Kiora Pharmaceuticals Reports First Half 2022 Business Update and Financial Results

Salt Lake City, Utah–(August 12, 2022) – Kiora Pharmaceuticals, Inc. (NASDAQ: KPRX), ("Kiora" or the "Company") today is reporting financial results for the three and six months ended June 30, 2022.

"In the first half, we continued to advance three core programs toward their next phase of clinical development," said Brian M. Strem, Ph.D., President and Chief Executive Officer of Kiora. "With the recent financing, we are now in a position to continue advancing these programs, most notably, KIO-301 for Retinitis Pigmentosa, a rare, inherited genetic eye disease."

Notable milestones that Kiora achieved year-to-date include:

- Approval to initiate a first-in-human clinical trial for KIO-301 (the ABACUS study), which is intended to restore lost vision in patients with Retinitis Pigmentosa. Currently there are no available treatments available for this rare, inherited eye disease.
- Receipt of Orphan Drug Designation for KIO-301 by the US FDA in March 2022, providing extended market exclusivity for up to seven years in the U.S.
- Initiation of enrollment in a Phase 2 study of KIO-201 in patients with Persistent Corneal Epithelial Defect (PCED), a rare ocular surface condition characterized by non-healing wounds on the eye surface.
- Receipt of a U.S. patent covering hydrogel-based sustained release platforms, inclusive of KIO-201, which enable controlled release of antibiotics for the treatment of ocular diseases.
- The presentation of full results from the KIO-101 Phase 1b clinical trial at the American Society of Cataract & Refractive Surgery meeting in April 2022. The results support the planned Phase 2 clinical trial for the treatment of the Ocular Presentation of Rheumatoid Arthritis (OPRA).

Kiora's upcoming milestones include the following:

- Begin enrolling in the ABACUS study for KIO-301.
    - Report initial results from patients in Cohort 1.
- Apply for Orphan Drug Designation for KIO-201 in PCED.
- Initiate a Phase 2 trial for KIO-101 for the treatment of OPRA.

First Half 2022 Financial Results

"The recent capital raise provides Kiora with the financial resources to execute on our near-term development strategy across all three candidates under development," added Dr.

Strem. “Strategically, we are going to prioritize KIO-301, which we believe provides the most cost-efficient path toward clinical validation and a potentially critical inflection point.”

Research and development expenses were $1.3 million for the first half of 2022, compared to $2.7 million for the first half of 2021. The decrease was due primarily to a decline in trial-related expenses for KIO-101. The Company expects research and development expenses to increase in the second half of 2022 as the company has ongoing, and prepares for additional, clinical trials.

General and administrative expenses were $3.5 million for the first half of 2022, compared to $2.6 million in the first half of 2021. This increase was primarily due to an increase of fees, including consulting, audit and legal related costs, offset by a decrease in personnel related expenses. In addition, in the first half of 2022, the Company incurred an expense of approximately $1.0 million related to the severance for a former executive, which has no comparable expense in the first half of 2021.

Net loss for the first half of 2022 was $6.0 million compared to $4.6 million for the first half of 2021. Cash used in operating activities for the first half of 2022 was $5.3 million compared to $5.5 million in the first half of 2021.

Cash and cash equivalents were $2.4 million as of June 30, 2022 with $1.1 million in prepaid expenses for research and development activities. Subsequent to the end of the first half, Kiora raised an additional $5.3 million in net proceeds from a public offering.

About Kiora Pharmaceuticals

Kiora Pharmaceuticals is a clinical-stage biotechnology company developing and commercializing products for the treatment of ophthalmic diseases. KIO-301 is being developed for the treatment of retinitis pigmentosa. It is a molecular photoswitch that has the potential to restore vision in patients with inherited and/or age-related retinal degeneration. KIO-101 is being developed for the treatment of the Ocular Presentation of Rheumatoid Arthritis (“OPRA”). It is a next-generation, non-steroidal, immuno-modulatory and small molecule inhibitor of Dihydroorotate Dehydrogenase (“DHODH”) with what Kiora believes is best-in-class picomolar potency and a validated immune modulating mechanism (blocks T cell proliferation and proinflammatory cytokine release) designed to overcome the off-target side effects and safety issues associated with commercially available DHODH inhibitors. In addition, Kiora is developing KIO-201, a modified form of the natural polymer hyaluronic acid, designed to accelerate corneal wound healing.

In addition to news releases and SEC filings, we expect to post information on our website, www.kiorapharma.com, and social media accounts that could be relevant to investors. We encourage investors to follow us on Twitter and LinkedIn as well as to visit our website and/or subscribe to email alerts.

Forward-Looking Statements

Some of the statements in this press release are “forward-looking” and are made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These “forward-looking” statements include statements relating to, among other things, the anticipated use of the net proceeds of the offering, the development and commercialization efforts and other regulatory or marketing approval efforts pertaining to Kiora’s development-stage products, including KIO-101, KIO-201 and KIO-301, as well as the success thereof, with such approvals or success may not be obtained or achieved on a timely basis or at all. These statements involve risks and uncertainties that may cause results to differ materially from the statements set forth in this press release, including, among other things, the ability to conduct clinical trials on a timely basis, market and other conditions and certain risk factors described under the heading “Risk Factors” contained in Kiora’s Amendment No. 1 to Annual Report on Form 10-K/A filed with the SEC on July 7, 2022 or described in Kiora’s other public filings. Kiora’s results may also be affected by factors of which Kiora is not currently aware. The forward-looking statements in this press release speak only as of the date of this press release. Kiora expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions, or circumstances on which any such statement is based, except as required by law.

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