# 2019

# FIRST HALF-YEAR BUSINESS AND FINANCIAL UPDATE

curetis

## Statement of the Board

**The members of Curetis' Management Board hereby declare that, to the best of their knowledge, the half-year financial statements included in this interim report, which have been prepared in accordance with IAS 34 "Interim Financial Reporting," give a true and fair view of Curetis' assets, liabilities, financial position and profit or loss, and the undertakings included in the consolidation taken as a whole, and the half-year management report included in this interim report includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9, of the Dutch Financial Supervision Act.**

Amsterdam, the Netherlands, Holzgerlingen, Germany

September 18, 2019

**Management Board**

Oliver Schacht, PhD (Chief Executive Officer)

Johannes Bacher (Chief Operating Officer)

Dr. Achim Plum (Chief Business Officer).

## Forward looking statement (disclaimer)

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This report may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including but not limited to the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will", or "should", and include statements the Company makes concerning the intended results of its strategy. By their nature, forward-looking statements involve risks and uncertainties and readers are cautioned that any such forward-looking statements are not guarantees of future performance. The Company's actual results may differ materially from those predicted by the forward-looking statements. The Company undertakes no obligation to publicly update or revise forward-looking statements, except as may be required by law.

# FIRST HALF-YEAR 2019 AND 2019 YTD OPERATIONAL AND BUSINESS UPDATES

## COMBINATION OF BUSINESSES WITH OPGEN INC.

- In August 2019, Curetis retained the U.S. based investment bank, H.C. Wainwright & Co., LLC, as strategic advisor in an effort to assess all available strategic and tactical options going forward to potentially secure appropriate funding and cash for continued operations for at least the next twelve months. The Company reported that potential strategic options that may be explored or evaluated as part of H.C. Wainwright's mandate may include, but are not limited to, equity funding, an acquisition, merger, business combination or other strategic transaction involving Curetis.
- On 4 September 2019, Curetis and OpGen, Inc. (Nasdaq: OPGN, "OpGen"), a precision medicine company harnessing the power of molecular diagnostics and informatics to help combat infectious disease, announced the entry into a definitive agreement to combine the two companies' businesses, subject to approval by both company's respective shareholders, regulators and Curetis' debt financing providers as well as additional equity financing being raised by OpGen. The transaction is structured as an acquisition by OpGen of Curetis GmbH, a wholly-owned subsidiary of Curetis which owns all of the Curetis Group business. The combination will create a transatlantic, U.S.- headquartered and Nasdaq-listed company with an innovative commercial-stage molecular diagnostics and bioinformatics franchise and a strong pipeline focusing on infectious diseases and antimicrobial resistance (AMR).
- Following the closing, the combined company´s U.S. headquarters will be in Gaithersburg, MD, while the company's European operations will be run from Holzgerlingen, Germany. Ares Genetics GmbH, a subsidiary of Curetis GmbH, will continue its bioinformatics and NGS service laboratory operations in Vienna, Austria.
- The combined companies will have a broad commercial-stage diagnostics portfolio of CE-IVD-marked and US-FDA cleared products and platforms, as well as a proprietary NGS-based and AI-powered technology and knowledgebase for the rapid molecular prediction of AMR. The initial two main focuses for the company will be (a) rapid diagnostics for lower respiratory infection and urinary tract infection and (b) bioinformatics and NGS services for AMR prediction by Ares Genetics as well as bioinformatics services based on the Acuitas Lighthouse® AMR knowledgebase by OpGen.
- Key elements of the combined company's strategy include: continuing to gain regulatory clearances and approvals and establish a market position for proprietary molecular diagnostic tests and platforms, capitalize on unique technology platforms, leverage global commercial capabilities and partnerings, pursue development collaborations, and capitalize on the financial leverage and operational and research synergies to improve return on capital and achieve future profitability.
- The implementation agreement has been approved by both companies' Boards of Directors. Curetis will seek approval from its shareholders at an extraordinary general meeting and OpGen will seek approval from its stockholders at a special meeting. It is expected that both meetings will be scheduled for the late fourth quarter of this year. Subject to receipt of shareholder and debt holder approvals and satisfaction of other closing conditions including OpGen to raise about US$ 10 million in equity financing, the transaction is expected to close by early 2020. For more information on the transaction, please visit: https://curetis.com/investors/

## U.S. COMMERCIALIZATION OF UNYVERO SYSTEM AND LRT APPLICATION CARTRIDGE

- As of 30 June 2019 Curetis USA Inc. had an installed base of 17 Unyvero Analyzers across the USA and in different types of hospitals and labs plus an additional 20 Analyzers for FDA trials and clinical

studies. Clinical and commercial evaluations are ongoing at multiple of these accounts with first evaluations scheduled to conclude in fall of 2019.

