

Curis Sells Portion of Erivedge Royalties to Oberland Capital for up to \$135.7 million

- Curis received upfront payment of \$65.0 million

- Curis eligible to receive an additional \$70.7 million in milestones and share in annual royalty amounts

LEXINGTON, Mass., March 25, 2019 /PRNewswire/ -- Curis, Inc. (NASDAQ: CRIS), a biotechnology company focused on the development of innovative therapeutics for the treatment of cancer, today announced that it has entered into an agreement with funds managed by Oberland Capital Management, LLC ("Oberland Capital") for up to \$135.7 million in exchange for selling rights to a portion of royalty revenues on worldwide net sales of Erivedge.

Under the terms of the agreement, Curis received \$65.0 million in an upfront cash payment, plus Curis is entitled to receive up to an additional \$70.7 million in milestone payments if future net royalties exceed pre-defined annual and cumulative thresholds. Oberland Capital will receive 100% of the first \$13.2 million and 35% thereafter of annual net royalties due to Curis from worldwide net sales of Erivedge, excluding a portion of non-US royalties retained by Curis. At the closing of the transaction, Curis used a portion of the sale proceeds to retire existing debt, with remaining proceeds of approximately \$30 million, excluding closing costs and related transaction fees, to be used to fund its operations.

James Dentzer, President & CEO of Curis, commented, "We are pleased to announce this agreement with Oberland Capital. We believe this structure provides Curis with substantial non-dilutive capital today, while retaining significant participation in the future upside potential of Erivedge. The proceeds of this transaction further strengthen our cash position as we fund our three lead therapeutic candidates to reach their near term development catalysts and beyond."

"Erivedge is an attractive asset commercialized by a world-class marketer and we are pleased to partner with Curis as it advances its clinical pipeline" said Andrew Rubinstein, Managing Partner of Oberland Capital.

"Acquiring a participation in Erivedge royalties reflects our strategy of investing in commercial stage or near-commercial stage biopharmaceutical products that address serious diseases or areas of high unmet medical need."

About Erivedge

Erivedge® (vismodegib) is a first-in-class orally-administered small molecule which is designed to selectively inhibit the Hedgehog signaling pathway by targeting a protein called Smoothened. Genetic mutations that lead to unregulated activation of Hedgehog signaling are found in basal cell carcinoma (BCC) and medulloblastomas. Aberrant signaling in the Hedgehog pathway is implicated in over 90% of BCC cases. Erivedge® is being developed and commercialized by Roche and Genentech under a 2003 collaboration agreement between Curis and Genentech whereby Genentech obtained an exclusive, global, royalty-bearing license with the right to sublicense, to make, use, sell and import small molecule and antibody Hedgehog pathway inhibitors for human therapeutic applications, including cancer therapy. Erivedge® is approved for use in patients with advanced basal cell carcinoma in the U.S. and over 60 foreign countries. It is also under regulatory review for commercialization in a number of additional territories.

About Curis

Curis is a biotechnology company focused on the development of innovative therapeutics for the treatment of cancer, including fimepinostat, which is being investigated in clinical studies in patients with DLBCL and solid tumors. Curis is also engaged in a collaboration with Aurigene to develop first-in-class therapeutics in immunoncology and precision oncology. As part of this collaboration, Curis has exclusive licenses to oral small molecule antagonists of immune checkpoints including, the VISTA/PDL1 antagonist CA-170, and the TIM3/PDL1 antagonist CA-327, as well as the IRAK4 kinase inhibitor, CA-4948. CA-170 is currently undergoing testing in a Phase 1 trial in patients with advanced solid tumors, lymphomas and mesothelioma, and in a Phase 2 trial in India conducted by Aurigene. CA-4948 is currently undergoing testing in a Phase 1 trial in patients with non-Hodgkin lymphoma. Curis is also party to a collaboration with Genentech, a member of the Roche Group, under which Genentech and Roche are commercializing Erivedge® for the treatment of advanced basal cell carcinoma. For more information, visit Curis's website at www.curis.com.

About Oberland Capital

Oberland Capital, a private investment firm with over \$1.2 billion in capital commitments since inception, is focused exclusively on investing in the global healthcare industry and specializes in flexible investment structures customized to meet the specific capital requirements and strategic objectives of transaction partners.

Oberland Capital's broad suite of financing solutions includes monetization of royalty streams, acquisition of future product revenues, creation of project-based financing structures, and investments in traditional debt and equity. With a combination of deep industry knowledge and extensive structured finance experience, the Oberland Capital team has a history of creating value for its transaction partners. The firm was founded in 2013 by Jean-Pierre Naegeli and Andrew Rubinstein.

Cautionary Note Regarding Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of the U. S. Private Securities Litigation Reform Act of 1995, including without limitation statements with respect to royalty revenues and milestone payments, the commercial potential of Erivedge, the potential for the Company's proprietary drug candidates and the Company's plans to advance its development programs. Forward-looking statements may contain the words "believes," "expects," "anticipates," "plans," "intends," "seeks," "estimates," "assumes," "will," "may," "could" or similar expressions. These forward-looking statements are not guarantees of future performance and involve risks, uncertainties, assumptions and other important factors that may cause actual results to be materially different from those indicated by such forward-looking statements. Important factors that may cause or contribute to such differences include the factors set forth under the caption "Risk Factors" in Curis's most recent Form 10-K and Form 10-Q and the factors that are discussed in other filings that the Company periodically makes with the Securities and Exchange Commission ("SEC"). In addition, any forward-looking statements represent the views of Curis only as of the date of this press release and should not be relied upon as representing Curis's views as of any subsequent date. Curis disclaims any intention or obligation to update any of the forward-looking statements after the date of this press release whether as a result of new information, future events or otherwise, except as may be required by law.

SOURCE Curis, Inc.

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