of	December 31, 2025	December 31, 2024
Rent and leasing	6	6

26. Contingencies

XOMA Royalty Purchase Agreement

Under the Royalty Purchase Agreement with XOMA Corporation, the Company is entitled to receive up to USD 44.0 million in potential future milestone payments. Upon receiving these milestones, the Company is required to transfer up to USD 22.7 million to XOMA Corporation.

27. Pension liabilities

As of December 31, 2025 and December 31, 2024, the company has no outstanding payables to PKG Pensionskasse.

28. Events after balance sheet date

The Company has no significant events after the reporting period and up to the date of this report.

Appropriation of the accumulated losses

The Board of Directors proposes to the Annual General Meeting to carry forward accumulated losses as follows:

in CHF	
Accumulated loss brought forward from previous year	68,583,748.27
Net loss of the year 2025	5,994,427.14
Accumulated loss at the end of the period	**74,578,175.41**
Accumulated loss to be carried forward	**74,578,175.41**

Report of the statutory auditor to the General Meeting of Kuros Biosciences AG, Schlieren

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kuros Biosciences AG (the Company), which comprise the income statement for the year ended 31 December 2025, and the balance sheet as at 31 December 2025, and notes to the financial statements, including a summary of significant accounting policies.

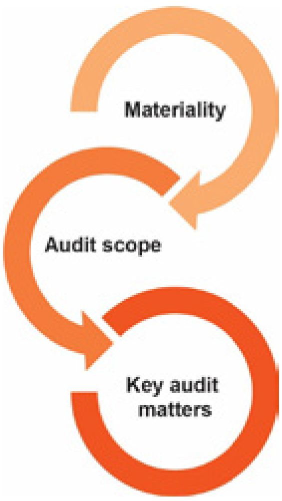
In our opinion, the financial statements (pages 149 to 163) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach



Overview

Overall materiality: TCHF 334

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

Valuation of Investments in subsidiaries and long-term interest-bearing receivables due from subsidiaries

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	TCHF 334
Benchmark applied	Net assets
Rationale for the materiality benchmark applied	We applied net assets as the benchmark because it is a relevant and generally accepted measure for materiality considerations relating to a holding company.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Investments in subsidiaries and long-term interest-bearing receivables due from subsidiaries

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2025, investments in subsidiaries and long-term interest-bearing receivables due from subsidiaries of Kuros Biosciences AG amount to TCHF	We tested how Management developed the estimate by performing detailed procedures over Managements' valuation of investments and long-term interest-

2'105 (3.5% of total assets) and TCHF 34'241 (57.6% of total assets) respectively.

Due to the significance of these assets in the financial statements and because of the significant estimation uncertainty involved in the valuation of these investments and receivables, we consider the valuation of the investments in subsidiaries and the long-term interest-bearing receivables due from subsidiaries as a key audit matter.

The calculation of the recoverable amount requires significant level of judgement by Management for the assumptions related to timing and magnitude of future cash-flows, the determination of the respective discount rate and the growth rate.

Please refer to Note 1 'Accounting principles applied in the preparation of the financial statements', Note 11 'Intercompany loans – subsidiaries' and Note 9 'Investments and branches'.

bearing receivables due from subsidiaries, which include the following:

With involvement of internal valuation experts, we challenged and evaluated Management's value in use calculation which was the basis to support the recoverable amount of the investments and long-term interest-bearing receivables due from subsidiaries as of 31 December 2025.

This included an assessment challenging the key assumptions made by Management.

- We evaluated the reasonableness of the discount rate, as determined by Management, by assessing the cost of capital for the Group and comparable organizations, as well as considering industry and territory specific factors.
- We challenged Management's cash flow assumptions and the probability-weightings applied to such cashflows by verifying the consistency based on other internal forward-looking documentation and by verifying the consistency of the assumptions with the Group's current commercialization plans.
- We evaluated the reasonableness of the growth rate, as determined by Management, by assessing the long-term inflation rate applicable for the respective CGUs.
- We evaluated the planning accuracy of Management's forecast model by performing look-back procedures and verified the consistency of Management's cash-flow assumptions by comparing them to the Group's business plan as approved by the Board of Directors.
- We further performed independent sensitivity analyses around the key assumptions to ascertain the extent of changes in those assumptions that either individually or collectively would be required for the investments in subsidiaries and long-term interest-bearing receivables due from subsidiaries to be impaired

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Thomas Ebinger Licensed audit expert Auditor in charge	Alexandra Wittwer Licensed audit expert

Basel, 9 March 2026

Legal Disclaimer / Forward-looking Statements

This Annual Report contains statements that constitute "forward-looking statements", including but not limited to, statements relating to research and development plans, planned regulatory approvals, research collaborations, and estimates and projections of future trends, as well as the anticipated future development and economic performance of the group and/or its subsidiaries (together "the Group"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual future results, performance or achievement of the Group, or industry results, to differ materially from any future results, performance or achievement implied by such forward-looking statements. The forward-looking statements are based on the information available to the Group on the date of this Annual Report and on the Group's current beliefs, forecasts, and assumptions regarding a large number of factors affecting its business. Such beliefs and assumptions are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of the Group. There can be no assurance that: (i) the Group has correctly measured or identified all the factors affecting its business or the extent of their likely impact, (ii) the publicly available information with respect to these factors on which the Group's analysis is based is complete or accurate, (iii) the Group's analysis is correct or (iv) the Group's strategy, which is based in part on this analysis, will be successful. Factors that affect the Group's business include, but are not limited to, (i) general market, governmental and regulatory trends, (ii) competitive pressures, (iii) technological developments, (iv) effectiveness and safety of the Group's technology and therapeutics, (v) uncertainty regarding outcome of clinical trials and regulatory approval processes, (vi) management changes, (vii) changes in the market in which the Group operates and (viii) changes in the financial position or credit-worthiness of the Group's customers and partners. The Group assumes no liability to update forward-looking statements or to conform them to future events or developments.

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Kuros Biosciences