- Curetis USA Inc. has built a solid funnel of target accounts and opportunities that spans numerous thoroughly vetted accounts and several near-term opportunities for additional evaluations and some near-term commercial account conversion opportunities.
- Following the re-organization Curetis USA Inc. in January 2019, which has reduced the size of the team in the USA to currently 10 full time staff with the majority being based in the field, the expectation for 2019 is to increase the installed base of Unyvero Analyzers further by year-end 2019 with a continuously growing proportion of installations at commercial accounts towards the end of 2019 and into 2020.

## EMEA COMMERCIALIZATION OF UNYVERO PRODUCT LINE & MENARINI AGREEMENT

- On 26 March 2019 Curetis and A. Menarini Diagnostics (Menarini) announced an exclusive strategic pan-European commercial distribution agreement. Initially this collaboration covers 11 countries including key markets such as Germany, France, UK, Italy, as well as Spain and Portugal, Switzerland, Benelux and Sweden.
- The Menarini collaboration was launched at ECCMID 2019 in Amsterdam from 13-16 April 2019. A total of nine clinical data sets and studies with Unyvero applications across many different indication areas such as pneumonia, joint infections, blood stream infections, and intra-abdominal infections were presented at this key European conference for clinical microbiology.
- Menarini and Curetis in the initial agreement are also foreseeing a further expansion of the collaboration in the future to potentially include additional EMEA or other global markets that might become available for distribution from time to time.
- Curetis, following the successful re-organization of Curetis GmbH initiated in December 2018 and largely completed at the end of Q1-2019, will maintain a strong and highly experienced commercial partner support team and customer service. This team will support Menarini as well as all other international distribution partners in EMEA, Asia, and Latin America.
- In July 2019, the Company announced that it has entered into two distribution agreements with the Bosnian and Serbian branches of AKO MED, a manufacturer and distributor of medical products, AKO MED d.o.o., Banja Luka, Bosnia Hercegovina, and AKO MED d.o.o., Beograd, Serbia, respectively. Under the terms of the agreements, AKO MED has the exclusive right to commercialize Curetis' Unyvero A50 instrument system and application cartridges for the diagnosis of severe infections in hospitalized patients in Serbia, North Macedonia, Bosnia Hercegovina and Montenegro. The agreements have a term of initially three years and can be extend by two-year increments. In return, AKO MED has committed to significant minimum purchases of Unyvero instruments and application cartridges over the initial three-year term of the agreement. The process for the registration of the products in the respective countries has been initiated and is expected to be completed in the next couple of months.

## GLOBAL INSTALLED BASE

- The worldwide installed base of Unyvero A50 Analyzers as at 30 June 2019, was 170, compared to 162 as at 30 June 2018. This figure includes a significantly sized pool of Analyzers now managed by Menarini Diagnostics in EMEA (9 new installations have already been identified by Menarini for H2-2019) as well as 37 Analyzers installed in the USA (including 20 for current and future clinical trials). Furthermore, as part of a campaign performed towards the end of Q2-2019, a total of 10 refurbished Unyvero Systems were ordered by various international distribution partners with most of them expected to actually being sold and shipped in H2-2019.

