



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

August 19, 2022

ARLINGTON, Mass., Aug. 19, 2022 (GLOBE NEWSWIRE) -- Kala Pharmaceuticals, Inc. (NASDAQ:KALA), today announced that the Company granted non-statutory stock options to new employees as an inducement award 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 35,000 shares of Kala Pharmaceuticals common stock to two new employees. The stock options were granted on August 15, 2022. The grant was approved by the Compensation Committee and made as an inducement material to such employee entering into employment with Kala Pharmaceuticals in accordance with NASDAQ Listing Rule 5635(c)(4). The option award has an exercise price of \$0.33 per share, the closing price of Kala Pharmaceuticals' common stock on August 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 the options is subject to the employee's continued service with Kala Pharmaceuticals through the applicable vesting dates.

About Kala Pharmaceuticals, Inc.

Kala is a clinical-stage biopharmaceutical company dedicated to the research, development and commercialization of innovative therapies for rare diseases of the eye. Kala's biologics-based investigational therapies utilize Kala's proprietary Mesenchymal Stem Cell Secretome (MSC-S) platform. Kala's lead product candidate, KPI-012, is in clinical development for the treatment of persistent corneal epithelial defect (PCED), a rare disease of impaired corneal healing, which has received orphan drug designation from the U.S. Food and Drug Administration. Kala is also targeting the potential development of KPI-012 for the treatment of Partial Limbal Stem Cell Deficiency and ocular manifestations of moderate-to-severe Sjögren's and plans to initiate preclinical studies to evaluate the utility of its MSC-S platform for retinal degenerative diseases, such as Retinitis Pigmentosa and Stargardt Disease. For more information on Kala, please visit www.kalarx.com.

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