



Kala Pharmaceuticals Announces Pricing of Initial Public Offering

July 20, 2017

WALTHAM, Mass.--(BUSINESS WIRE)--Jul. 20, 2017-- Kala Pharmaceuticals, Inc. (Kala), a biopharmaceutical company focused on the development and commercialization of two Phase 3 product candidates, KPI-121 1.0% for the treatment of inflammation and pain following ocular surgery and KPI-121 0.25% for the temporary relief of the signs and symptoms of dry eye disease using its proprietary mucus-penetrating particle (MPP) technology, announced that it has priced its initial public offering of 6,000,000 shares of its common stock at a public offering price of \$15.00 per share, for aggregate gross proceeds of approximately \$90,000,000 before underwriting discounts, commissions and estimated offering expenses. In addition, Kala has granted the underwriters a 30-day option to purchase up to 900,000 additional shares of common stock at the public offering price, less the underwriting discounts and commissions. All of the shares are being sold by Kala.

The common stock is expected to begin trading on The NASDAQ Global Select Market on July 20, 2017 under the trading symbol "KALA." The offering is expected to close on July 25, 2017, subject to customary closing conditions.

J.P. Morgan, BofA Merrill Lynch and Wells Fargo Securities are acting as joint bookrunners for the offering. Wedbush PacGrow is acting as a co-manager for the offering.

A registration statement relating to the shares of common stock being sold in this offering has been filed with the U.S. Securities and Exchange Commission and was declared effective on July 19, 2017. The offering of these shares is being made only by means of a prospectus forming part of the effective registration statement relating to these shares. Copies of the prospectus may be obtained by contacting J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, or by telephone at (866) 803-9204, BofA Merrill Lynch, NC1-004-03-43, 200 North College Street, 3rd floor, Charlotte, NC 28255-0001, Attention: Prospectus Department, or by email at dg.prospectus_requests@bamf.com or Wells Fargo Securities, Attention: Equity Syndicate Department, 375 Park Avenue, New York, NY 10152, at (800) 326-5897 or email a request to cmclientsupport@wellsfargo.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of shares of Kala's common stock in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such jurisdiction.

About Kala Pharmaceuticals, Inc.

Kala is a biopharmaceutical company focused on the development and commercialization of therapeutics using its proprietary MPP technology, with an initial focus on the treatment of eye diseases. Kala has applied the MPP technology to create a corticosteroid designed for ocular applications, resulting in two product candidates in Phase 3 clinical development, KPI-121 1.0% for the treatment of inflammation and pain following ocular surgery and KPI-121 0.25% for the temporary relief of the signs and symptoms of dry eye disease.

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