## MARKET ACCESS ASIA

- Following the successful completion of analytical testing in 2018 and expanded strategic collaboration between Curetis and BCB for the Unyvero A50 System and Application Cartridges in Greater China, BCB has submitted the Unyvero System and HPN Application Cartridge to the Chinese NMPA (formerly CFDA) in Q1-2019.
- On 26 July 2019, the NMPA held a panel meeting to discuss the application with local clinical experts and gave Curetis an opportunity to comment on various aspects of the application. As a result, Curetis now expects a near-term clarification on potential further requests for ancillary data and any required edits to the original application and potentially some limited set of additional clinical data to be generated in China.
- Assuming a final submission in 2019 and a NMPA approval in 2020, Curetis anticipates generating initial revenues from commercial sales in China starting in 2020.
- Curetis' partner Acumen Research Laboratories obtained regulatory approvals for the Unyvero System and HPN as well as BCU cartridges in Malaysia and Thailand in Q1-2019.

## BUSINESS DEVELOPMENT

- Following the strategy change announced in December 2018, H1-2019 saw a broad range of business development discussions, technical feasibility work, negotiations, and due diligence around the Unyvero A30 *RQ* platform. These discussions spanned all key geographies in Europe, the USA and Asia as well as various clinical indication areas such as infectious diseases and oncology.

## PRODUCT DEVELOPMENT

- The Unyvero A30 *RQ* platform which is now targeted for strategic partnering and licensing later in 2019 has seen excellent R&D progress in H1-2019. First fully functional instrument system prototypes have been available since Q4-2018 and first multiplex real-time PCR assays have been successfully transferred onto the A30 *RQ* cartridges and successfully benchmarked against their performance on standard PCR instruments in the first half of 2019. The goal is to have the A30 *RQ* platform ready for potential partnering and initiation of verification and validation testing with assays by first licensing partners in H2-2019.
- With the current Unyvero LRT Application Cartridge for lower respiratory tract (LRT) infections being cleared for the use with tracheal aspirates as a sample type, Curetis on 23 July 2019 filed for the 510(k) clearance of an LRT application cartridge optimized for use with bronchoalveolar lavage (BAL) as additional sample type. BAL is another common sample type for the diagnosis of lower respiratory tract infections. It is estimated that half of the samples obtained for the diagnosis of lower respiratory tract infections are BALs, and Curetis believes that a clearance of an Unyvero LRT Application Cartridge for this additional sample type would increase the total addressable market for Unyvero in the U.S. accordingly.
- The FDA submission for clearance of the LRT BAL Application Cartridge builds on data from 1,400 patient samples in total obtained from prospective and retrospective cohorts demonstrating an overall weighted average sensitivity of 90.1% and 94.7% and an overall average weighted specificity of 98.4% and 97.9% across all pathogens in the prospective and retrospective cohorts, respectively. The study was complemented by an additional set of 240 contrived samples, which successfully confirmed performance of LRT BAL with negative patient samples that were spiked with rare pathogens and resistance markers at known concentrations. Overall, more than 5,500 LRT BAL cartridges were run as part of the comprehensive analytical and clinical performance evaluation.

- In addition, Curetis has continued the collection of retrospective samples for its U.S. trials for the Unyvero IJI Invasive Joint Infection product to augment the future prospective arm of the clinical trial. An initiation of the prospective arm of the trial will depend on Curetis partnering for the further development as well as the commercialization or otherwise raising the capital needed to fund such a trial of this unique Application Cartridge.

