



Kala Pharmaceuticals Reports Inducement Grant Under NASDAQ Listing Rule 5635(c)(4)

June 17, 2022

ARLINGTON, Mass., June 17, 2022 (GLOBE NEWSWIRE) -- Kala Pharmaceuticals, Inc. (NASDAQ:KALA), today announced that the Company granted non-statutory stock options to new employees as inducement awards outside the Company's 2017 Equity Incentive Plan in accordance with NASDAQ Listing Rule 5635(c)(4).

The Company granted stock options to purchase up to an aggregate of 50,000 shares of Kala Pharmaceuticals common stock to two new employees. The stock options were granted on June 15, 2022. The grants were approved by the Compensation Committee and were made as an inducement material to each employee entering into employment with Kala Pharmaceuticals in accordance with NASDAQ Listing Rule 5635(c)(4). The option awards have an exercise price of \$0.39 per share, the closing price of Kala Pharmaceuticals' common stock on June 15, 2022. The options have a ten-year term and vest over four years, with 25% of the original number of shares vesting on the first anniversary of the applicable employee's new hire date and the remainder vesting in equal monthly installments over the following three years. Vesting of each option is subject to such employee's continued service with Kala Pharmaceuticals through the applicable vesting dates.

About Kala Pharmaceuticals

Kala is a commercial-stage biopharmaceutical company focused on the discovery, development, and commercialization of innovative therapies for diseases of the eye. Kala has applied its AMPPLIFY[®] mucus-penetrating particle (MPP) Drug Delivery Technology to two ocular therapies, EYSUVIS[®] (loteprednol etabonate ophthalmic suspension) 0.25% and INVELTYS[®] (loteprednol etabonate ophthalmic suspension) 1%. On May 23, 2022, the Company announced that it entered into a definitive agreement to sell its commercial portfolio and related intellectual property assets to Alcon Inc. The Company anticipates the transaction will close in the third quarter of 2022, subject to certain conditions, including the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act and other customary closing conditions. The Company also has a pipeline of development programs including a clinical-stage secretome product candidate, KPI-012, initially targeting persistent corneal epithelial defects (PCED) and multiple proprietary new chemical entity (NCE) preclinical development programs targeted to address unmet medical needs, including both front and back of the eye diseases. For more information on Kala, please visit www.kalarx.com.

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