Kiora Pharmaceuticals Reports Third Quarter 2021 Financial Results and Provides Business Update

SALT LAKE CITY, Nov. 15, 2021 — Kiora Pharmaceuticals, Inc. (NASDAQ: KPRX), ("Kiora" or the "Company") today reported its financial results for the quarter ended September 30, 2021 and provided an update on recent corporate and operational activities.

"We recently sharpened the focus of our pipeline strategy, which now includes development of KIO-301, a treatment for a rare disease with a potentially expedited and cost-efficient path to market," said Brian M. Strem, Ph.D., President and Chief Executive Officer of Kiora. "We anticipate multiple upcoming milestones, including advancing KIO-301 into the clinic next year, reporting topline data from our exploratory dry eye study of KIO-101 and finalizing the design of our registration study for KIO-201 in early 2022."

Recently, Kiora has achieved several milestones, including the following:

Pipeline Updates

- Acquired Bayon Therapeutics, Inc. in October, which brought in a portfolio of small molecule photoswitches, including KIO-301, which is designed to restore vision in patients with inherited and age-related degenerative retinal diseases.
- Completed enrollment in a Phase 1/2a proof-of-concept study in September to evaluate KIO-101 for the treatment of ocular surface inflammation.

Corporate Updates

- Appointed Eric J. Daniels, M.D. as Chief Development Officer in October to drive the ongoing development of Kiora's portfolio of clinical-stage assets, expanding pipeline, and proprietary platform.
- Raised gross proceeds of $10.75 million through a registered direct offering in August to strengthen the company's financial position.
- Appointed Brian M. Strem, Ph.D. as CEO in July bringing to the Company strategic and scientific expertise in ophthalmology.

Kiora's pipeline now consists of three assets in early to late-stage development for both common and rare eye diseases. The Company anticipates achieving several milestones for these programs, including the following, which will drive value in the organization:

- **KIO-101**, previously known as PP-001, is a next-generation small molecule inhibitor of Dihydroorotate Dehydrogenase ("DHODH"). It has demonstrated picomolar potency with a validated mechanism (blocks T-cell proliferation and proinflammatory cytokine release) that may offer greater safety and tolerability than DHODH inhibitors currently on the market. Anticipated milestones include:

    - Report topline data in fourth quarter of 2021 on a Ph1/2a safety, PK and exploratory ocular surface inflammation (dry eye) trial.
    - Explore licensing opportunities for non-core indications.

- **KIO-301**, previously known as B-203, is a light-sensitive small molecule that acts as a reversible 'photoswitch', specifically designed to restore the eyes' ability to perceive and interpret light in visually impaired patients. KIO-301 selectively enters specific retinal ganglion cells (those downstream of degenerated rods and cones) and converts them into light sensing cells, capable of signaling the brain as to the presence or absence of light. Anticipated milestones include:
    - Initiate a Phase 1b clinical trial in the third quarter of 2022 in patients with later-stage Retinitis Pigmentosa.
    - Apply for orphan drug designation in the U.S. in the first quarter of 2022.
    - Further develop the platform for use in patients with Geographic Atrophy, the later stages of Age-Related Macular Degeneration (dry AMD).

- **KIO-201**, previously known as Ocular Bandage Gel or "OBG", is a modified form of the natural polymer hyaluronic acid designed to accelerate ocular surface wound healing. Kiora will be discussing the Phase 3b readiness of KIO-201 for patients undergoing photorefractive keratectomy ("PRK") surgery for corneal wound repair with the FDA, whilst performing an additional exploratory Phase 2 clinical trial in patients with persistent corneal epithelial defects. Anticipated milestones include:
    - Pre-IND meeting with the FDA in the first quarter of 2022 to confirm Phase 3b readiness in PRK surgery.
    - Report topline proof of concept, exploratory Phase 2 clinical trial data in persistent epithelial defect patients in the third quarter of 2022.

Third Quarter 2021 Financial Results

Research and development expenses were $1.628 million for the three months ended September 30, 2021, compared to $0.986 million for the three months ended September 30, 2020. The increase of $0.642 million was primarily due to development costs for KIO-101, as well as personnel related costs, from the Panoptes acquisition in December 2020. These increases were partially offset by decreases in development costs related to KIO-201.

General and administrative expenses were $1.339 million for the three months ended September 30, 2021, compared to $1.021 million for the three months ended September 30, 2020. The increase of $0.318 million was primarily due to increases in professional fees and personnel related costs.

Cash and cash equivalents were $11.107 million as of September 30, 2021, compared to $1.186 million as of December 31, 2020. The increase in cash and cash equivalents was mainly due to net proceeds of $7.989 million received from the completion of a private placement in January 2021, as well as net proceeds of $9.756 million from the completion of a registered direct offering in August 2021. These proceeds were partially offset by cash outflows to fund the Company's operations.

About Kiora

Kiora is a clinical-stage biotechnology company developing and commercializing products for treating ophthalmic diseases. KIO-301 is a molecular photoswitch that has the potential to restore light perception in patients with inherited and/or age-related retinal degeneration. KIO-101 is a next-generation, non-steroidal, immuno-modulatory and small molecule inhibitor of Dihydroorotate Dehydrogenase ("DHODH") with 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 DHODH inhibitors. In addition, Kiora is developing KIO-201, a modified form of the natural polymer hyaluronic acid, designed to accelerate corneal wound healing. For more information, please visit www.kiorapharma.com.

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 development and commercialization efforts and other regulatory or marketing approval efforts pertaining to Kiora's 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, market and other conditions and certain risk factors described under the heading "Risk Factors" contained in Kiora's Annual Report on Form 10-K filed with the SEC on March 25, 2021 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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