## ARES GENETICS

- Ares Genetics signed an exclusive global BioIT licensing and collaboration agreement with QIAGEN in February 2019. This constitutes the third strategic collaboration agreement following the deals with Sandoz and an undisclosed global IVD corporation in Q4-2018.
- In Q1-2019 Ares Genetics also announced the co-funding of a EUR 1.3 million project to advance AI powered NGS testing called Triple-A (Assay Development and Artificial Intelligence to Diagnose Antibiotic Resistant Infections) by the Vienna Business Agency.
- In collaboration with the Curetis team, Ares Genetics in April 2019 released a beta testing version of the AMR Atlas, a knowledge base on antimicrobial resistance markers specifically designed to support users of the Curetis Unyvero Platform. The initial focus of the Unyvero AMR Atlas is on antibiotic resistance markers detected by the Unyvero HPN Application Cartridge in pneumonia patients.
- In July 2019 Ares Genetics has received a notification by the European Patent Office (EPO) on the decision to grant the European Patent No. 3 099 813 titled "Genetic Resistance Testing". The patent broadly covers biomarkers and biomarker combinations indicating resistance of the pathogen *Escherichia coli* to numerous classes of antibiotics and the use of such genetic biomarkers and biomarker combinations to predict resistance based on DNA testing. The patent is the first that was granted from a series of eleven similarly structured patent applications for different pathogen/drug combinations that were originally filed by Siemens and are now owned by Curetis Group Company Ares Genetics after its acquisition of the GEAR database assets from Siemens in September 2016.
- On 8 August 2019, Ares Genetics has opened a specialized service laboratory offering next-generation molecular antimicrobial resistance (AMR) testing services with an initial focus on infection control, AMR epidemiology and surveillance, clinical research and pharmaceutical anti-infectives R&D. All services are based on Next Generation Sequencing (NGS) and the company's proprietary, AI-powered antimicrobial resistance database ARESdb. The newly opened laboratory is located at the Vienna Biocenter Campus in Vienna, Austria, and will serve researchers, hospitals, public health institutions, and pharmaceutical companies world-wide. First commercial orders have been successfully processed and data delivered to the customer.
- On 16 September 2019 Ares Genetics has entered into a multi-phase collaboration with an undisclosed leading global in vitro diagnostics corporation (the "Partner") to jointly develop diagnostic solutions for infectious disease testing based on next-generation sequencing ("NGS") technology. The companies signed an R&D and option agreement for the first phase of the collaboration. The collaboration follows the successful completion of a feasibility study in which Ares Genetics correctly identified 100% of the pathogen species and successfully predicted antibiotic resistance for over 50 drug/pathogen combinations in line with FDA requirements (<1.5% very major error, i.e. misclassification of resistant isolates as susceptible and <3 % major error, i.e. misclassification of susceptible isolates as resistant). In a first phase of the collaboration expected to take about 12 months, the parties will further enrich ARESdb with a focus on certain pathogens relevant in a first, undisclosed infectious disease indication. Additional clinical isolates of such pathogens will be sequenced by Ares Genetics at its recently established NGS laboratory in Vienna, Austria. Based on this enlarged and enriched dataset, Ares Genetics will further optimize the algorithms for predictive antibiotic resistance testing for drug/pathogen combinations particularly relevant in the targeted indication to enable NGS-based infectious disease diagnostics. Under the initial agreement signed on 13 September 2019, the Partner will fully fund Ares Genetics' research and development activities for the genotypic and phenotypic characterization of additional bacterial strains to augment ARESdb and

the development of optimized algorithms for predictive antibiotic resistance testing. Furthermore, in return for an undisclosed up-front option fee, the Partner obtains a right of first negotiation for an exclusive human clinical diagnostic use license to ARESdb and the ARES Technology Platform for the term of the agreement plus three months.

## ANNUAL GENERAL SHAREHOLDER MEETING 2019

- At the Annual General Meeting held in Amsterdam on 27 June 2019 ("2019 AGM") the Company's shareholders approved all proposed resolutions and items on the agenda of the 2019 AGM. Johannes Bacher, COO of Curetis, has been re-elected as Curetis N.V. management board member for a period of three years. In addition to this management board appointment, the supervisory board members William E. Rhodes III, Mario Crovetto, and Prabhavathi Fernandes, Ph.D., were re-elected for a further term of two years, respectively. Dr. Rudy Dekeyser was re-elected to the supervisory board for another one-year term. Furthermore, the management board was designated as the company body authorized to issue new shares or to grant rights to subscribe for shares in relation to strategic capital raising(s) and to not limit or exclude pre-emption rights on these shares. The 2019 AGM meeting minutes, detailed voting results as well as further information are published on Curetis' website at: https://curetis.com/investors/

