



## **Curetis Sharpens Focus on Near-Term Strategic Value Drivers**

- ***Business focus on U.S. commercialization, strategic partnering, Ares Genetics and asset monetization***
- ***Reduction of net cash consumption by up to 50% (YoY) expected***

**Amsterdam, the Netherlands, Holzgerlingen, Germany, and San Diego, USA, December 13, 2018**, 09:00 am CET - Curetis N.V. (the "**Company**" and, together with its subsidiaries, "**Curetis**"), a developer of next-level molecular diagnostic solutions, today announced an update on its strategic value creation priorities for 2019 and beyond. Following the recent financing activities and the raise of an additional EUR 8.9 million in November 2018, the Company had announced a comprehensive reassessment of its business activities and strategy. Based on this reassessment, Curetis now reports that it will focus on the following value creation priorities:

- The Company will continue its highly targeted U.S. commercialization approach for the Unyvero Platform and its first-in-class Lower Respiratory Tract (LRT) Application Cartridge for pneumonia with a focus on high-volume, early-adopter accounts. In addition, Curetis decided to explore potential further commercial channel collaborations alongside its direct sales and marketing efforts in the U.S.
- Curetis also decided to increasingly use distribution partners for the commercialization of the Unyvero product line in other key markets, including major markets in Europe currently served directly. With the market development work done already over the last years in some of these markets, Curetis believes that such markets provide for attractive partnering opportunities and that the Company can benefit from a larger local commercial footprint of suitable partners in such markets. The Company already has entered into exclusive negotiations with a major European diagnostics corporation that has expressed interest in commercializing the Unyvero product line in numerous key European markets.
- R&D activities will be aligned with short- to medium-term priorities, while the Company intends to partner R&D programs with mid- to longer-term commercial impact, such as the late-stage development of the Unyvero A30 RQ platform with strategic partners.
- A further continued strategic focus will be Curetis' subsidiary Ares Genetics with the potential to raise venture capital funding directly for Ares Genetics and accelerate the development of its NGS-based infectious disease diagnostics. Curetis and Ares Genetics are also exploring a number of potential strategic collaboration opportunities that could help monetizing Ares Genetics' assets for Curetis.

To reflect these strategic priorities and streamline the organization accordingly, the Company has initiated a reorganization of its global operations. The planned measures will include, among others, in agreement with the respective local management, the closing and unwinding of the Company's sales subsidiaries in France, the UK, the Netherlands, and Switzerland and moving its current direct sales model increasingly towards a distribution partnership model in key EMEA markets. In total, the Company expects to reduce its global headcount across all levels by up to 30%.

As a result, the Company expects to optimize net cash consumption in 2019 to around EUR 12.5 to 15 million, a reduction of up to 50% compared to an expected net cash consumption of around EUR 25 million for the full year of 2018 (original guidance for 2018: around EUR 30 million). Total restructuring costs are expected to be in the range of EUR 200 to 400 thousand. The Company expects to have fully implemented the reorganization by the end of the first quarter of 2019.

The Company will also continue to assess all tactical and strategic options to raise additional capital as non-dilutive grant funding, via partnering and licensing cash inflows, or as equity or debt funding using existing or future facilities. As of November 30, 2018, Curetis' liquidity was EUR 12.8 million in cash and cash equivalents plus access to potential additional financing under the convertible notes facility provided by YA II PN, LTD., an investment fund managed by Yorkville Advisors Global LP, with a total volume of up to EUR 20 million, of which so far EUR 3.5 million have been drawn down. Furthermore, the Company expects a milestone-dependent EUR 5.0 million non-dilutive European Investment Bank debt financing tranche for 2019. Curetis also has significant leeway for potential equity financings under its 2018 shareholder meeting authorizations that allow issuing of up to 4,274,803 further new shares to investors and strategic collaboration partners in the future.

"Given the funding constraints of current capital markets, we systematically reassessed our strategic priorities to create the best possible value for our shareholders with the funds available to us," said Oliver Schacht, PhD, CEO of Curetis. "On behalf of the Management Board and the Supervisory Board, I wholeheartedly thank all of our colleagues for their enormous contributions and support over the last years. Using our respective regional and international industry networks, we will provide the best support possible to all of our employees affected by this business restructuring."

"To leverage the substantial value of key assets, such as the Unyvero Platforms A50 and A30 RQ and the broad patent portfolio of Ares Genetics, we will increasingly rely on earlier-stage partnering and asset monetizing deals and are in numerous discussions with potential partners in the U.S., Asia and Europe," said Dr. Achim Plum, CBO of Curetis. "While such partnerships can provide additional non-dilutive funding for the execution of our business strategy in the short term, they will also contribute to maximizing the commercial potential of our platforms and offerings in the long run. We are also making good progress in attracting potential future direct VC funding to Ares Genetics to build a leading franchise in NGS-based infectious disease testing in Europe and the U.S."

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## About Curetis

Curetis N.V.'s (Euronext: CURE) goal is to become a leading provider of innovative solutions for molecular microbiology diagnostics designed to address the global challenge of detecting severe infectious diseases and identifying antibiotic resistances in hospitalized patients.

Curetis' Unyvero System is a versatile, fast and highly automated molecular diagnostic platform for easy-to-use, cartridge-based solutions for the comprehensive and rapid detection of pathogens and antimicrobial resistance markers in a range of severe infectious disease indications. Results are available within hours, a process that can take days or even weeks if performed with standard diagnostic procedures, thereby facilitating improved patient outcomes, stringent antibiotic stewardship and health-economic benefits. Unyvero in vitro diagnostic (IVD) products are marketed in Europe, the Middle East, Asia and the U.S.

Curetis' wholly owned subsidiary Ares Genetics GmbH is developing next-generation solutions for infectious disease diagnostics and therapeutics. The ARES Technology Platform combines what the Company believes to be the most comprehensive database worldwide on the genetics of antimicrobial resistances, *ARESdb*, with advanced bioinformatics and artificial intelligence.

For further information, please visit [www.curetis.com](http://www.curetis.com) and [www.ares-genetics.com](http://www.ares-genetics.com).

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## Contact Details

**Curetis GmbH**

Max-Eyth-Str. 42

71088 Holzgerlingen, Germany

Tel. +49 7031 49195-10

[pr@curetis.com](mailto:pr@curetis.com) or [ir@curetis.com](mailto:ir@curetis.com)

[www.curetis.com](http://www.curetis.com)

**International Media & Investor Inquiries**

akampion

Dr. Ludger Wess / Ines-Regina Buth

Managing Partners

[info@akampion.com](mailto:info@akampion.com)

Tel. +49 40 88 16 59 64

Tel. +49 30 23 63 27 68

**U.S. Media & Investor Inquiries**

The Ruth Group

Lee Roth

[lroth@theruthgroup.com](mailto:lroth@theruthgroup.com)

Tel. +1 646 536 7012