## FINANCING

- On 21 May 2019, Curetis reported that under the EIB debt financing facility originally put in place in December 2016, Curetis stands to receive another EUR 5.0 million tranche of non-dilutive debt financing. This tranche, which was funded in June, will also have a five-year term to maturity and will require interest-only payments during that five-year term. In line with all prior tranches, the majority of interest is also deferred into the bullet repayment structure upon maturity. In return for EIB waiving certain conditions precedent to disbursing this EUR 5 million tranche, the parties have agreed on a 2.1% participation percentage interest (PPI). Upon maturity of the tranche, i.e. not before around mid-2024 (and no later than mid-2025), EIB will be entitled to an additional payment that is equity-linked and equivalent to 2.1% of the then total valuation of Curetis. All other terms and conditions of the EIB financing contract with Curetis remain unchanged.
- Under the up to EUR 20 million Yorkville convertible notes financing facility that was originally implemented in October 2018, Curetis in Q2-2019 received access to another EUR 1.5 million gross in funding. Net proceeds from this tranche were EUR 1.36 million. As with the prior tranche, Yorkville is expected from time to time to convert such notes into equity and Curetis will then issue new shares. For further details on the Yorkville convertible notes facility, please also see the "Convertibles" section under: https://curetis.com/investors/#corporate-governance
- In H1-2019 and 2019 year to date Yorkville has converted a total of EUR 3.3 million in notes into equity. A total of 4,024,672 new shares have been issued in 2019 year to date. Under the terms of the agreement with Yorkville, the number of shares to be issued upon conversion of all convertible notes of the first tranche should initially not exceed 2.75 million shares. Any excess entitlement on the basis of the conversion ratio will be settled in cash unless the Company elects to settle such excess in shares. On 31 July 2019 the limit of 2.75 million shares was exceeded by a further conversion note by Yorkville. On 1 August 2019 the Company opted to settle its obligations resulting from this conversion notices fully in shares, thereby exercising its right under the agreement with Yorkville to settle the excess beyond the First Tranche Share Issue Cap in shares. The Company also intends to elect settlement fully in shares in respect of any further conversion of the remaining notes held by Yorkville. Any shares issued by the Company upon conversion of the first tranche of convertible notes subscribed for by Yorkville to settle any excess beyond the First Tranche Share Issue Cap will be issued pursuant to the 10% authorization granted at the Company's 2019 AGM, which designated the Company's management board, subject to the approval of the Company's supervisory board, as the corporate body authorized to issue shares and/or grant rights to subscribe for shares in relation to general capital

raising(s) and to limit or exclude pre-emption rights relating thereto. The Company may thereafter be required to seek from its shareholders further authorizations to issue additional shares upon conversion of subsequent tranches of notes and exercise of warrants prior to the funding of such subsequent tranches, based upon certain coverage requirements specified in the agreement with Yorkville.

# FIRST HALF-YEAR 2019 KEY FINANCIALS

- **Revenues:** EUR 1, 088 thousand (growing by approximately [35] % compared to EUR 807 thousand in the six months ended 30 June 2018).
- **Expenses:** EUR 11,490 thousand total cost of sales, distribution costs, administrative expenses and research & development expenses (vs. EUR 12,443 thousand in the first six months of 2018). The decrease is mainly based on the successful implementation of the recent re-organization and reduction in organizational size, complexity and staffing levels as well as R&D pipeline and commercial channel partnering and revised commercial strategy.
- **Operating loss:** The operating loss in H1-2019 has been reduced by approximately 9.5% to EUR -10,281 thousand (vs. EUR -11,365 thousand in the first six months of 2018).
- **Total comprehensive loss of the period**: EUR -11,061 thousand (vs. EUR -11,732 thousand in the first six months of 2018).
- **Cash and cash equivalents**: EUR 7,809 thousand as of 30 June 2019 (vs. EUR 10,279 thousand as of 31 December 2018). Net cash burn in the first six months ended 30 June 2019 was EUR -2,486 thousand i.e. lower by about 47,5% compared to H1-2018 as a result of the successful implementation of the restructuring measured in H1-2019 as well as financing cash inflows from EIB and Yorkville.

# FIRST HALF-YEAR 2019 CONSOLIDATED FINANCIAL STATEMENTS

These financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if Curetis were unable to continue as a going concern. We refer to Notes 1.5 and 3.24 of our consolidated annual financial statements as of 31 December 2018 as well as the corresponding notes in the H1-2019 financials, as the statements made in these notes are also applicable to the consolidated financial statements as of 30 June 2019. Hence these H1-2019 financials should be read in conjunction with the disclosure in the full-year 2018 notes. Despite having obtained a further tranche of the EIB loan and another tranche of Yorkville convertible notes, a material uncertainty as to the ability to continue going concern still exists. The successful completion of the proposed business combination with OpGen as well as successful equity capital raising by OpGen of around US$ 10 million in the near term as well as further financing of the combined businesses will be critical to the ability of Curetis to continue operations on a going concern basis.

# CURETIS N.V.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the periods ended 30 June 2019 and 30 June 2018

| in kEuro | Six months ended 30 June 2019 | Six months ended 30 June 2018 |
|---|---|---|
| Revenue | 1,088 | 807 |
| Cost of sales | -2,027 | -1,435 |
| Gross profit / gross loss | -939 | -628 |
| Distribution costs | -3,306 | -4,214 |
| Administrative expenses | -1,976 | -2,111 |
| Research & development expenses | -4,181 | -4,683 |
| Other income | 121 | 271 |
| Operating loss | -10,281 | -11,365 |
| Finance income | 7 | 274 |
| Finance costs | -747 | -496 |
| Finance results - net | -740 | -222 |
| Loss before income tax | -11,021 | -11,587 |
| Income tax expenses | -56 | 26 |
| Loss for the period | 11,077 | -11,561 |
| Other comprehensive income for the period, net of tax* | 16 | -171 |
| Total comprehensive loss for the period** | 11,061 | -11,732 |

| Loss per share attributable to the ordinary equity holders of the company | Six months ended 30 June 2019 | Six months ended 30 June 2018 |
|---|---|---|
| Basic | -0.51 | -0.73 |
| Diluted | -0.51 | -0.73 |

* Relates to exchange differences on translation of foreign operations, which may be recycled through profit and/or loss in the future

** Total comprehensive loss is solely attributable to owners of the company

# CURETIS N.V.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED) - ASSETS

As of 30 June 2019 and 31 December 2018

| in kEuro | 30 June 2019 | 31 December 2018 |
|---|---|---|
| Current assets | 13,926 | 18,095 |
| Cash and cash equivalents | 7,809 | 10,279 |
| Trade receivables | 196 | 323 |
| Contractual assets | 215 | - |
| Inventories | 4,715 | 6,734 |
| Other current assets | 991 | 759 |
| Non-current assets | 12,785 | 11,012 |
| Intangible assets | 7,354 | 7,425 |
| Property, plant and equipment | 3,738 | 3,196 |
| Right of use assets | 1,298 | - |
| Other non-current assets | 222 | 162 |
| Other non-current financial assets | 158 | 158 |
| Deferred tax assets | 15 | 71 |
| Total assets | 26,711 | 29,107 |

# CURETIS N.V.

## STATEMENT OF FINANCIAL POSITION (UNAUDITED) - EQUITY AND LIABILITIES

As of 30 June 2019 and 31 December 2018

| in kEuro | 30 June 2019 | 31 December 2018 |
|---|---|---|
| Current liabilities | 6,150 | 6,064 |
| Trade and other payables | 853 | 957 |
| Provisions current | 130 | 65 |
| Tax liabilities | 2 | 22 |
| Other current liabilities | 1,370 | 1,235 |
| Other current financial liabilities | 3,362 | 3,785 |
| Current lease liabilities | 433 | - |
| Non-current liabilities | 20,539 | 13,993 |
| Provisions non-current | 44 | 44 |
| Other non-current financial liabilities | 19,623 | 13,949 |
| Non-current lease liabilities | 872 | - |
| Total liabilities | 26,689 | 20,057 |
| Equity | 22 | 9,050 |
| Share capital | 226 | 209 |
| Capital reserve | 164,661 | 162,967 |
| Other reserves | 9,499 | 9,176 |
| Currency translation differences | -128 | -143 |
| Retained earnings | -174,236 | -163,159 |
| Total Equity and liabilities | 26,711 | 29,107 |

# CURETIS N.V.
## STATEMENT OF CASH FLOWS (UNAUDITED)

For the periods ended 30 June 2019 and 30 June 2018

| in Euro | Three months ended 30 June 2019 | Three months ended 30 June 2018 |
|---|---|---|
| Profit after income tax | -11,077 | -11,561 |
| Adjustment for: | | |
| - Net finance income / costs | 740 | 222 |
| - Depreciation, amortization and impairments | 825 | 618 |
| - Gain on disposal of fixed assets | 5 | 0 |
| - Changes in provisions | 65 | -70 |
| - Changes in equity settled stock options | 323 | 427 |
| - Changes in deferred tax assets and liabilities | 56 | -45 |
| | | |
| Changes in working capital relating to: | | |
| - Inventories | 2,019 | 55 |
| - Trade receivables and other receivables | -380 | -1,050 |
| - Trade payables and other payables | 314 | 612 |
| | | |
| Income taxes received (+) / paid (-) | 56 | -26 |
| Interest paid (-) | -530 | -471 |
| Net cash flow provided by operating activities | -7,584 | -11,289 |
| Payments for intangible assets | -31 | -67 |
| Payments for property, plant and equipment | 1,054 | -163 |
| Interest received | 1 | 0 |
| Net cash flow used in investing activities | -1,084 | -230 |
| Proceeds from other non-current financial liabilities | 5,000 | 3,000 |
| Proceeds from current financial liabilities | 1,385 | 0 |
| Proceeds from issue of ordinary shares | 1,711 | 4,100 |
| Repayment of convertible loan | -1,711 | 0 |
| Payments for financing costs of issue of ordinary shares | 0 | -320 |
| Principle elements of leases paid | -203 | 0 |
| Net cash flow provided by financing activities | 6,182 | 6,780 |
| | | |
| Net increase (decrease) in cash and cash equivalents | -2,486 | -4,739 |
| Net cash and cash equivalents at the beginning of the year | 10,279 | 16,311 |
| Net increase (decrease) in cash and cash equivalents | -2,486 | -4,739 |
| Effects of exchange rate changes on cash and cash equivalents | 16 | 74 |
| Net Cash and cash equivalents at the end of the period | 7,809 | 11,646 |

# CURETIS N.V.

## CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

As of 30 June 2019 and 30 June 2018

| in kEuro | Share capital | Capital reserve | Other reserve | Currency translation difference | Retained earnings | TOTAL equity |
|---|---|---|---|---|---|---|
| **Balance at 1 January 2018** | **155** | **152,793** | **8,527** | **143** | **-139,414** | **22,204** |
| Loss of the period | | | | | -11,561 | -11,561 |
| Other comprehensive income | | | | -171 | | -171 |
| **Total comprehensive income** | **0** | **0** | **0** | **-171** | **-11,561** | **-11,732** |
| **Capital** | | | | | | |
| Transactions with owners in their capacity as owners | | | | | | |
| Issue of ordinary shares | **9** | **4,091** | | | | 4,100 |
| Transaction costs for the issue of ordinary shares | | **-319** | | | | -319 |
| Equity stock option program 2016 | | | 427 | | | 427 |
| **Balance as of 30 June 2018** | **164** | **156,565** | **8,954** | **-28** | **-150,975** | **14,680** |

| in kEuro | Share capital | Capital reserve | Other reserve | Currency translation difference | Retained earnings | TOTAL equity |
|---|---|---|---|---|---|---|
| **Balance at 1 January 2019** | **209** | **162,967** | **9,176** | **-143** | **-163,159** | **9,050** |
| Loss of the period | | | | | -11,077 | -11,077 |
| Other comprehensive income | | | | 15 | | 15 |
| **Total comprehensive income** | **0** | **0** | **0** | **15** | **-11,077** | **-11,062** |
| **Capital** | | | | | | |
| Transactions with owners in their capacity as owners | | | | | | |
| Issue of ordinary shares | 17 | 1,694 | | | | 1,711 |
| Transaction costs for the issue of ordinary shares | | 0 | | | | 0 |
| Equity stock option program 2016 | | | 323 | | | 323 |
| **Balance as of 30 June 2019** | **226** | **164,661** | **9,499** | **-128** | **-174,236** | **22** |

# CURETIS N.V.

# FIRST HALF-YEAR 2019 BUSINESS AND FINANCIAL UPDATE

curetis

Max-Eyth-Straße 42 I 71088 Holzgerlingen I Germany
Tel.: +49 (0)7031 49195 10 I Email: contact@curetis.com
www.unyvero.com I www.curetis.com